Equity story of

FORTUM – For a cleaner world

Investor / Analyst material

November 2020

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This presentation does not constitute an invitation to underwrite, subscribe for, or otherwise acquire or dispose of any Fortum shares.

Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

Any references to the future represent the management's current best understanding. However the final outcome may differ from them.

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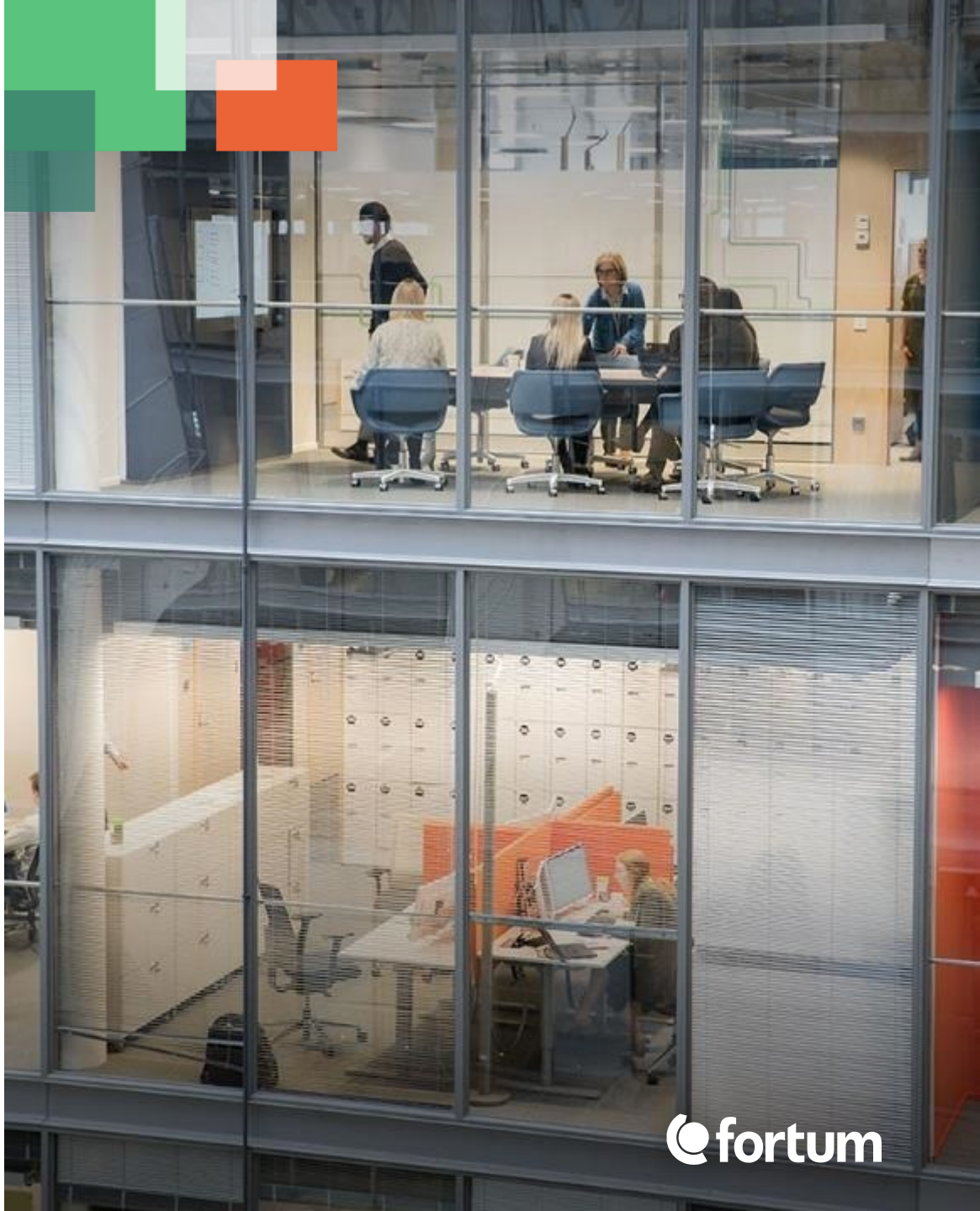


Good position to drive CO_2-free power generation in Europe

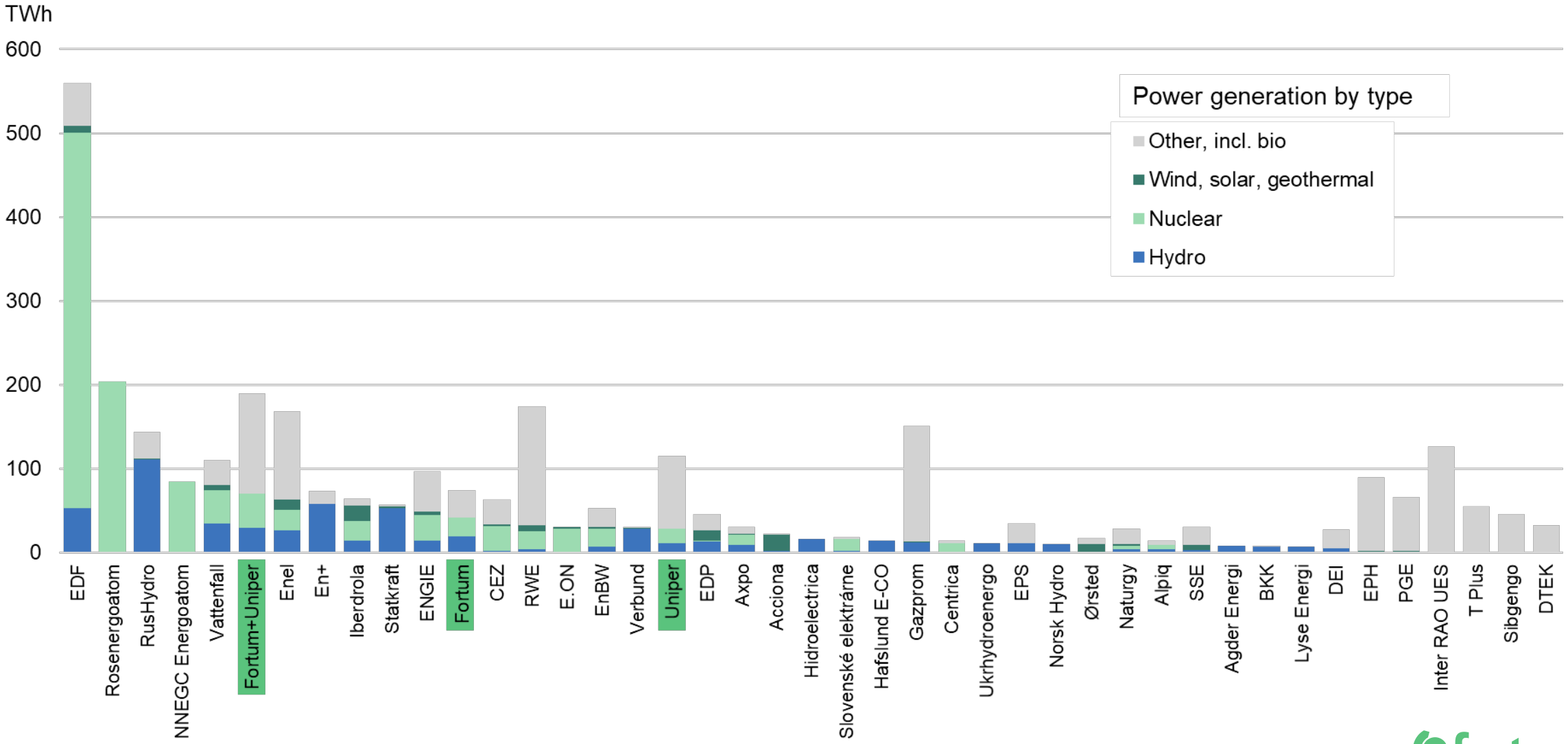
~60%
Increase in Fortum's CO_2-free power generation

3rd largest
CO_2-free generator in Europe

2nd largest
nuclear generator in Europe

66%
of our electricity production in Europe was CO_2-free in 2019

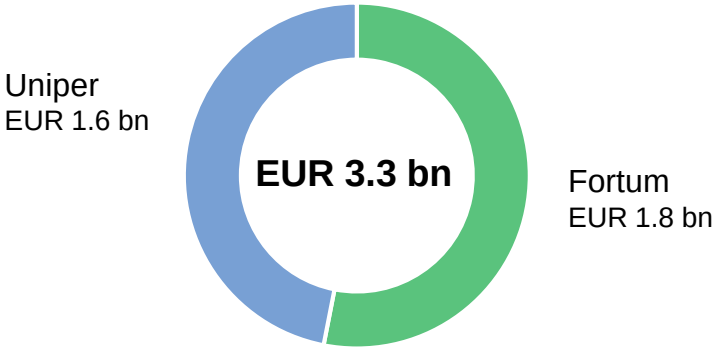
Consolidated Fortum is the third largest CO_2-free generator in Europe



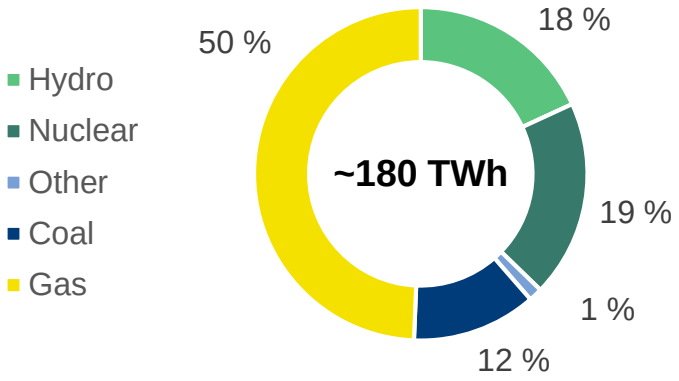
Source: Company information, Fortum analyses, 2018 figures pro forma.
EPH incl. LEAG

Fortum to grow and lead European energy transition

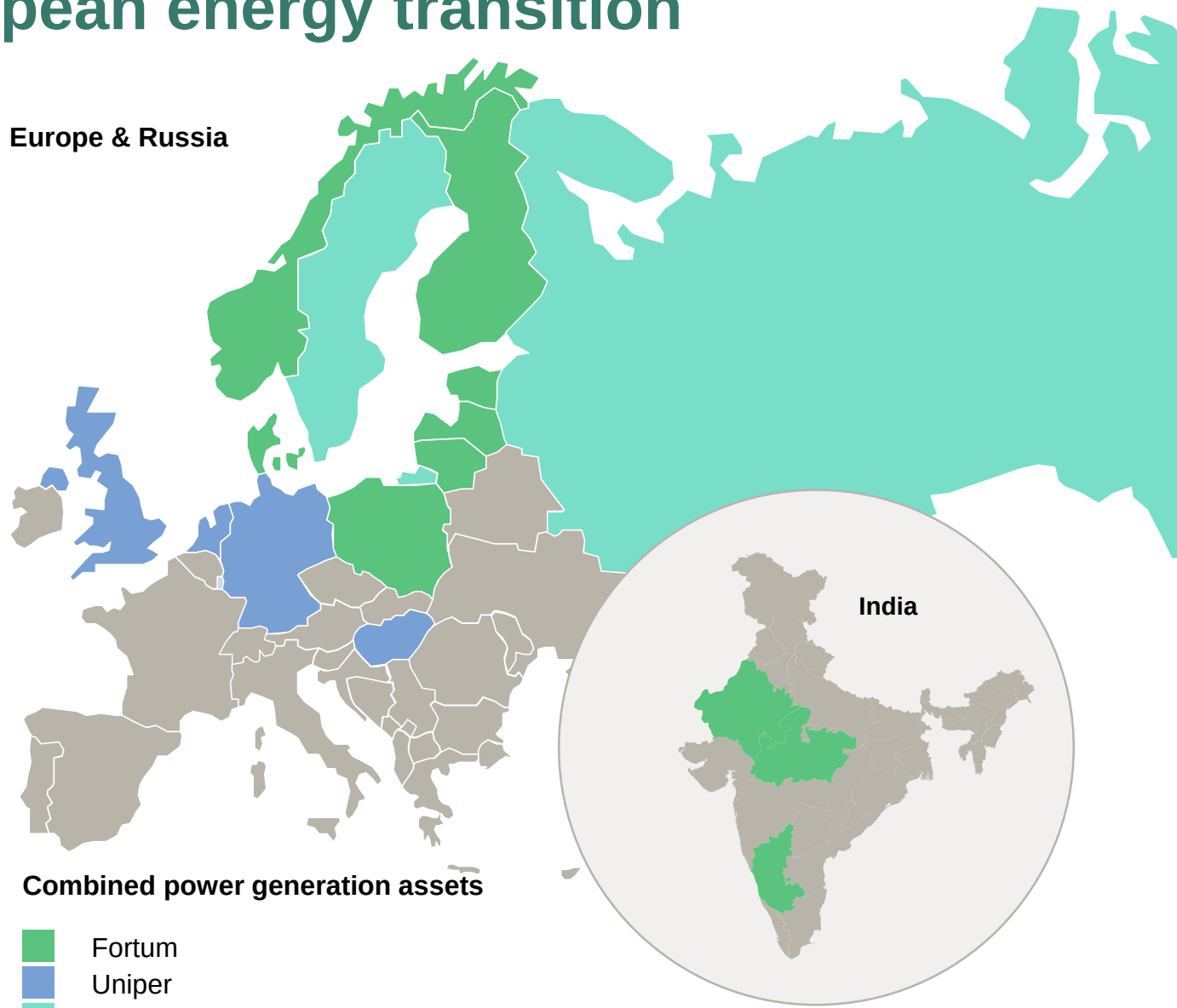
2019 combined comparable EBITDA[1,2]



Combined power generation (2019)[2]



