

# COMMERCIAL STRATEGY AND BUSINESS OPPORTUNITIES

Generation segment, Corporate Customers and Markets

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EVP, Corporate Customers and Markets

# Fortum's diverse customer offering provides attractive growth opportunities

## PPA'S: POWER PURCHASE AGREEMENTS



## HEDGING SERVICES



## PHYSICAL DELIVERIES & FLEXIBILITY SERVICES



## ENVIRONMENTAL PRODUCTS

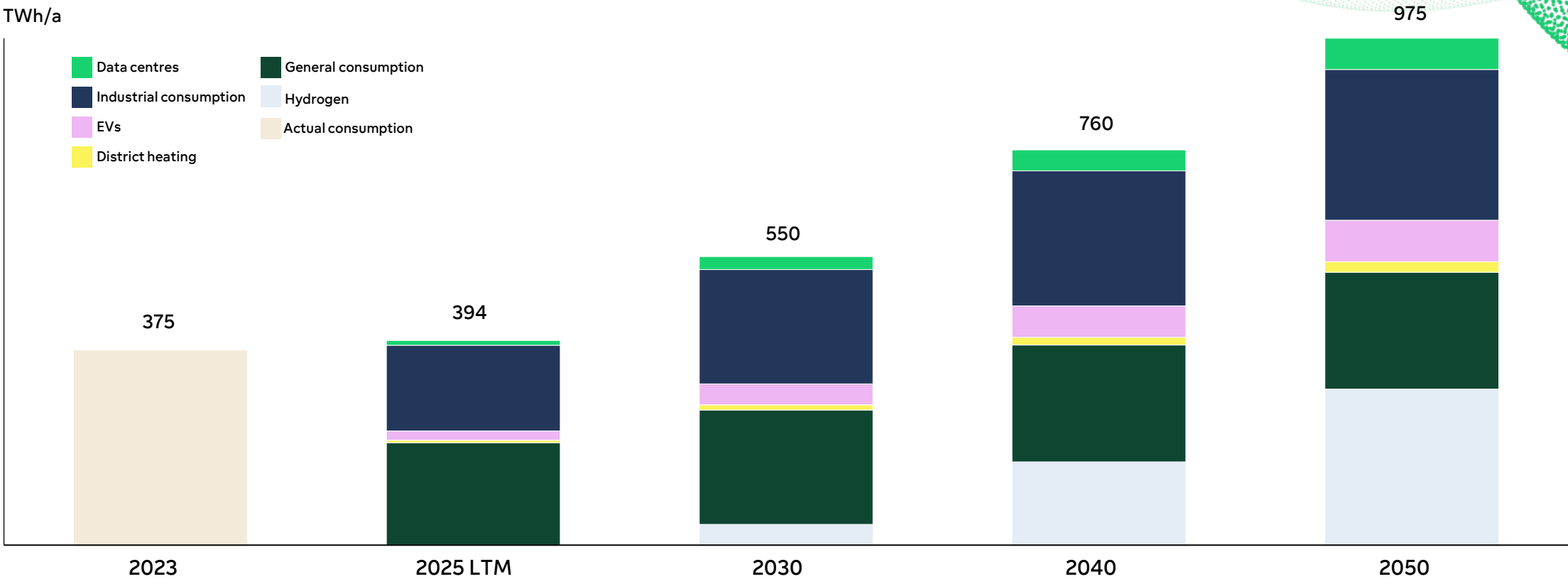


## INDUSTRIAL PROJECT PARTNERSHIPS



# Driven by data centres, Nordic power demand is expected to grow significantly during the coming decade

NORDIC POWER DEMAND





# Data centres show the fastest growth potential, followed by large projects in steel and aluminium



## DATA CENTRES

The strong growth of data centres is driven by digitalisation, especially increasing demand for cloud and AI services



## METALS & STEEL

Large industrial projects are being developed in Finland and Sweden



## TRANSPORTATION

Increasing adoption of electric vehicles in road transport  
Also, public transport and freight electrification accelerating



## DISTRICT HEATING

Flexible electricity-based heat production  
Heat pump-related electricity consumption