Europe & Russia



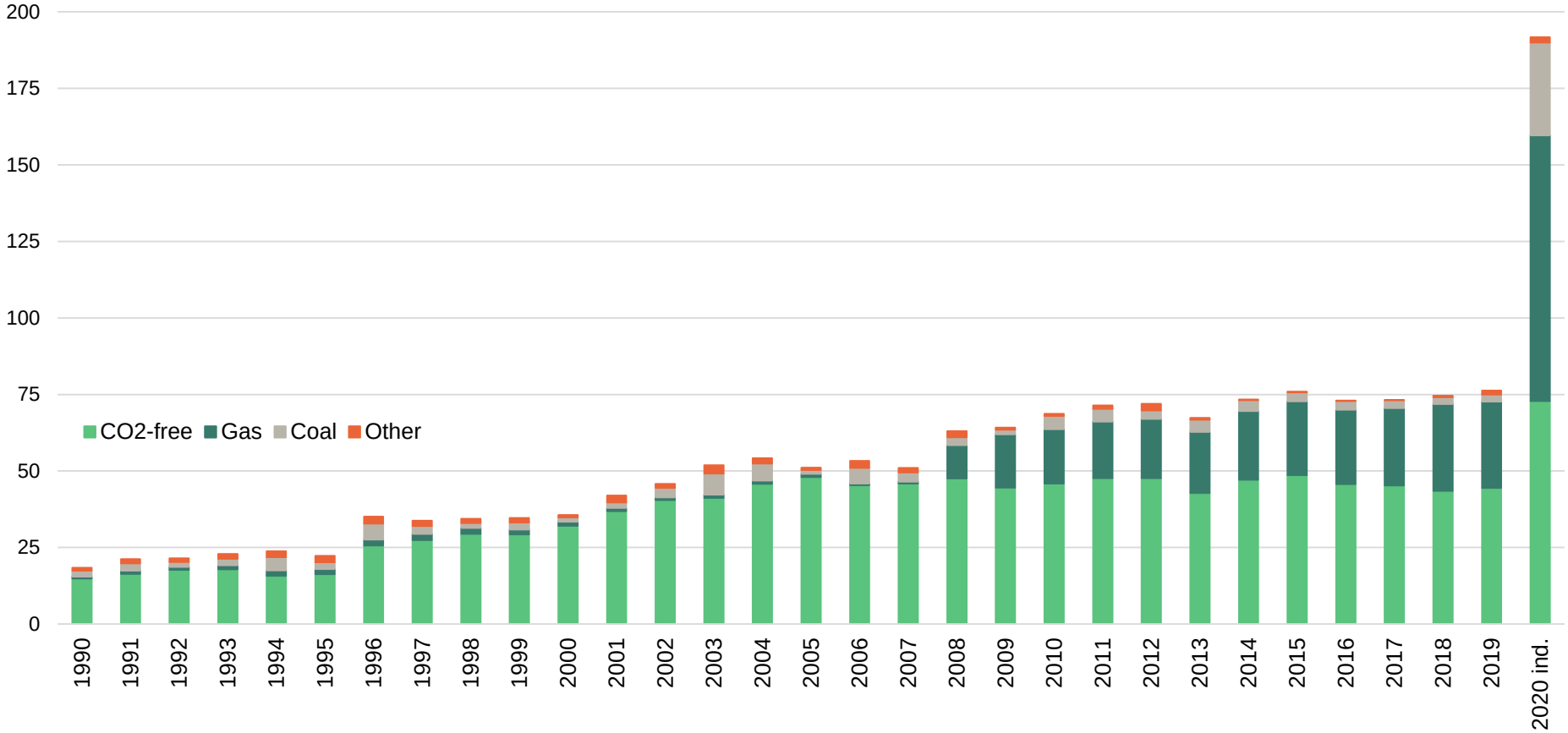
Combined power generation assets

- Fortum
- Uniper
- Both Fortum and Uniper

1) Comparable EBITDA is based on the Fortum's Comparable EBITDA and Uniper's Adjusted EBITDA as defined in Fortum's and Uniper's financial statements. No impacts from the assumed transaction has been included.
2) Based on 2019 reported generation volumes (accounting view in Uniper). Not consolidated in 2019.

Fortum's CO_2-free power generation increases by ~60% as Uniper is consolidated as a subsidiary

Fortum's power generation, TWh



Fortum and Uniper consolidated*:

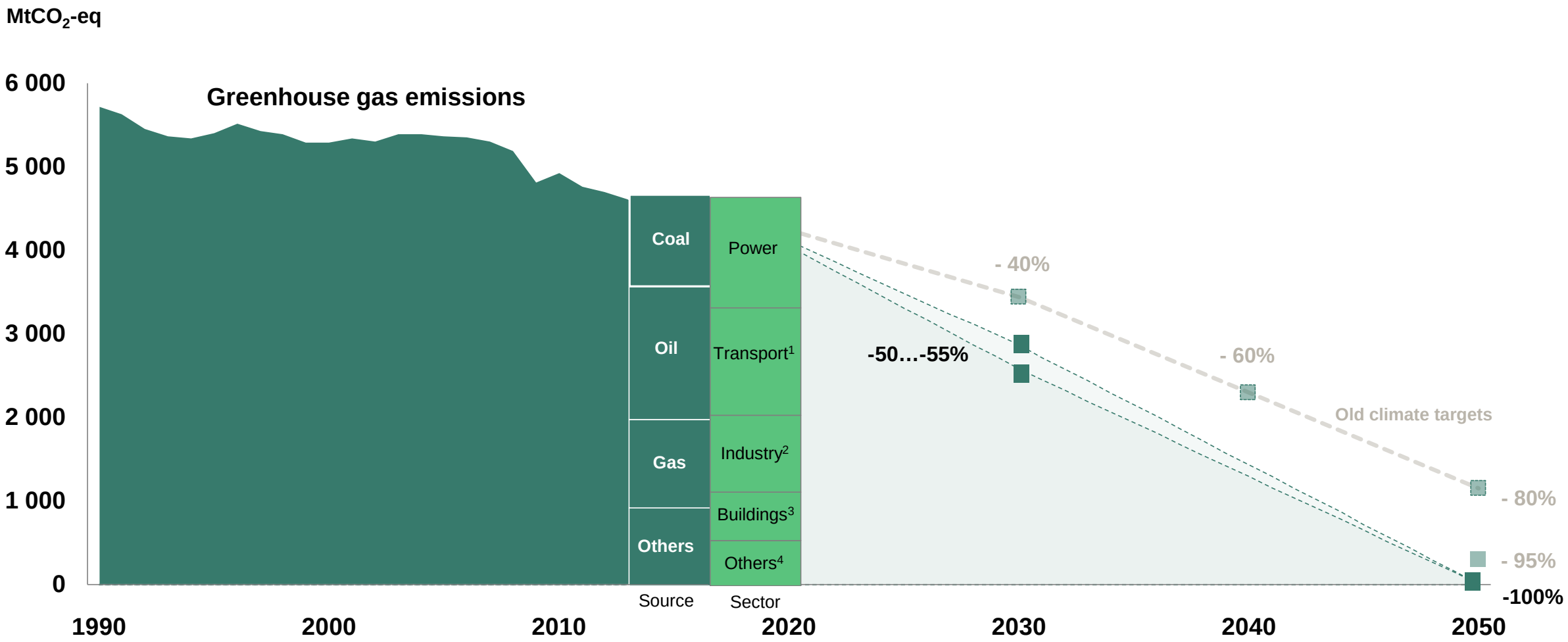
- CO_2-free generation +60%
- Gas-fired power generation triples
- Share of coal-fired generation ~12%
- Share of coal of sales revenue ~1%

* based on 2019 reported figures

INDICATIVE GENERATION FOR 2020, NOT OFFICIAL GUIDANCE.

Note: Fortum actuals 1990-2019 excluding associated company Stockholm Exergi. 2020 indicative figures adjusted for Nordic wind and Joensuu CHP assets sold in 2020. Uniper's disclosed 2018 numbers used for indicative consolidation 2020 with the following corrections/assumptions: normal hydrological year, accounting view adjusted to pro forma, French coal assets sold, Datteln 4 approximately 2.2 TWh in 2020, no net increase in generation from Beresovskaya 3, coal-to-gas switch 2 TWh, Ringhals 2 closed on 31 Dec 2019.

Europe needs to eliminate CO_2 emissions to reach climate goals – this requires actions from all sectors



Sources: EEA, IEA, Fortum

[1] including international aviation and marine

[2] iron & steel and chemicals are among the biggest contributors

[3] residential and commercial heating & cooling

[4] non-energy related emissions: industrial processes and product use, waste management, agriculture, fugitive emissions

Volatility and uncertainty in the European power market increases the value of flexible assets

- Intermittent renewables
- Nuclear and coal closures
- Increasing role of gas
- Supply-demand balance
- Increased interconnection between Nordics and Continent
- Commodity and CO_2 prices
- Weather conditions

Volatility and uncertainty

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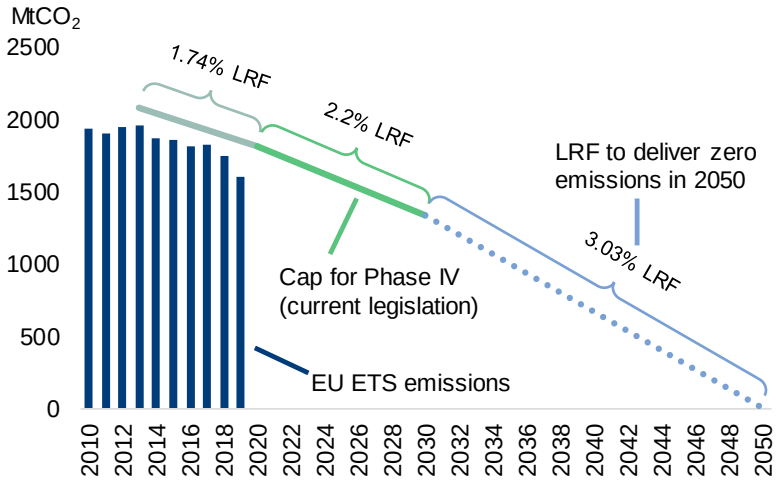
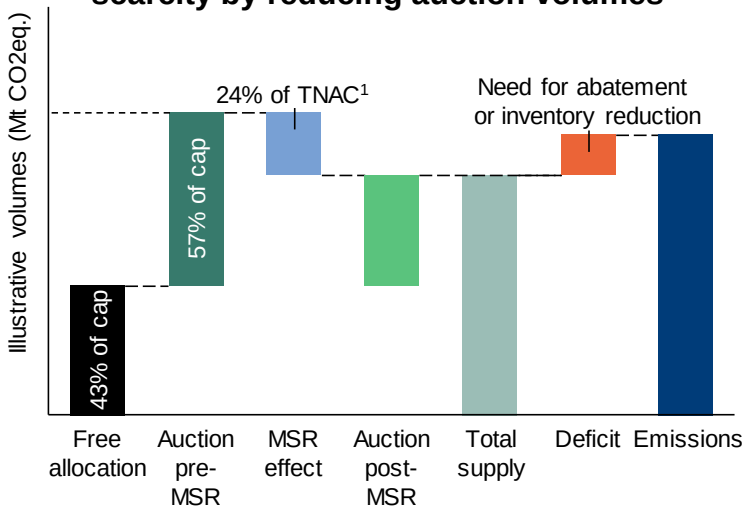
Phase IV of EU ETS starts in 2021 amid expectations for significant revisions due to new EU 2030 emissions target

Linear reduction factor (LRF) tightens the market



- Linear reduction factor (LRF) reduces the annual supply of allowances (cap) every year. It is set at
  - 1.74% for 2013–2020 (= 38 $MtCO_2$/year)
  - **2.2% for 2021–2030** (= 48 $MtCO_2$/year)
- Under current legislation, ETS emissions are set to decrease by 43% by 2030 vs. 2005
- EU Commission has proposed to increase the **2030 total emissions reduction target to at least 55%**, which would **require revisions to the LRF and possibly a one-time cap reduction**
- ETS might also be **expanded to cover new sectors**, such as shipping and transport
- Legislation work is ongoing, and revisions could take effect somewhere around 2024

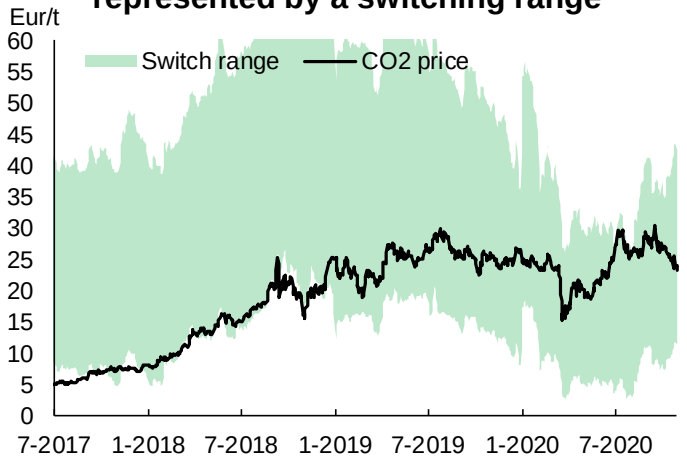
Market stability reserve (MSR) restores scarcity by reducing auction volumes



- MSR deducts yearly auction volumes by 24% of the TNAC[1] if TNAC > 833 Mt, and places the volumes into the reserve
  - From 2024, MSR intake rate is set to decrease from 24% to 12% reducing its effect
- If TNAC < 400 Mt, 100 Mt allowances are released from the reserve
- **In 2019, MSR reduced auction volumes by 397 Mt**
- As from 2023, allowances in MSR exceeding the previous year's auction volumes will be cancelled
- **An MSR review is scheduled for 2021,** leaving open the possibility to continue with 24% intake rate after 2024 and/or tighten the TNAC thresholds

[1] TNAC = total number of allowances in circulation = cumulative supply – (cumulative demand + allowances in the MSR). According to the latest publication May 8, 2020 the TNAC corresponds to 1385 million allowances.

Abatement from coal-to-gas switching depends on coal and gas prices, together represented by a switching range

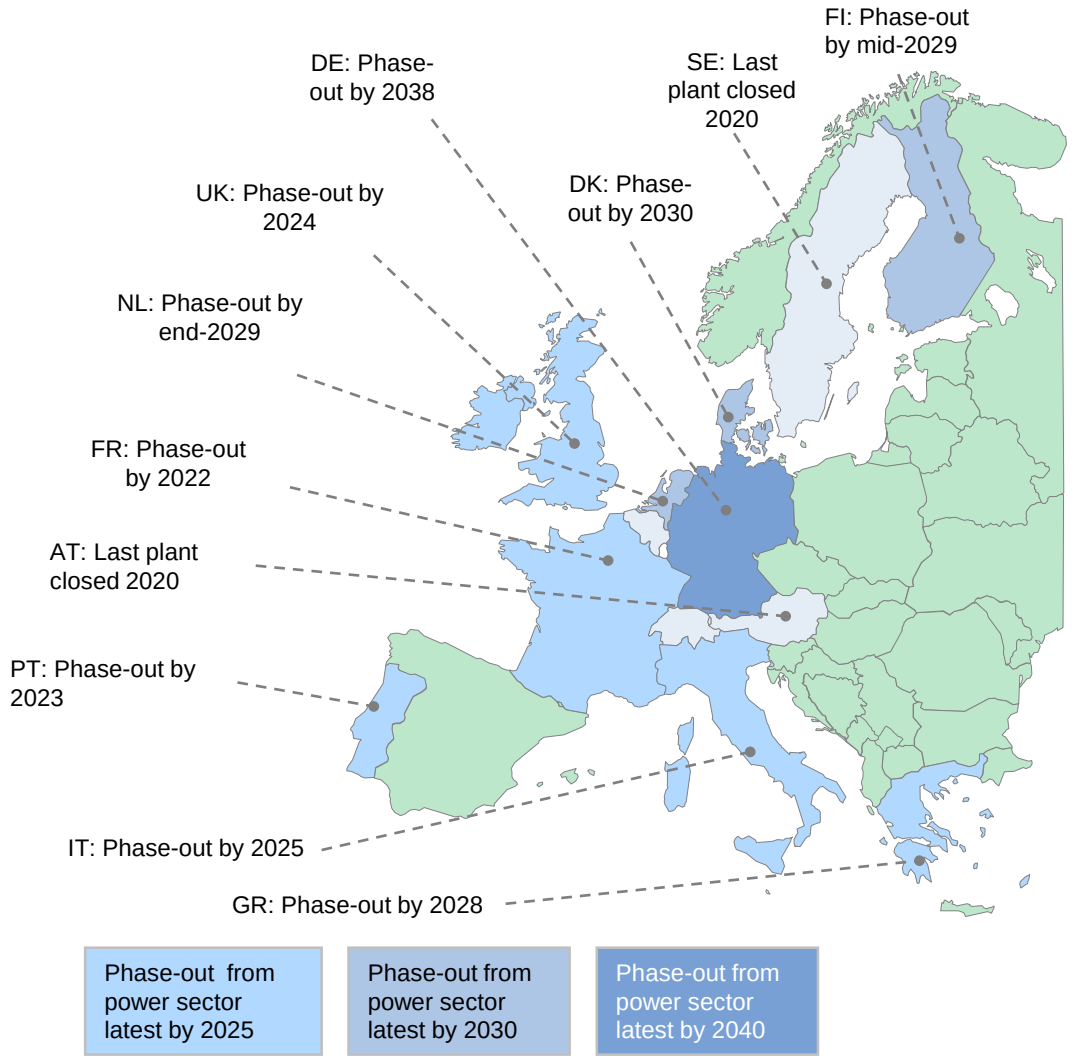


- CO_2 price is now 3–4 times higher than in Nov-2017, when the final EU ETS rules were decided, including the intake rate of the MSR
- Market tightness forces the market to find ways to reduce emissions, including by coal-to-gas switching. Thus, the relative coal/gas price forms an important price anchor for CO_2
- In addition to ETS revision, other political developments, like Brexit and national coal phase-out policies, continue to play a role in CO_2 prices

Efficiency assumptions in switching range; at low-end: gas 52% and coal 34%; at high-end: gas 45% and coal 42%. O&M cost assumptions apply.

Western European countries exiting coal during this decade

- Sweden and Austria closed their last coal plants during 2020
- France is committed to phase out coal by 2022
- Portugal has 2023 as national exit goal, but operators aim for full closure already in 2021
- UK targets full exit in 2024 by restricting coal plants' access to market
- Italy and Ireland have both announced phase-out by 2025
- Greece has stated 2028 as year for full phase-out
- Netherlands and Finland have 2029 as regulated phase-out year, Denmark is committed to 2030
- Germany to phase out coal by end-2038 latest, possibly already 2035
- Significant coal countries without explicit exit date include e.g. Spain, Czechia and Poland
  - In Spain, significant number of coal plants have recently already closed, and operators are underway to close down even the rest by mid-2020s
  - In Czechia, a multi-stakeholder commission to propose timing for phase-out during 2020
  - Poland expects share of coal in the power mix to decline and targets lower-carbon generation in newbuilds, but no timeline for phase-out of coal exists



Portfolio well positioned for energy transition – overall combined share of coal based activities is moderate

Coal share from generation and from sales
(calculated from disclosed numbers assumptions below)

	Fortum 2019	Uniper 2019	Combined
Sales, MEUR	5,447	65,804	71,251(1)
Coal and lignite generation based sales, MEUR	217	810	1,027(1)
Share of coal based sales	**4%**	**1%**	**1%**
Generation (power and heat), TWh	103	104	207
Coal and lignite based, TWh	7	20	27
Share of coal based power generation	**7%**	**19%**	**13%**

Note: Fortum sales data includes also heat production, Uniper sales data only power generation. For Fortum avg. coal based power sales price assumption 38 €/MWh and for heat 28 €/MWh; for Uniper avg. coal based sales price assumption 41 €/MWh.

1. Combined sales is presented for illustrative purposes only and do not include possible impacts from aligning differences in accounting principles, effects from co-owned power companies or eliminations of sales between the Groups.

Source: Fortum Sustainability report 2019, page 17 and Fortum Financials 2019, page 3 and Fortum Q4 2019 additional quarterly tables. Uniper Annual Report 2019, pages 2, 110 and 132

Fortum is a forerunner in sustainability

We engage our customers and society to drive the change towards a cleaner world. Our role is to accelerate this change by reshaping the energy system, improving resource efficiency, and providing smart solutions. This way we deliver excellent shareholder value.

Increasing CO_2-free power generation

Annual CO_2-free power generation will increase appr. 60% from ~45 TWh to ~70 TWh when consolidating Uniper

Among the lowest specific emissions

96% of power generation in the EU and 59% of total power generation was CO_2-free in 2019. Fortum's specific emissions from power generation in Europe were 27 gCO_2/kWh in 2019, total 183 gCO_2/kWh.

Growing in solar and wind

Targeting a multi-gigawatt wind and solar portfolio, which is subject to the capital recycling business model

Fortum is listed in several sustainability indices and ratings:

CDP DISCLOSURE INSIGHT ACTION

EURONEXT vigeo eiris INDICES EUROPE 120

Member 2019/2020 STOXX ESG LEADERS INDICES

EURONEXT vigeo eiris INDICES EUROZONE 120

FTSE4Good

ECPI Sense in sustainability

EQUILEAP TOP 100 2019 — MAKING PROGRESS TOWARDS GENDER EQUALITY

Corporate ESG Performance Prime RATED BY ISS ESG

MSCI ESG RATINGS BBB

CCC | B | BB | BBB | A | AA | AAA

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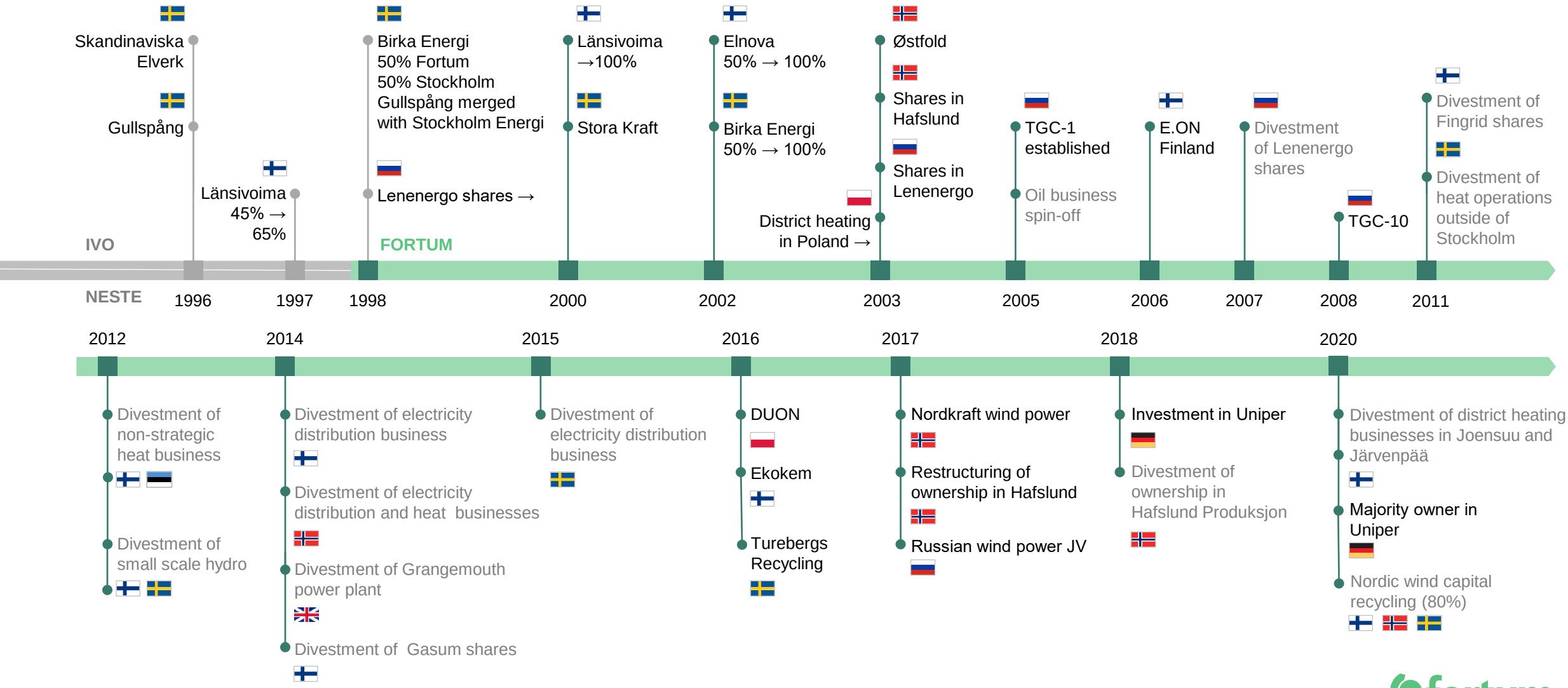
Fortum's evolution and historical strategic route



Interim Report January-September 2020

Fortum Corporation

17 November 2020

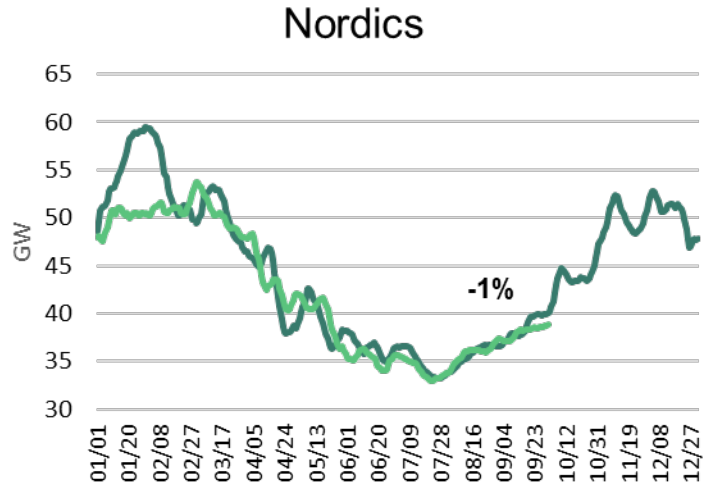
Seasonally weak Uniper quarter burdened Fortum's results – Generation segment stable on good hedges

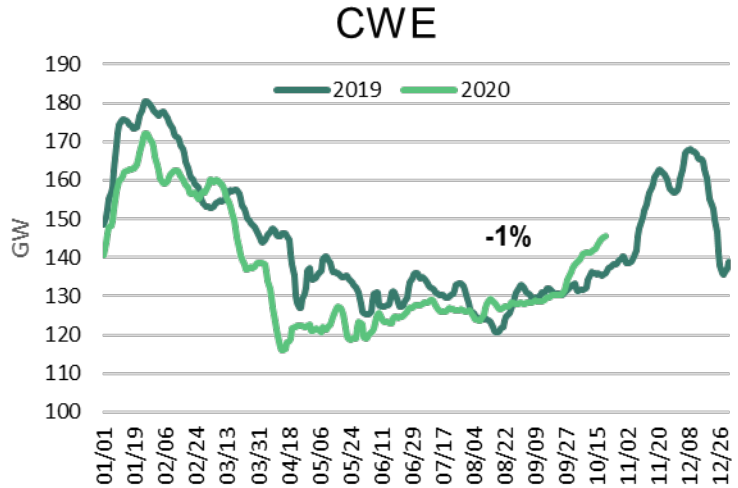
- Stable power and heat consumption in the Nordics
  - Nordic spot price down 74%
  - Generation segment achieved power price up 4%
  - Wet hydrology continued in Q3
- Comparable EBITDA at EUR 132 (295) million
- Comparable operating profit at EUR -176 (153) million
  - Uniper segment CompOp EUR -307 million
- Fortum's share of profits from associates of EUR 23 (106) million
- EPS at EUR 0.23 (0.20)
  - Items affecting comparability EUR 0.33 (-0.02) mainly related to the divestment Järvenpää district heating

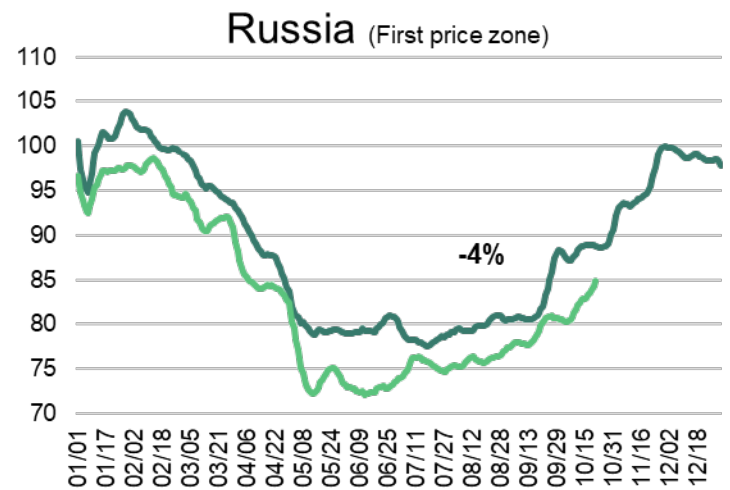
- Last twelve months:
  - Net profit of EUR 1,828 million, EPS at EUR 2.03