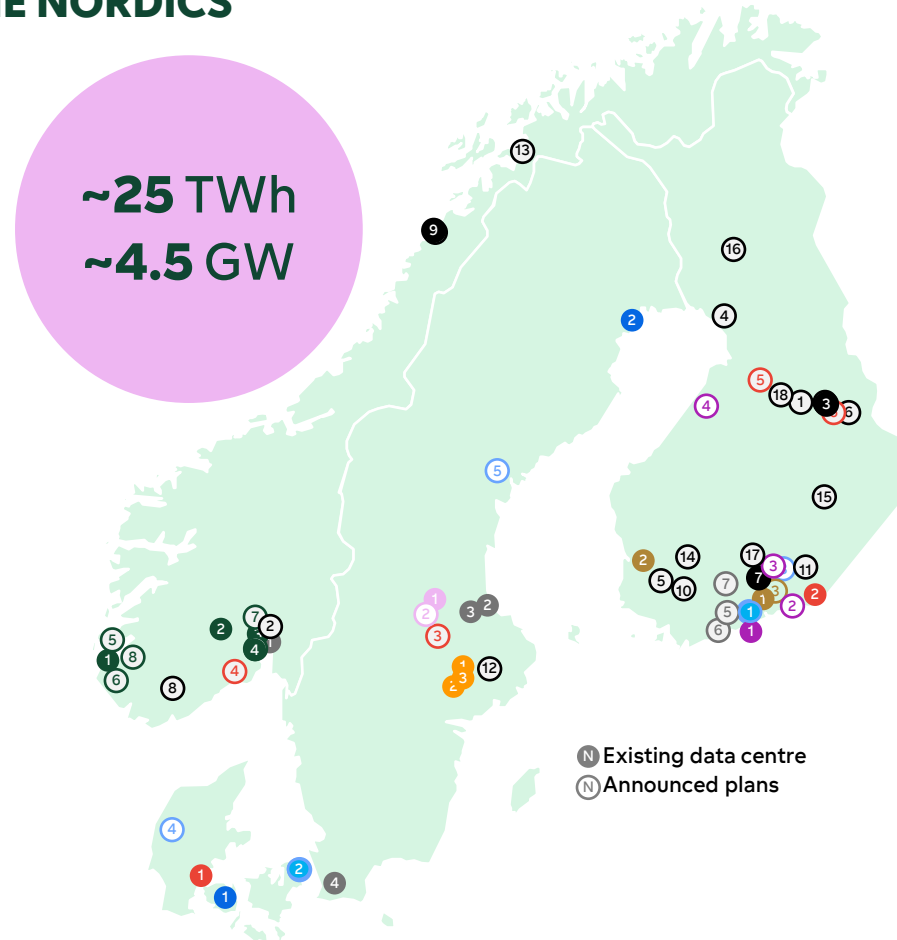
## POWER COMPANIES

The Nordic power retail market is competitive and increasingly consumer-driven

# The Nordics is an attractive region for data centres

## KEY ADVANTAGES OF THE NORDICS

-  Land availability
-  Cold climate
-  Low-carbon & affordable electricity
-  Strong infrastructure
-  Political security
-  Skilled engineers
-  Time-to-market



- 1 Oslo, NO
- 2 Gävle, SE
- 3 Sandviken, SE
- 4 Staffanstorps, SE
- 5 Espoo, FI
- 6 Kirkkonummi, FI
- 7 Vihti, FI

- aws
- 1 Västerås, SE
  - 2 Katrineholm, SE
  - 3 Eskilstuna, SE

- Google
- 1 Fredericia, DK
  - 2 Hamina, FI
  - 3 Horndal, SE
  - 4 Skien, NO
  - 5 Muhos, FI
  - 6 Kajaani, FI

- Meta
- 1 Odense, DK
  - 2 Luleå, SE

- atnorth
- 1 Espoo, FI
  - 2 Ballerup, DK
  - 3 Kouvola, FI
  - 4 Ølgod, DK
  - 5 Sollefteå, SE

- EcoDataCenter
- 1 Falun, SE
  - 2 Borlänge, SE

- VERNE
- 1 Vantaa, FI
  - 2 Pori, FI
  - 3 Mäntsälä, FI

- Others
- 1 XTX Markets, Kajaani, FI
  - 2 Skygard, Oslo, NO
  - 3 Borealis, Kajaani, FI
  - 4 Bilt Tek, Kemi, FI
  - 5 Bitzero, Kokemäki, FI
  - 6 Arcem, Kuhmo, FI
  - 7 Nebius, Mäntsälä, FI
  - 8 Bulk Infrastructure, Vennesla, NO
  - 9 Nscale, Glomfjord, NO
  - 10 Blackstone, Forssa, FI
  - 11 Polarnode, Lappeenranta, FI
  - 12 Brookfield, Strängnäs, SE
  - 13 Stargate, Narvik, NO
  - 14 Polarnode, Nokia, FI
  - 15 Scale42, Varkaus, FI
  - 16 FCDC, Rovaniemi, FI
  - 17 DayOne, Lahti, FI
  - 18 AmpTank, Utajärvi, FI

- Green Mountain
- 1 Rennesøy, NO
  - 2 Rjukan, NO
  - 3 Oslo 1, NO
  - 4 Oslo 2, NO
  - 5 Gismarvik, NO
  - 6 Undheim, NO
  - 7 Hønefoss, NO
  - 8 Jørpeland, NO

- HYPERCO\_
- EDGEEX
- 1 Helsinki, FI
  - 2 Loviisa, FI
  - 3 Kouvola, FI
  - 4 Pyhäjoki, FI