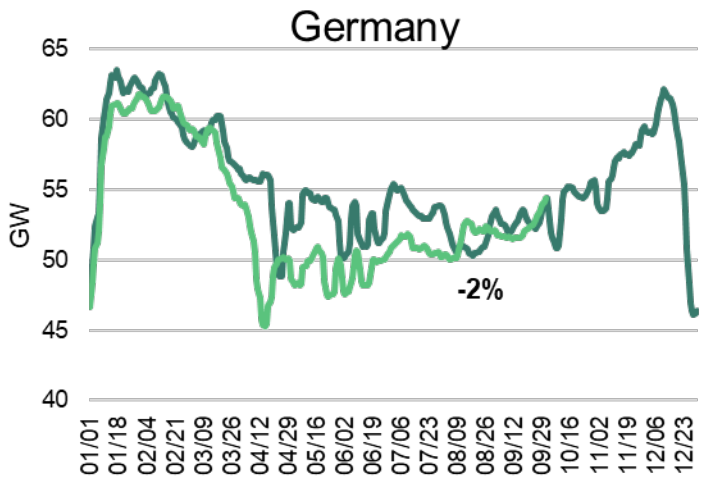
Power demand has recovered close to 2019 level in most areas

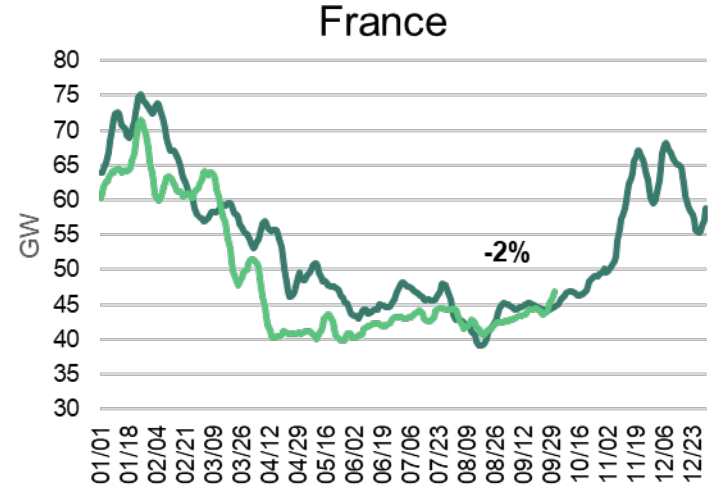
Change in percentages from Q3 2019 to Q3 2020 (%)

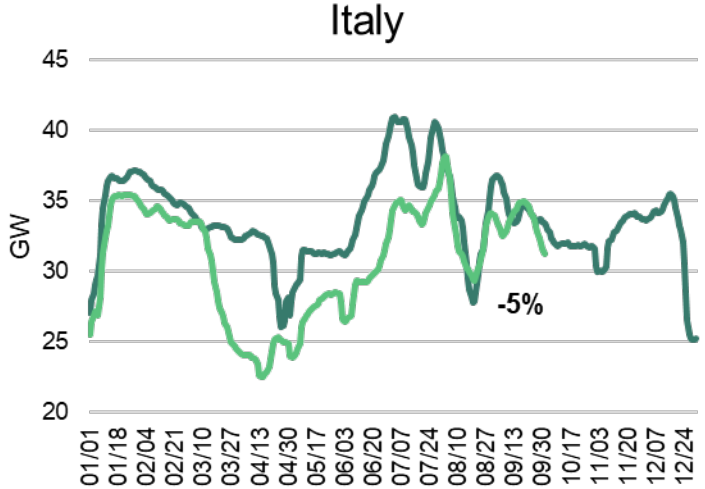






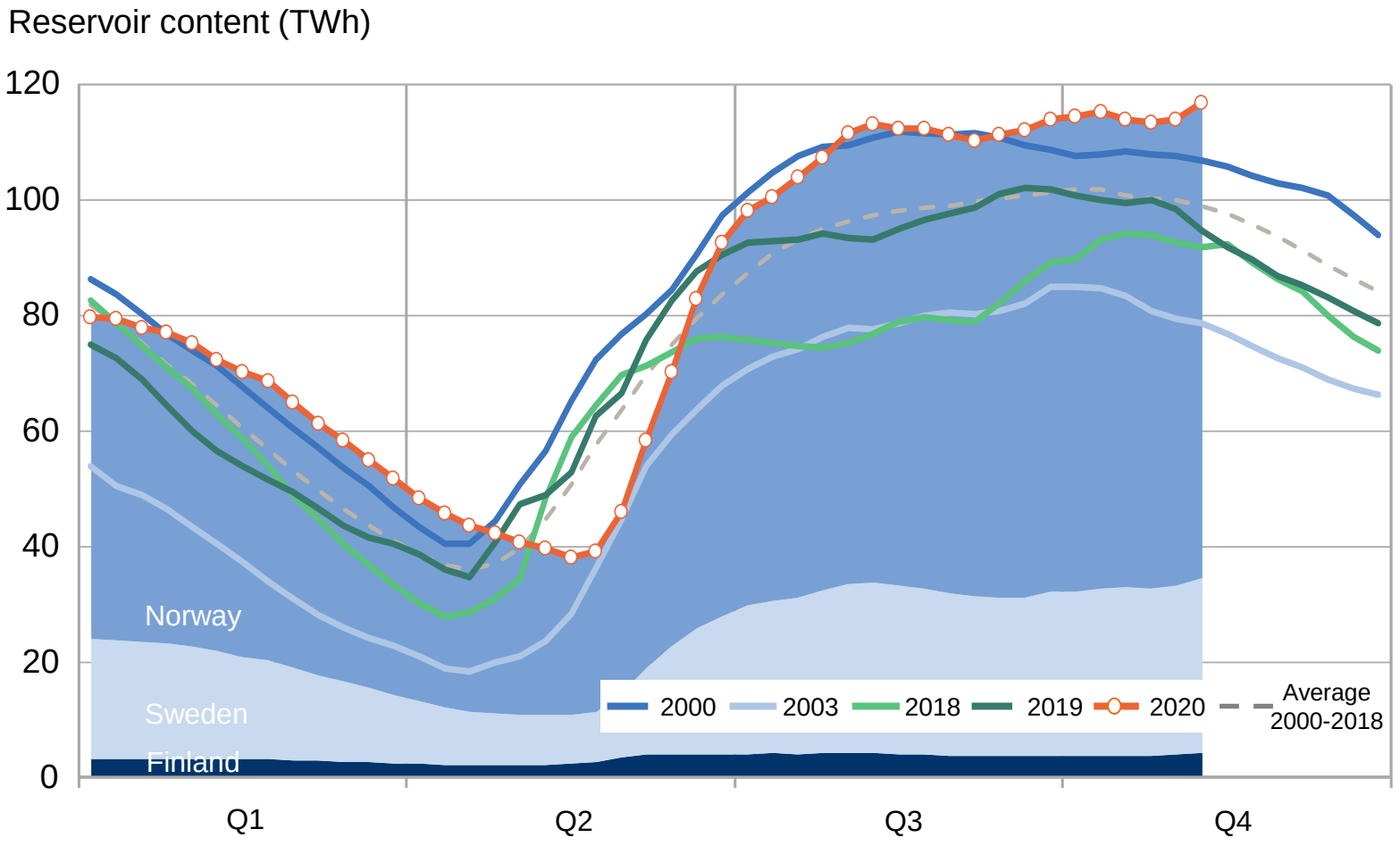






Source: ENTSO-E and ATS (Russia) hourly reported power demand, 7 day moving avg
CWE = Central Western Europe (Germany, France, Netherlands, Belgium, Austria, Switzerland)
Percentage change in Q3 2020 compared to Q3 2019

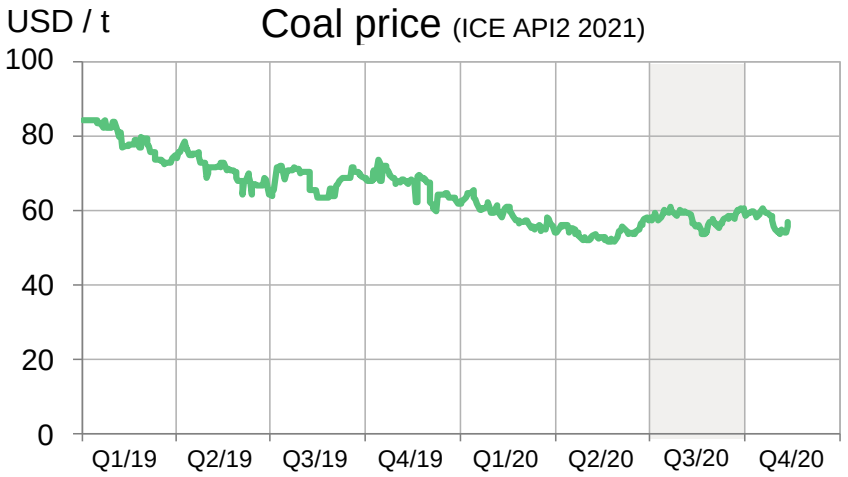
Nordic hydro reservoirs at exceptionally high levels in Q3



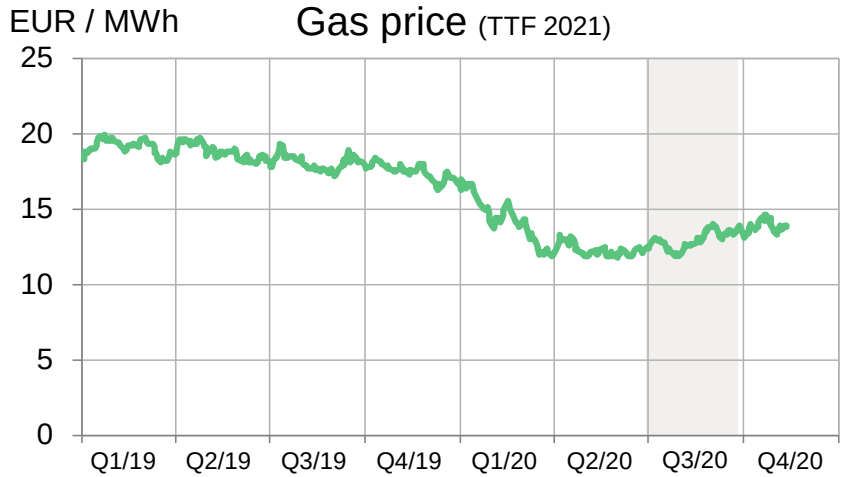
- Rainy and mild winter led to a rapid fill-up of the Nordic water reservoirs in Q1.
- Spring was cold, inflow period was very late, and melting significantly delayed
- Nordic water reservoirs at the end of Q3 were 13 TWh above long term average.
- Rainy start for Q4 2020

Source: Nord Pool, 2020 by country

Coal and gas sustained recovery trajectories in Q3



- Weakness in coal prices is persistent this year. Coal demand is negatively affected by lower general energy demand associated with Covid-19 as well as competition from cheaper gas and renewables.
- During Q3, API2 2021 sustained the price recovery trend, closing around 60 USD/t at the end of Q3.



- Global gas markets started 2020 on expectation of lower prices due to ample LNG supply, while mild winter and Covid-19 further slowed down demand.
- European gas prices benefitted from improved supply-demand balance, storage capacity proving sufficient during injection season, and support from the US and Asian regional gas benchmarks.

Source: Bloomberg

12 November 2020

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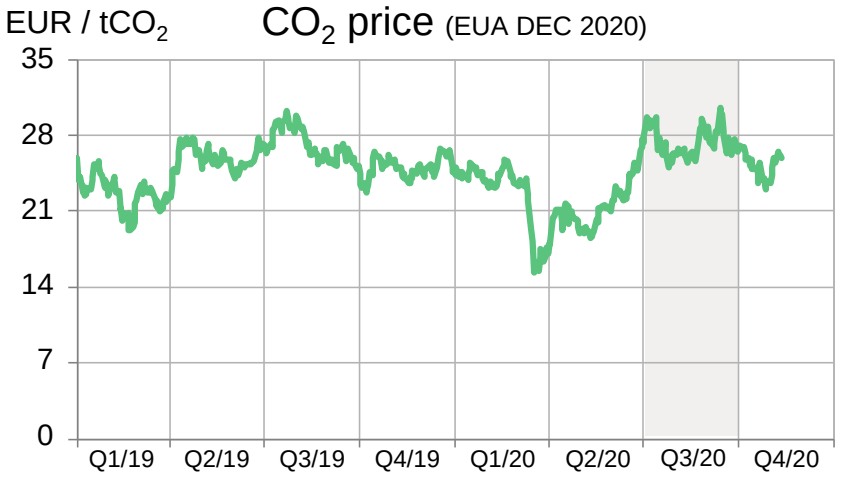
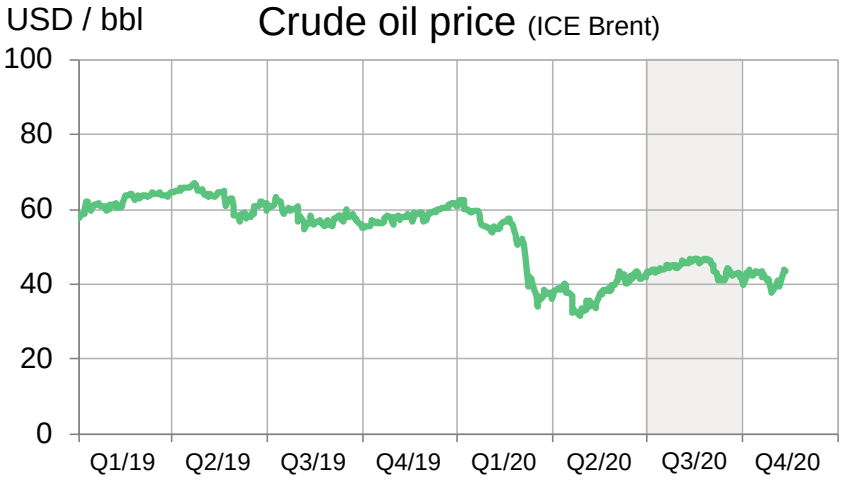
CO_2 price gained in Q3 despite high volatility