# Fortum is driving power demand through partnerships - from supplying powered land to holistic energy management



Energy partnerships for industrial greenfield projects



Site development for customers with PPAs and energy management solutions

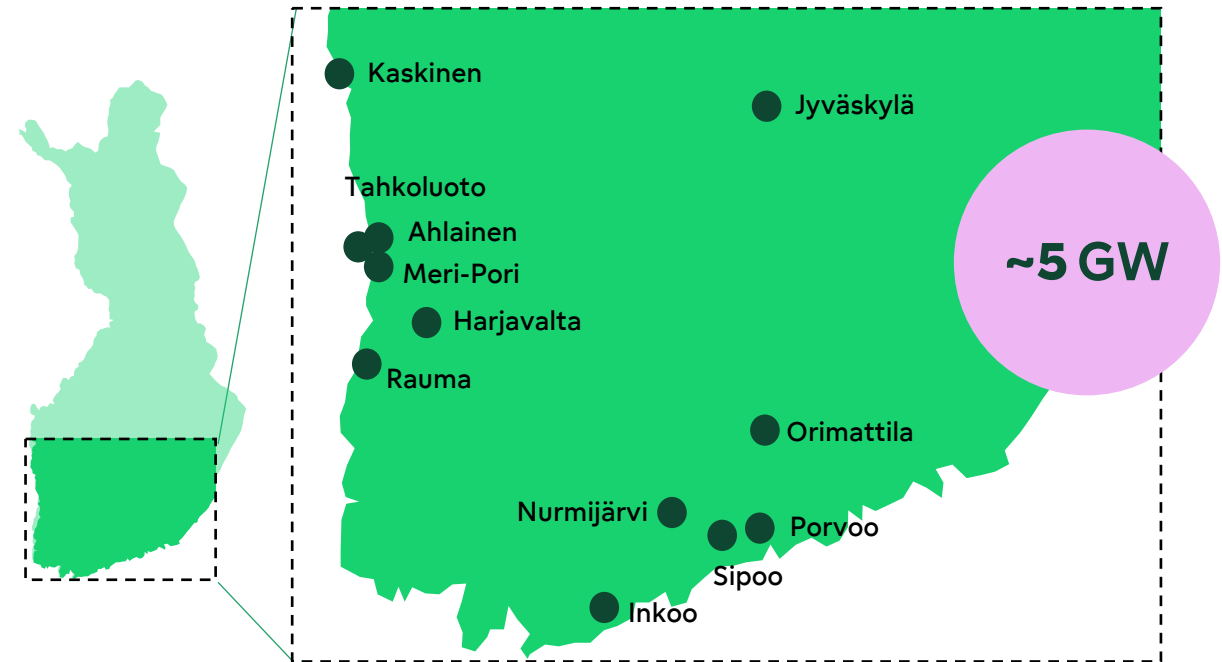


Co-development of advanced PPAs including energy management



Electrification projects with Heat-as-a-Service

## Fortum's industrial sites under development in Southern Finland



# Fortum already has a track record in industrial partnerships

## Microsoft's Finland data centres – largest data centre heat recovery project globally

Microsoft is building three new data centres in southern Finland, in Espoo, Kirkkonummi and Vihti. Microsoft has globally committed to be carbon-negative by 2030.

Fortum started site development for three hyperscale data centres in 2019 and the construction work for heat production on two sites in 2023.

Fortum will recycle waste heat from the DCs and thereby decarbonise its district heating and drive climate targets.

Once the data centre campuses are fully operational, waste heat recovery from the Espoo and Kirkkonummi data centres will cover ~40% of the annual district heating demand of 250,000 users in Espoo, Kirkkonummi and Kauniainen.



## Fortum invests in Arctial as the strategic energy partner

Arctial develops a greenfield primary aluminium plant in Finland, the first one in continental Europe in over 30 years. It could significantly increase the supply of low-carbon aluminium.

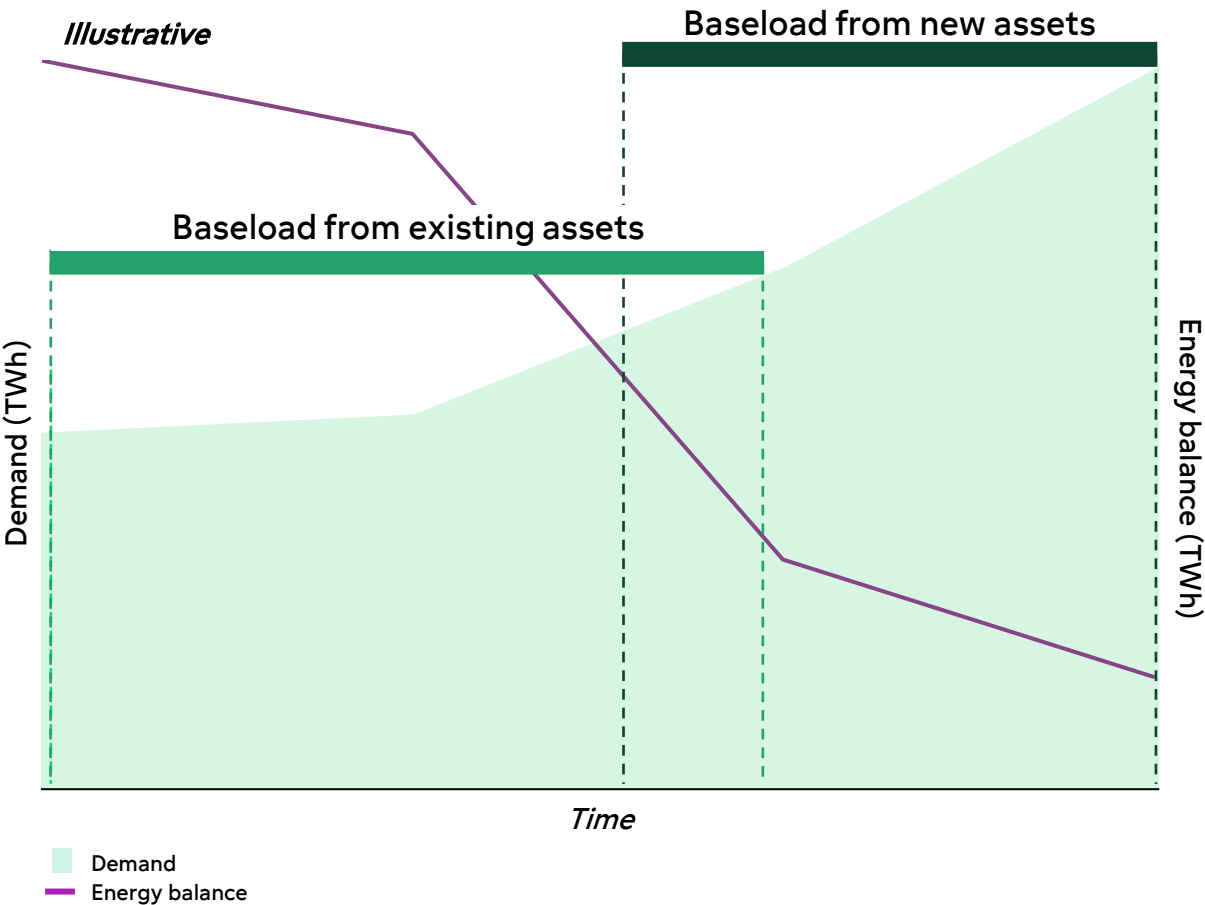
As the strategic energy partner for Arctial, Fortum is involved in a feasibility study to explore opportunities for low-carbon aluminium manufacturing. Other partners in the project include e.g. Rio Tinto.

As the next step, the feasibility study assesses various aspects, including social, technical, environmental, and commercial factors of low-carbon aluminium manufacturing in the area.

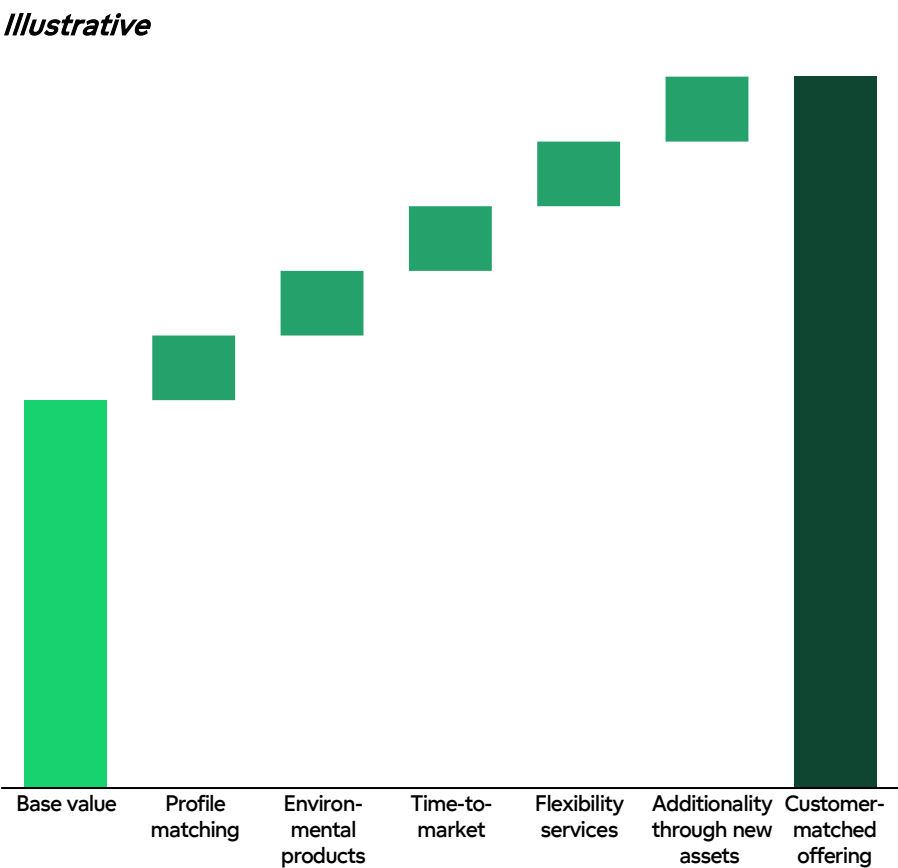


# A tighter market will provide attractive pricing opportunities

With increasing demand, new baseload power is needed.  
A tighter supply/demand balance ...