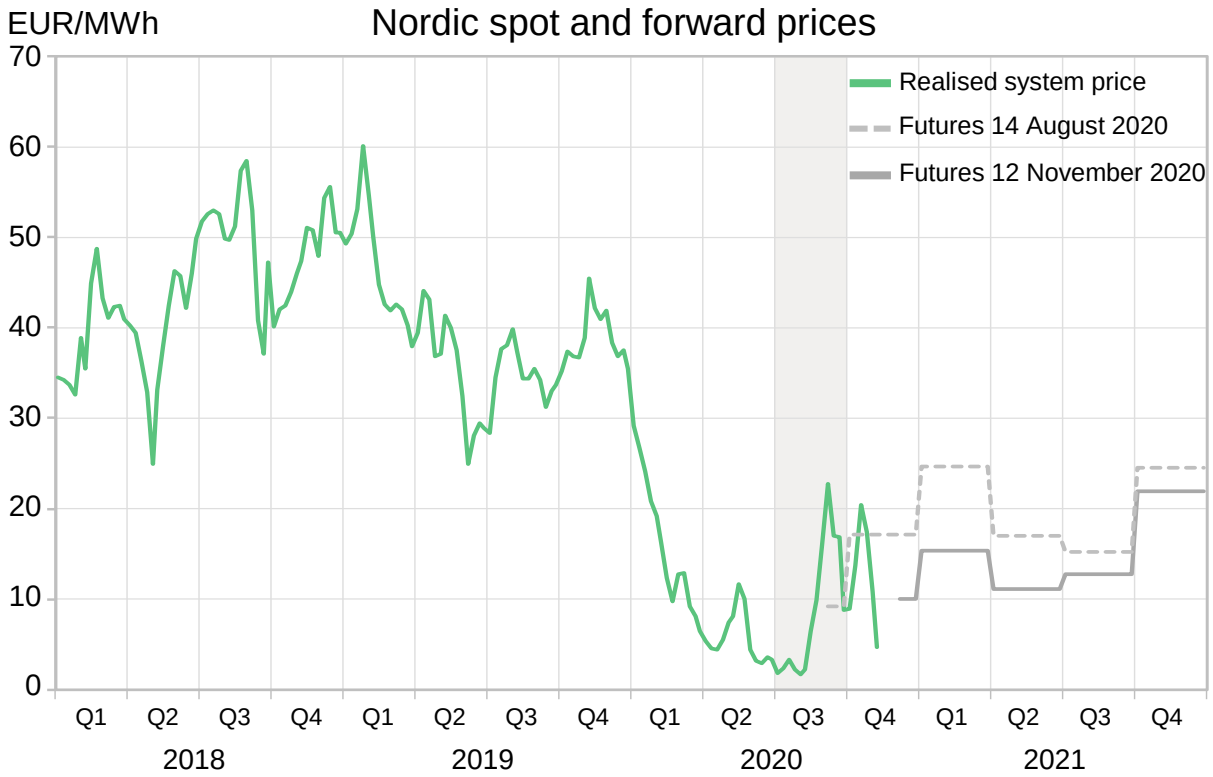


- CO_2 price recovered and averaged 27.4 EUR/t in Q3 hitting a historical high of 30.5 EUR/t on positive sentiment around the new 55% 2030 emissions reduction target proposed by the EU Commission.
- Support for carbon prices comes from the prospect of economic recovery and tightened 2030 climate target. At the same time, the price is pushed down by below average EUA auction cover ratios and low gas prices.

- In Q3 Oil prices found support in curtailed supply and increased summer demand, but demand resilience concerns combined with growing supply from OPEC+ and other producers put pressure on prices.

Source: Bloomberg

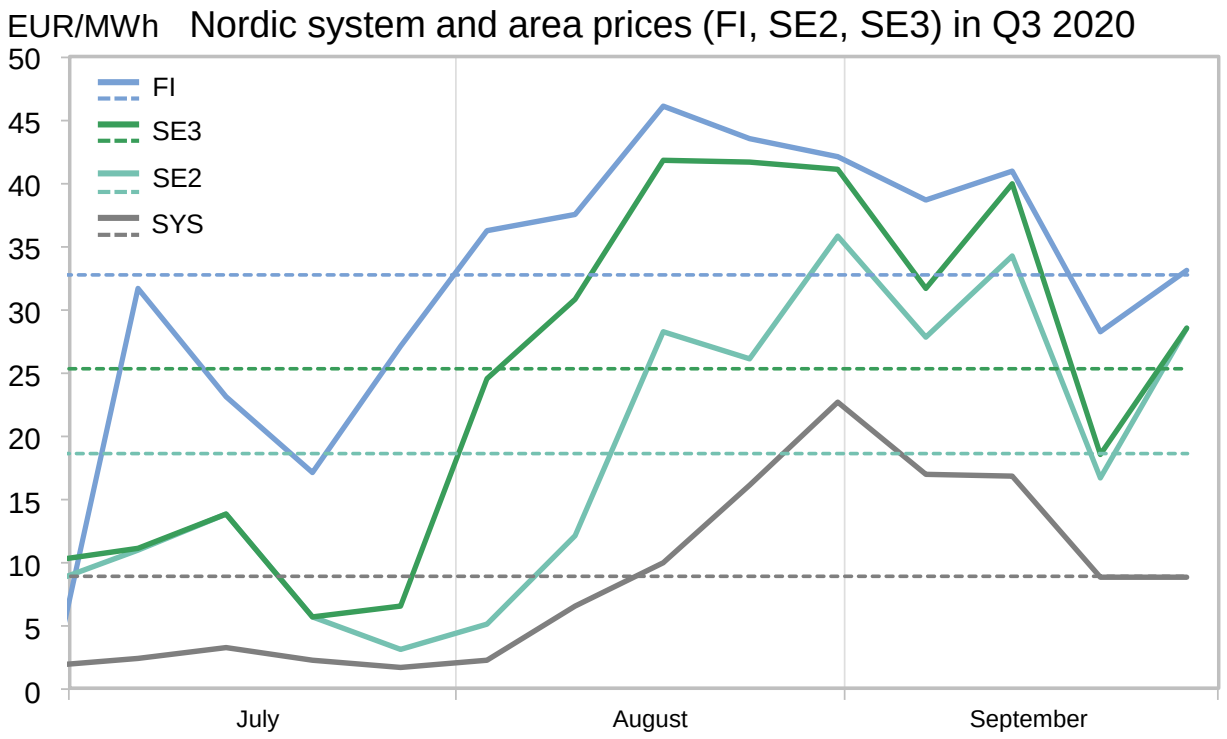
High water reservoirs kept the Nordic system price low during Q3



Source: Nord Pool, Nasdaq Commodities

- During Q3, the average Nord Pool system spot price was exceptionally low at 8.9 EUR/MWh (34.7)
- Sharp decline during Q1 and Q2 2020 was caused by an exceptionally rainy and mild winter. The development was further amplified by low spot prices in Continental Europe, driven especially by declining gas prices.
- High water reservoirs have kept the Nordic system price low during Q3.

Nordic system and area prices highly decoupled in Q3 2020



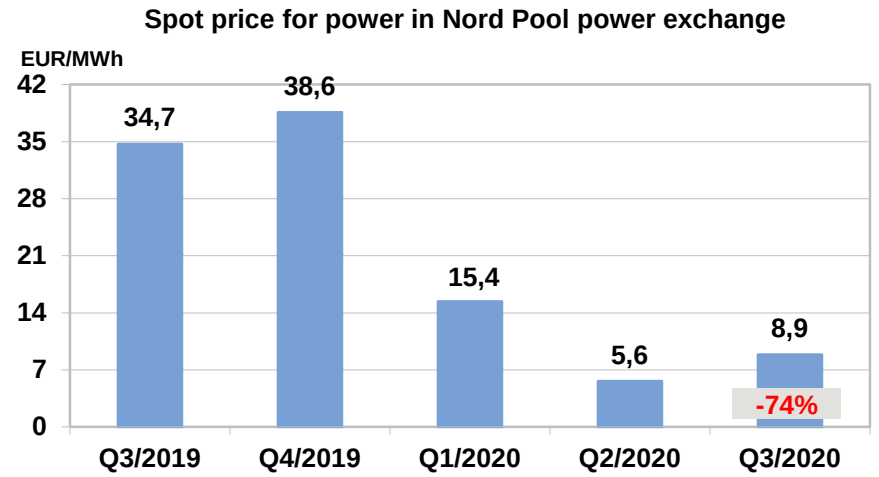
High hydrology kept the system price depressed, in FI and SE3 low nuclear production and transmission capacity limitations with Southern Norway as well as higher Continental European prices supported prices.

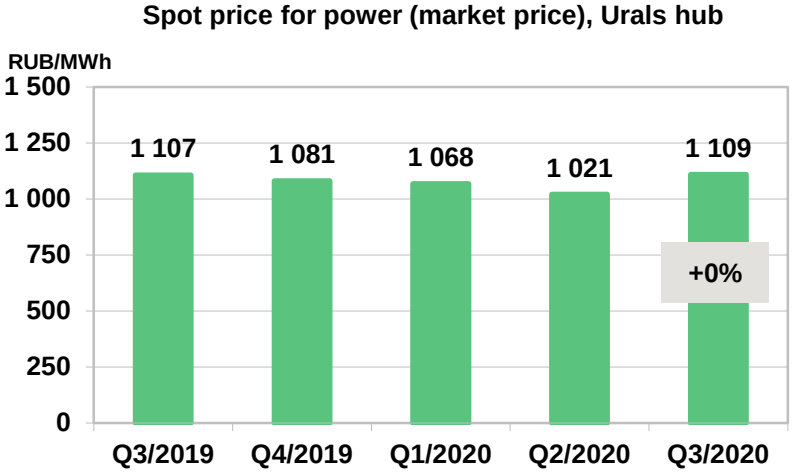
Area spot prices in Q3 2020:

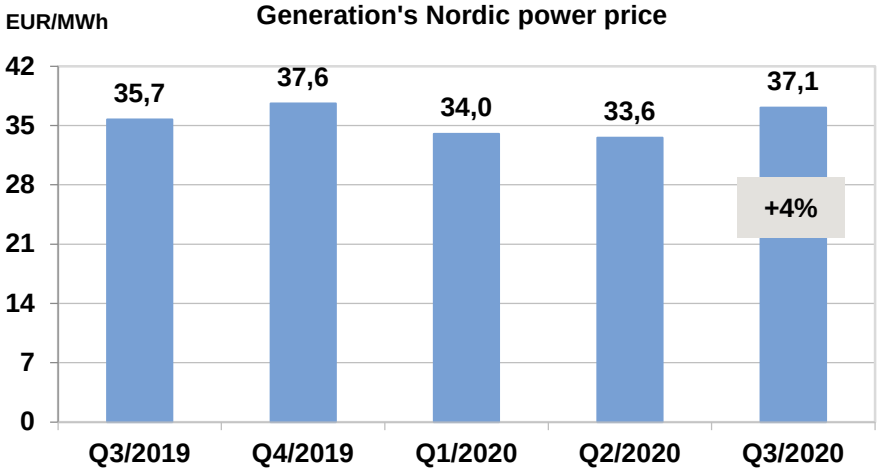
- 32.8 EUR/MWh (47.8) in Finland
- 25.3 EUR/MWh (35.6) in Sweden-SE3 (Stockholm)
- 18.6 EUR/MWh (35.3) in Sweden-SE2 (Sundsvall)
- 8.9 EUR/MWh (34.7) system price

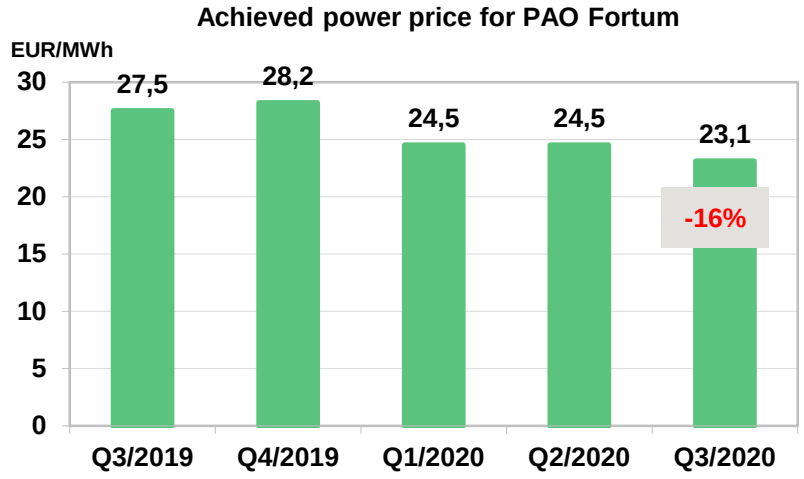
Source: Nord Pool Weekly System and area prices for FI, SE2, SE3 and corresponding Q3 2020 averages.