...provides the opportunity to offer power with various value elements based on customer demand





# Flexible generation fleet provides strong value creation – optimisation premium is a clear competitive advantage

Components of the optimisation premium in Fortum's achieved power price from outright generation:

## 1. Hydropower flexibility

- Hourly/daily/weekly/seasonal optimisation capability
- Ancillary services: rapid intra-day agility in changed situations

## 2. Environmental values

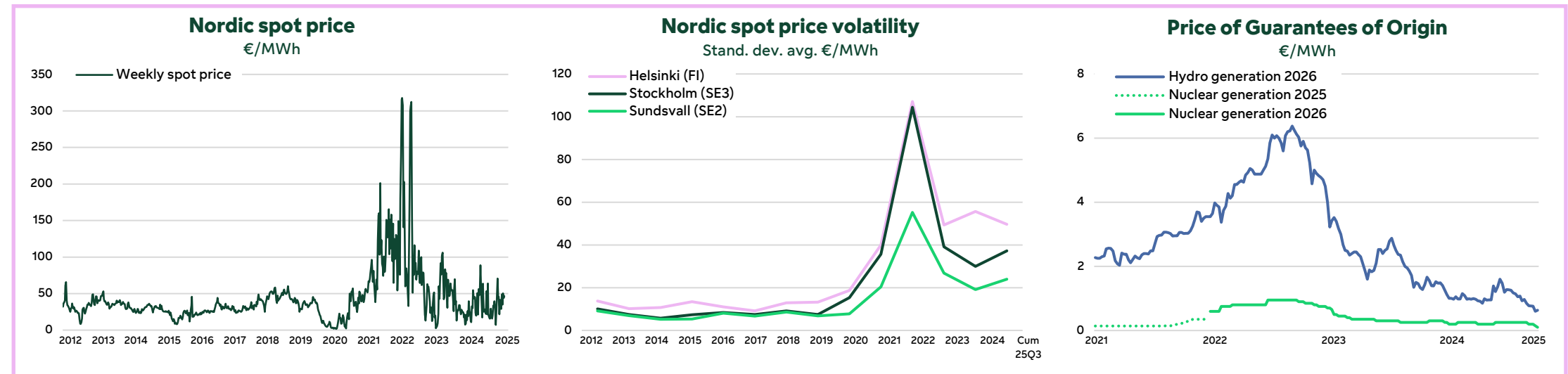
- Guarantees of Origin (Europe) as part of the sold power
- Elcertificates (Sweden)

## OPTIMISATION PREMIUM<sup>\*)</sup>

**10 €/MWh in 2025**

**8–10 €/MWh in 2026**

**6–8 €/MWh 2027–**



<sup>\*)</sup> The premium will depend on the price levels, volumes, overall market conditions, the level of volatility and other market elements etc.

# Fortum's renewables development portfolio to serve future customer needs

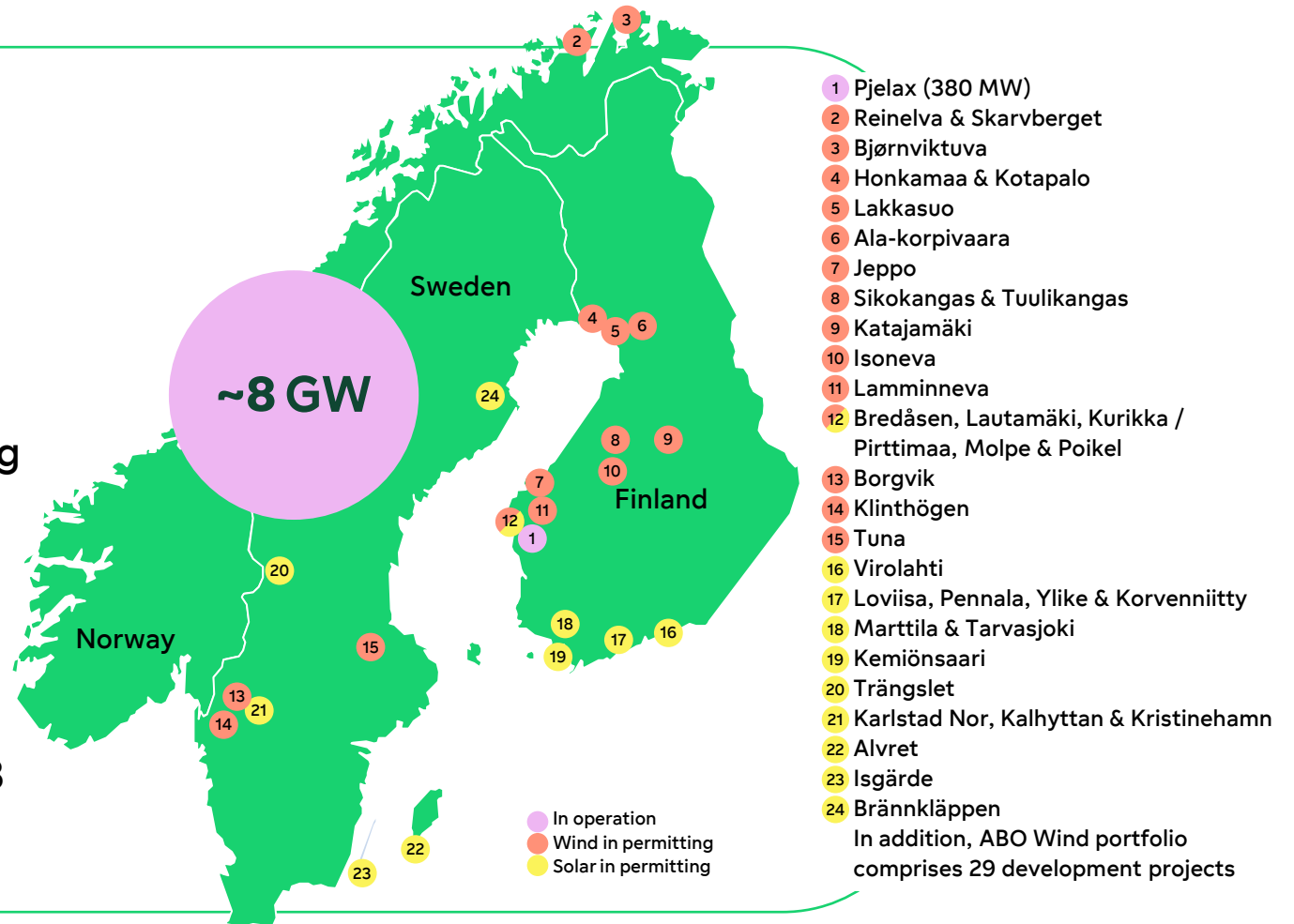
Fortum builds **future optionality** for additional wind and solar by developing a **ready-to-build renewables pipeline**.

Fortum is able to offer customers new **renewables** backed by PPAs and increasingly combined with **flexibility solutions**.

**380 MW**  
in operation

**8 GW**  
In permitting phase

Target:  
**1.2 GW**  
RtB by 2028



# We are creating a significant pipeline of flexible services and assets to drive Nordic electrification

## SERVICES TO CUSTOMERS

Fortum manages the power consumption of consumers and companies with flexible assets to optimise the energy market volatility. Business models include value sharing and service fees, with solutions that match diverse customer needs.



### CONSUMERS

Smart charging and home energy management services to manage energy consumption.



### COMPANIES

Optimisation services of energy usage of customer assets, e.g. batteries, electric boilers, industrial processes.

## FORTUM FLEXIBLE ASSETS

Fortum invests in assets that provide flexibility to the system and/or complement renewables through profile-matching. Fortum's optimised mix of energy production and storages offers competitive solutions to enable electrification.



Electric boilers are a valuable assets to balance demand and capture value.



Co-located batteries, e.g. on wind and solar sites, generate profile synergies.

## 2.5 GW

Target of 2.5 GW ready-to-deploy pipeline of flexible assets by 2028

Pipeline includes flexible customer assets and Fortum owned assets.

# Fortum's commercial strategy meets customer needs and drives decarbonisation through electrification