Hedging supported Fortum's achieved power price in the Nordics, Russian achieved price in roubles increased









Changes refer to year-on-year difference (Q3 2020 versus Q3 2019)
NOTE: Achieved power price (includes capacity payments) in rubles increased by 4%

Generation

Q3 2020

- Lower power generation
  - Nuclear -0.7 TWh,
  - Hydro +0.2 TWh
  - Wind -0.1 TWh
- Higher achieved power price, +4% (+1.4 EUR/MWh), good optimisation of the flexible generation fleet and higher hedge prices

Q1-Q3 2020

- Higher power generation
  - Hydro +1.5 TWh
  - Nuclear -1.0 TWh
  - Wind unchanged
- Lower achieved power price, -5% (-1.7 EUR/MWh) supported by relatively high hedge levels

MEUR	III/2020	III/2019	I-III/2020	I-III/2019	2019	LTM
Sales	441	458	1,465	1,558	2,141	2,048
Comparable EBITDA	181	176	666	660	939	945
Comparable operating profit	136	140	545	555	794	784
Comparable net assets			5,772		6,147	
Comparable RONA %					12.8	12.6
Gross investments	46	81	113	184	260	189

Loviisa, Finland

Russia

Q3 2020

- FX effect of EUR -11 million
- Lower power generation and heat production
- Lower CSA payments
- Lower bad debt provisions

Q1-Q3 2020

- Lower power generation and heat production
- Lower power margins and higher heat tariffs
- Lower CSA payments
- FX effect of EUR -16 million
- 300 MW of new capacity commissioned in wind joint venture

MEUR	III/2020	III/2019	I-III/2020	I-III/2019	2019	LTM
Sales	172	229	691	765	1,071	997
Comparable EBITDA	73	91	286	333	469	422
Comparable operating profit	40	53	175	222	316	269
Comparable net assets			2,398		3,205	
Comparable RONA %					12.3	10.7
Gross investments	21	16	72	35	133	170

CSA=Capacity Supply Agreements

Rostov, Russia

City Solutions

Q3 2020

- Improved result in district heating business in Finland and Norway
  - Lower results in the Baltic countries
- In district heating in Norway, change in the NOK exchange rate more than offset the negative effect of the lower power price

Q1-Q3 2020

- Q1 impacted negatively
  - Lower heat sales volumes
  - Lower power sales prices
  - Lower Norwegian heat sales prices
- Negative result impact of structural changes (Joensuu divestment)
- Pavagada 2 solar plant contributed positively

MEUR	III/2020	III/2019	I-III/2020	I-III/2019	2019	LTM
Sales	184	200	738	834	1,200	1,104
Comparable EBITDA	10	11	148	179	309	278
Comparable operating profit	-36	-36	6	41	121	86
Comparable net assets			3,520		3,892	
Comparable RONA %					4.7	3.9
Gross investments	148	53	217	262	322	277

Jelgava, Latvia

Consumer Solutions

Q3 2020

- 12th consecutive quarter of comparable EBITDA improvement
- Competition continued to be intense in the Nordics
- Covid-19 pandemic increased uncertainty – no impact of credit losses
- Several new digital services launched during the quarter

Q1-Q3 2020

- Higher sales margins as a result of active development of the service offering following the Hafslund integration and subsequent development of the business
- Customer recommendation & employee engagement on all-time-high levels

MEUR	III/2020	III/2019	I-III/2020	I-III/2019	2019	LTM
Sales	235	311	896	1,326	1,835	1,405
Comparable EBITDA	33	31	116	106	141	151
Comparable operating profit	18	16	69	60	79	88
Comparable net assets			533		640	
Customer base, million			2.34		2.38	
Gross investments	15	13	43	39	55	59

Digital private health and energy service in Poland. Mobile app-based registration and usage

Uniper

Q3 2020

- Uniper's Q1 2020 were exceptionally strong, shift between quarters; at the expense of the Q3 2020
- Russia contributed positively

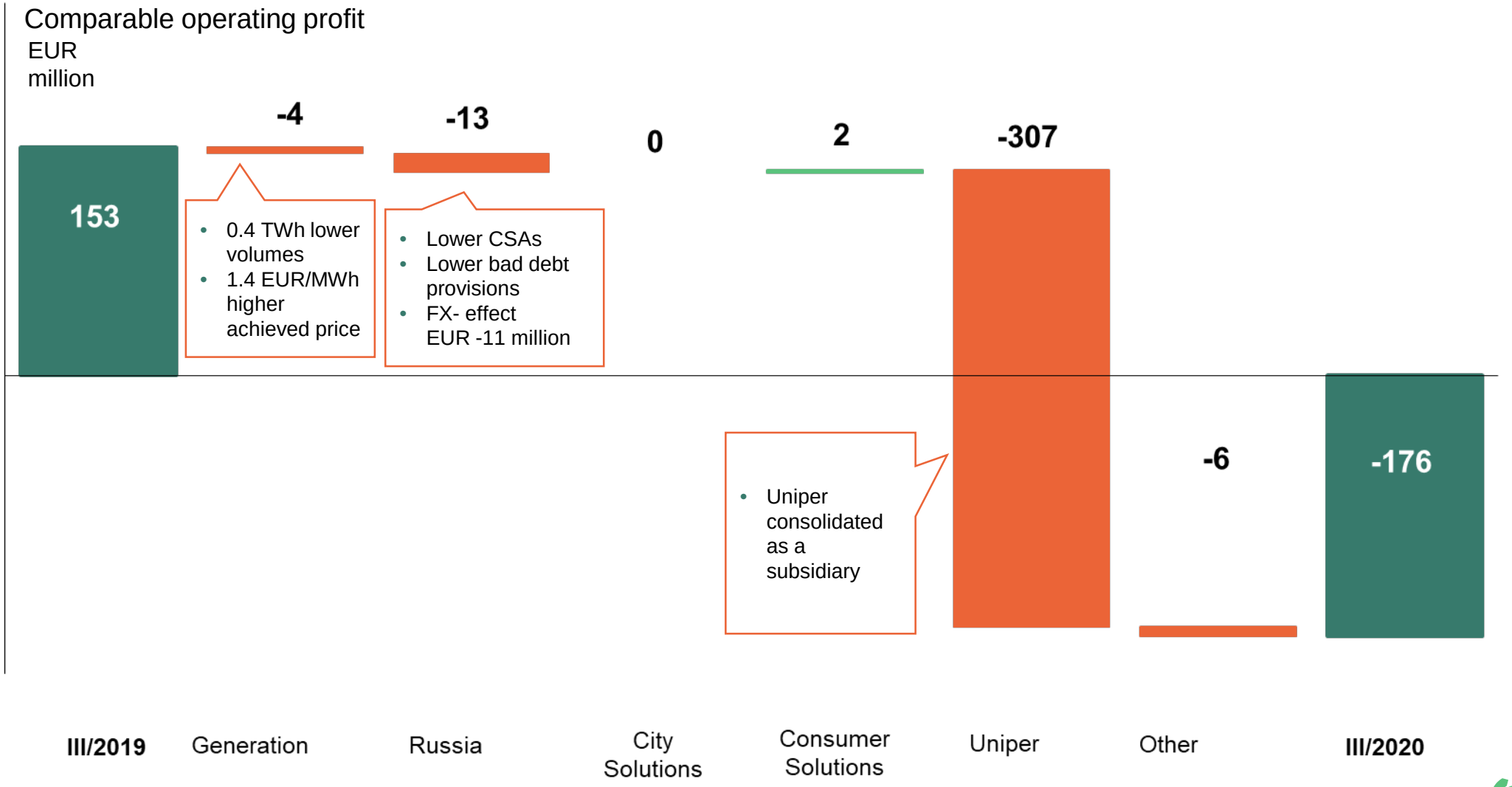
Q1-Q3 2020

- In Q1, Fortum's share of Uniper's profits as Uniper recorded as an associated company in Other Operations
- Uniper contribution to Fortum's EPS 0.43 (0.60)
- Uniper's full year guidance unchanged

MEUR	III/2020	III/2019	I-III/2020	I-III/2019	2019	LTM
Sales	13,159	-	24,524	-	-	24,524
Comparable EBITDA	-147	-	37	-	-	37
Comparable operating profit	-307	-	-279	-	-	-279
Comparable net assets		-	6,618	-	-	
Gross investments	233	-	377	-	-	377

Moforsen, Sweden

Q3 2020 – Seasonality in Uniper segment burdened Fortum's results, Uniper's full year guidance unchanged



Highlights in income statement

MEUR	III/2020	III/2019	I-III/2020	I-III/2019	2019	LTM
Comparable operating profit	**-176**	**153**	**424**	**793**	**1,191**	**822**
Items affecting comparability	236	-29	763	-127	-81	809
Operating profit	**60**	**124**	**1,186**	**666**	**1,110**	**1,630**
Share of profits/loss of associates and joint ventures	23	106	540	678	744	606
Finance costs - net	23	-32	-36	-70	-125	-91
Profit before income tax	**106**	**198**	**1,690**	**1,274**	**1,728**	**2,144**
Income tax expense	37	-25	-229	-134	-221	-316
Profit for the period	**144**	**173**	**1,461**	**1,140**	**1,507**	**1,828**

Uniper:

- In 2019 as an associated company
- From Q2 2020 onwards as a subsidiary

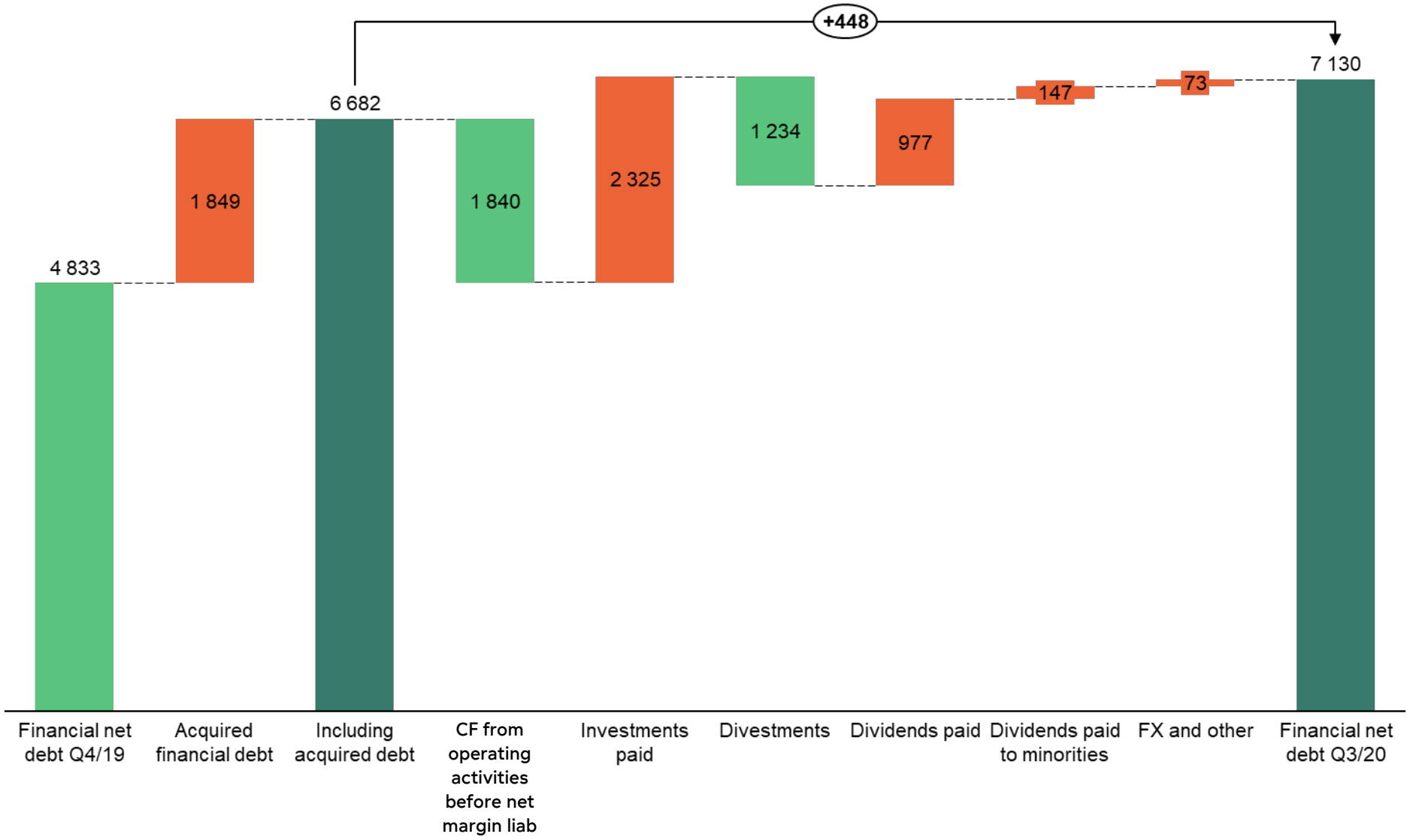
Q3 items affecting comparability includes EUR 291 million tax exempt sales gain from divestment of Järvenpää district heating

Net finance costs in Q3 2020 impacted by Uniper's interest income and positive fair value change from Swedish nuclear fund

Q1-Q3 2020 the comparable effective income tax rate was 23.9%

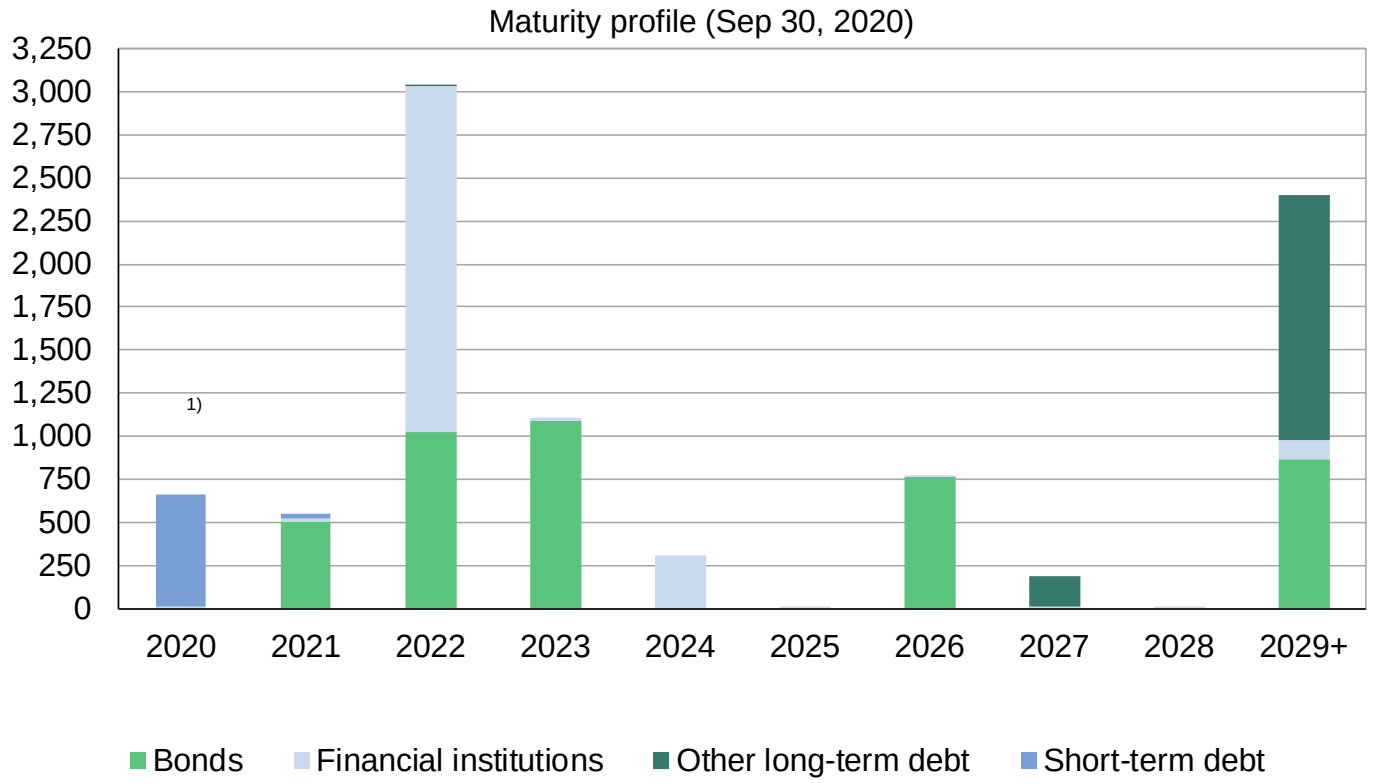
- In Q3 2020 tax rate was negative due to loss making underlying business and tax exempted sales gain

Cash flow and change in financial net debt Q1-Q3 2020



Focus remains on optimising of cash flow and maintaining of financial flexibility

- Fortum's objective is to have a solid investment grade rating of at least BBB to maintain its financial strength, preserve financial flexibility and good access to capital.
- Focus is on profitability, optimising of cash flow and prioritising of capital expenditure.



- Total loans of EUR 9,247 million (excluding lease liabilities):
  - Average interest for Group loan portfolio incl. derivatives hedging financial net of 1.7% (2019: 2.3%)
  - EUR 623 million (2019: 787) swapped to RUB with average interest of 6.7% (2019: 7.8%) incl. cost for hedging
  - Average interest for euro denominated loans of 0.9% (2019: 0.9%)
  - Uniper loans EUR 486 million
- Liquid funds of EUR 2,474 million
- Undrawn credit facilities of EUR 5,100 million

1) In addition Fortum has received EUR 202 million based on collateral agreements with several counterparties. This amount has been booked as a short-term liability.

Outlook

Hedging

Generation Nordic hedges:

For the remainder of 2020: 85% hedged at EUR 34 per MWh
For 2021: 75% hedged at EUR 33 per MWh (Q2: 65% at EUR 33)
For 2022: 40% hedged at EUR 32 per MWh (Q2: not disclosed)

Uniper Nordic hedges:

For the remainder of 2020: 90% hedged at EUR 29 per MWh
For 2021: 85% hedged at EUR 28 per MWh (Q2: 80% at EUR 27)
For 2022: 55% hedged at EUR 24 per MWh (Q2: 40% at EUR 24)

2020 Estimated annual capital expenditure, including maintenance and excluding acquisitions, of

EUR 600 million
(previously EUR 700 million)

Note: capital expenditure guidance does not include capital expenditure for the Uniper segment

Income taxation

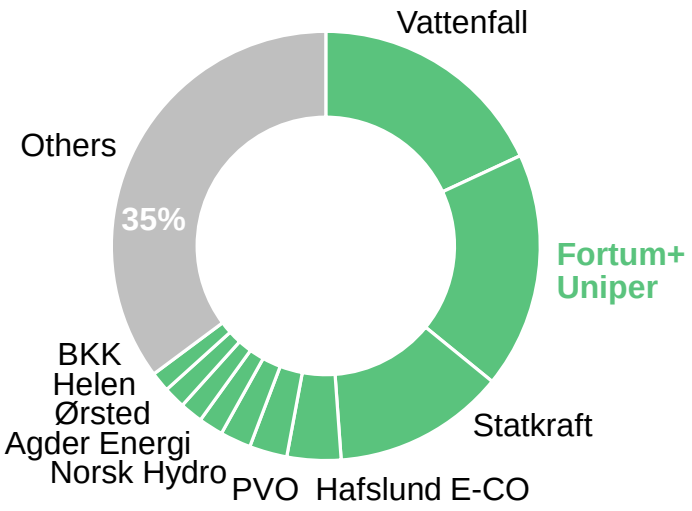
In 2020, the comparable effective corporate income tax rate for Fortum is estimated to be in the range **20-25%**, as Uniper is consolidated into Fortum's results from the end of the first quarter. The wider range is mainly a consequence of volatility in the taxation of Uniper's operations.

 Kalmykia, Russia

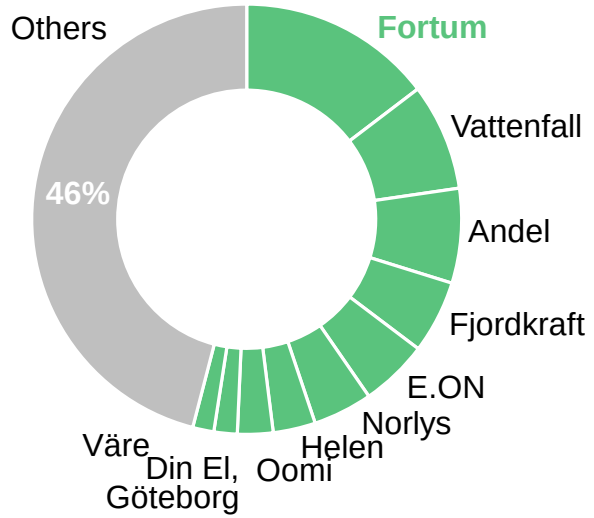
Appendices

Still a highly fragmented Nordic power market

Power generation in 2019
394 TWh
>350 companies



Electricity retail
16 million customers
~350 companies

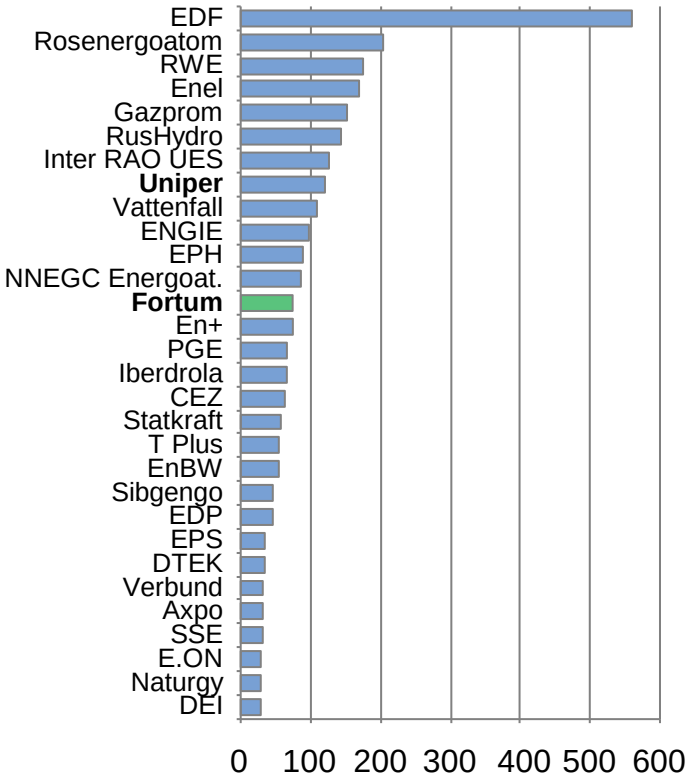


Source: Fortum, company data, shares of the largest actors, pro forma 2019 figures
Andel (former SEAS-NVE) has acquired Ørsted's sales business. Fjordkraft has acquired Innlandskraft (Gudbrandsdal Energi and Eidsiva Marknad).
Oomi was formed through the merger of the retail businesses of Oulun Seudun Sähkö, Lahti Energia, Vantaan Energia, Pori Energia and Oulun Sähkönmyynti Oy and its stakeholders Oulun Energia, Tornion Energia, Haukiputaan Sähköosuuskunta, Raahen Energia, Rantakairan Sähkö and Tenergia in Finland

Fortum mid-sized European power generation player – major producer in global heat

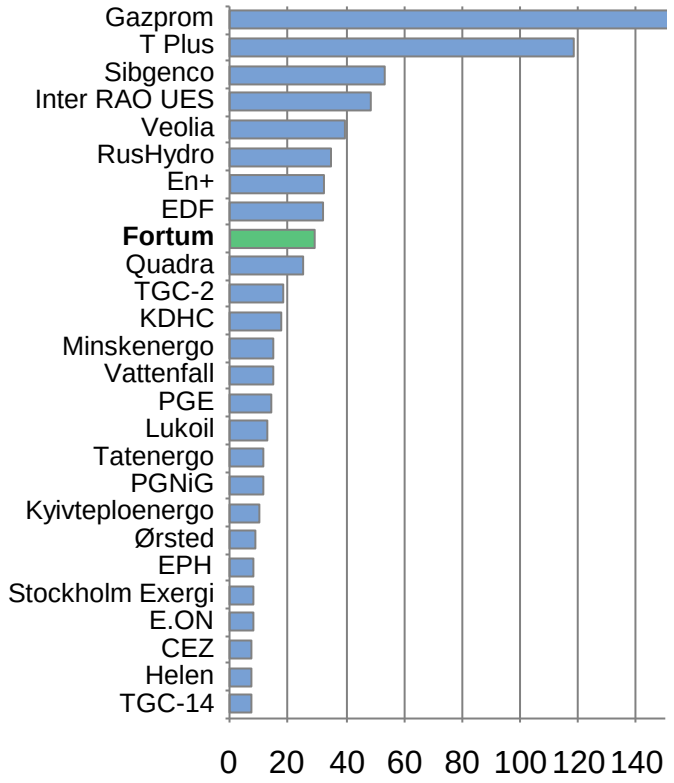
Power generation

Largest producers in Europe and Russia, 2018
TWh



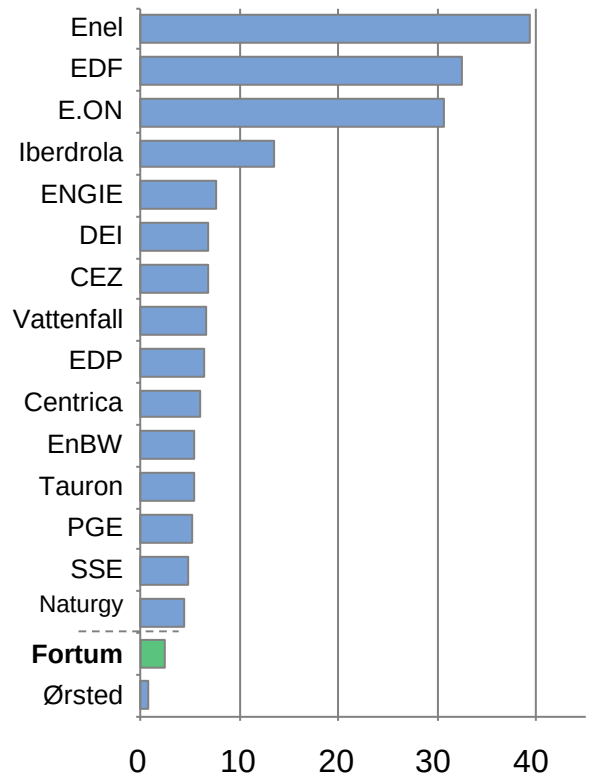
Heat production

Largest global producers, 2018
TWh



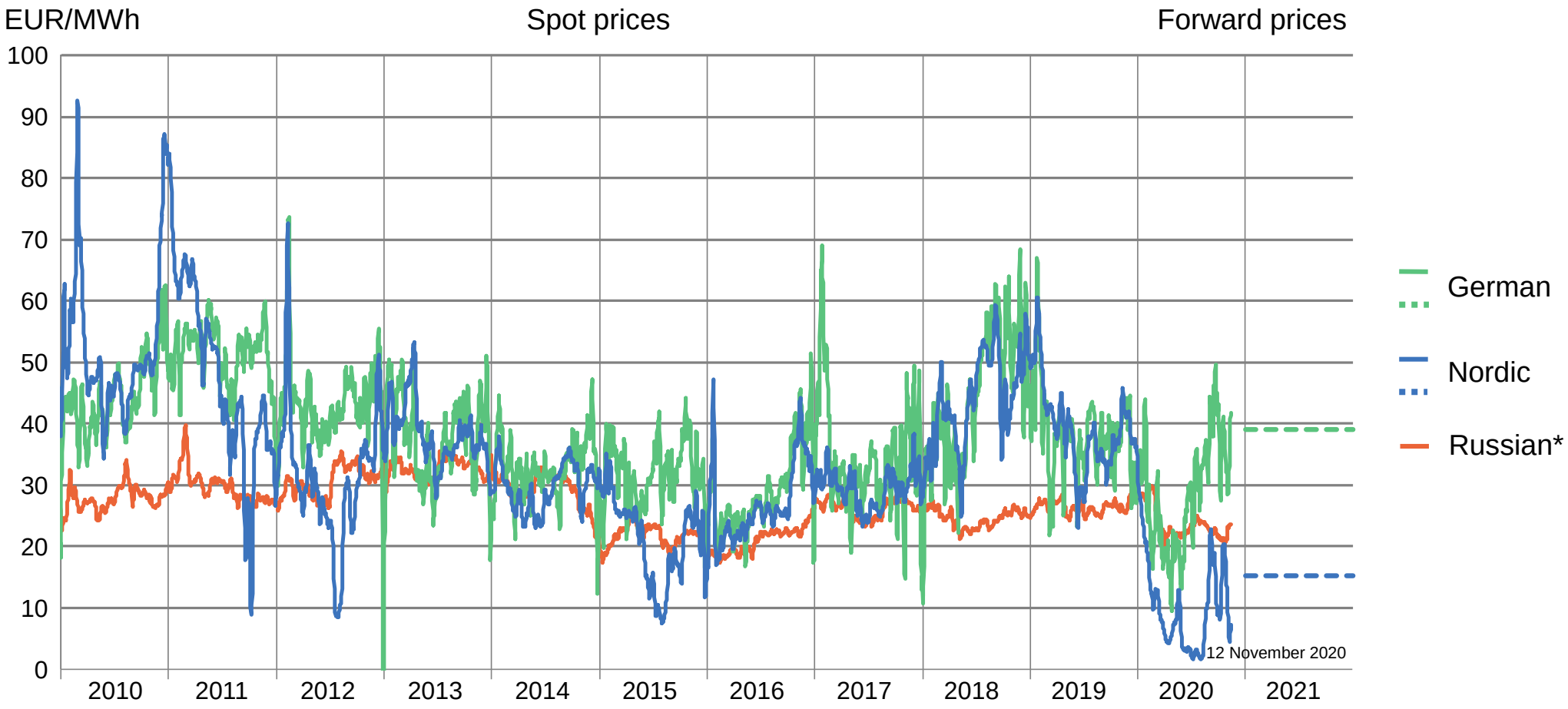
Customers

Electricity customers in Europe, 2018
Millions



Source: Company information, Fortum analyses, 2018 figures pro forma.
EPH incl. LEAG, E.ON incl. Innogy customers. No data from China.

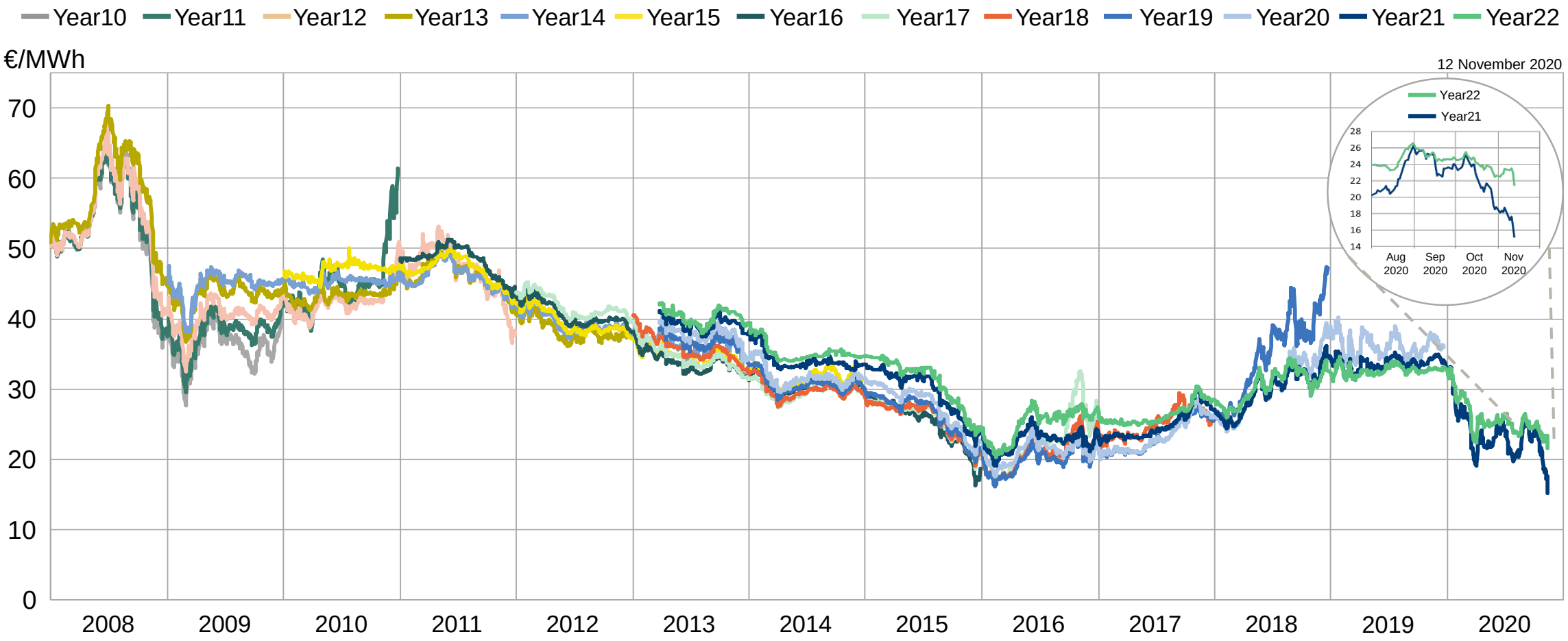
Wholesale power prices



* Including weighted average capacity price

Source: Nord Pool, Bloomberg Finance LP, ATS, NP “Market Council”, Fortum

Nordic year forwards



Source: Nasdaq Commodities, Bloomberg

fortum

German and Nordic forward spread

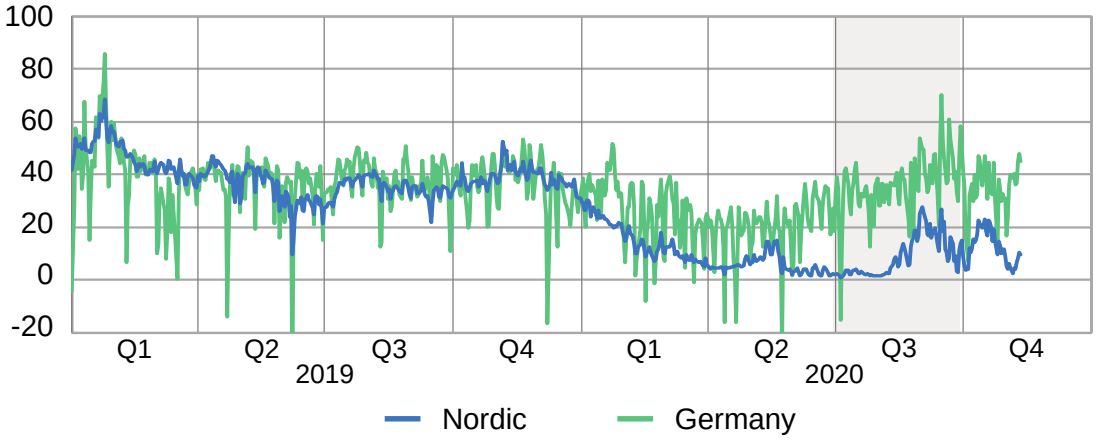
Spot price

- Nordic system price depressed by the strong hydrological surplus since the beginning of the year.
- Continental European spot prices were pushed down by dampening gas price and lowered demand by Covid-19 measures in Q2.
- Supported by lower French nuclear production, recovering demand and booming EUA price, the Continental spot prices increased again in Q3.
- German-Nordic spread for Q3 realized at 27 €/MWh, driven by recovering German spot prices and very low Norwegian spot price level.

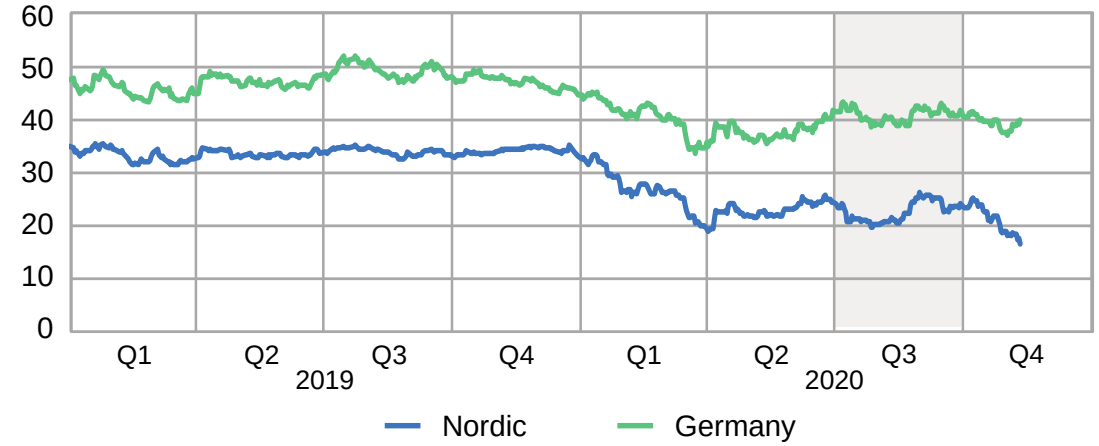
Forward price

- The German contract for 2021 delivery is trading close to 40 €/MWh, while corresponding Nordic SYS contract is close to 20 €/MWh.
- The German-Nordic spread for 2021 delivery has increased from 11 EUR/MWh during the start of the year to a range of 15…20 EUR/MWh during Q3.
- German contract is tracking the changes in short-run marginal costs for gas and coal fired condensing units, reflecting the stronger exposure to fossil fuel and CO_2 prices.
- The Nordic contract has become more influenced by continuing strong hydrological surplus and weak system spot price.

EUR/MWh Nordic and German daily spot prices in Jan 2019 – Nov 2020



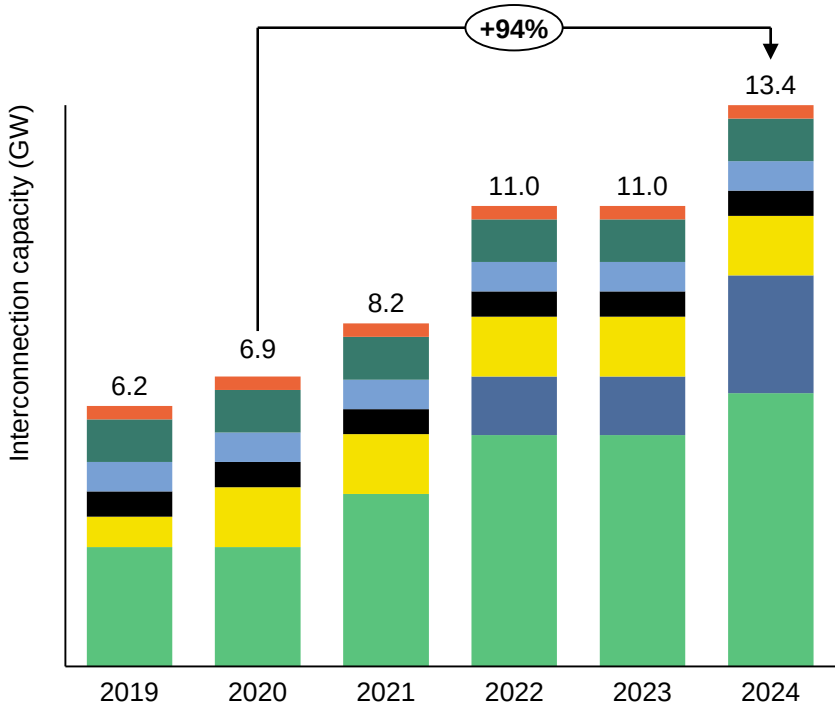
EUR/MWh Nordic and German year 2021 forwards in Jan 2019 – Nov 2020



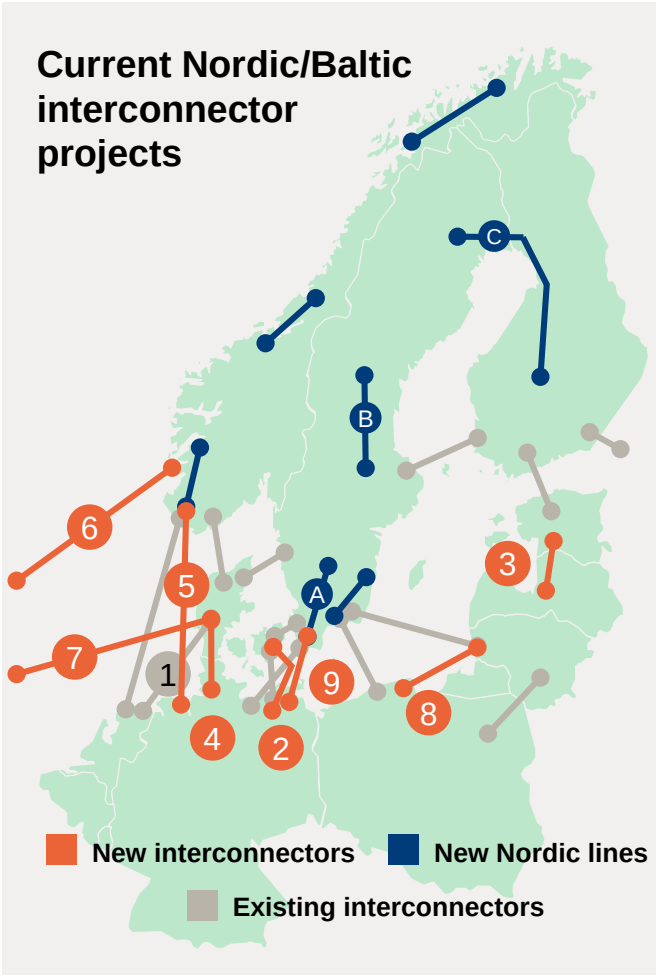
Including 11 November 2020
Source: Nord Pool, Bloomberg

Nordic, Baltic, Continental and UK markets are integrating – Interconnection capacity growing to over 13 GW by end-2023

- **Several interconnectors are currently under construction** or decided to be built
- **New interconnections** will increase the Nordic export capacity from the current 7.8 GW to over 13 GW by end of 2023



Years in the chart above refer to a snapshot of 1st of January each year.
Source: Fortum Market Intelligence



1. 700 MW COBRAcable from DK to NL has been taken into operation in September **2019**
2. New 400 MW Zealand – DE connection via Kriegers Flak offshore wind area due in **December 2020**
3. EU's Connecting Europe Facility co-financing 3rd EE-LV transmission line, due to be ready by **end-2020**
4. DK1-DE capacity has grown to 2500 MW in **July 2020**, with further 1,000 MW increase by **end-2023**
5. 1,400 MW NordLink as first direct NO-DE link is due to start commercial operation in March **2021**
6. Norway - UK 1,400 MW North Sea Link (NSL) is due to be ready by **end-2021**
7. 1,400 MW DK-UK Viking Link has been contracted to be built by **end-2023**
8. 700 MW LT-PL Harmony Link to be built by **2025** as a part of the Baltic synchronisation project
9. 700 MW Hansa PowerBridge DC link between Sweden and Germany by **2026/2027**

A. 1200 MW SE3-SE4 South West Link ready Dec **2020**
B. 800 MW with first measures on SE2-SE3 by **2024**
C. 800 MW 3rd 400 kV line SE1-FI ready in **2025**

Russia
Estonia
Lithuania
Poland
Netherlands
United Kingdom
Germany

Fortum's Nordic, Baltic and Polish generation capacity

GENERATION CAPACITY	MW
Hydro	4,677
Nuclear	2,821
CHP	831
Other thermal	565
Wind	159
Nordic, Baltic and Polish generation capacity	9,053

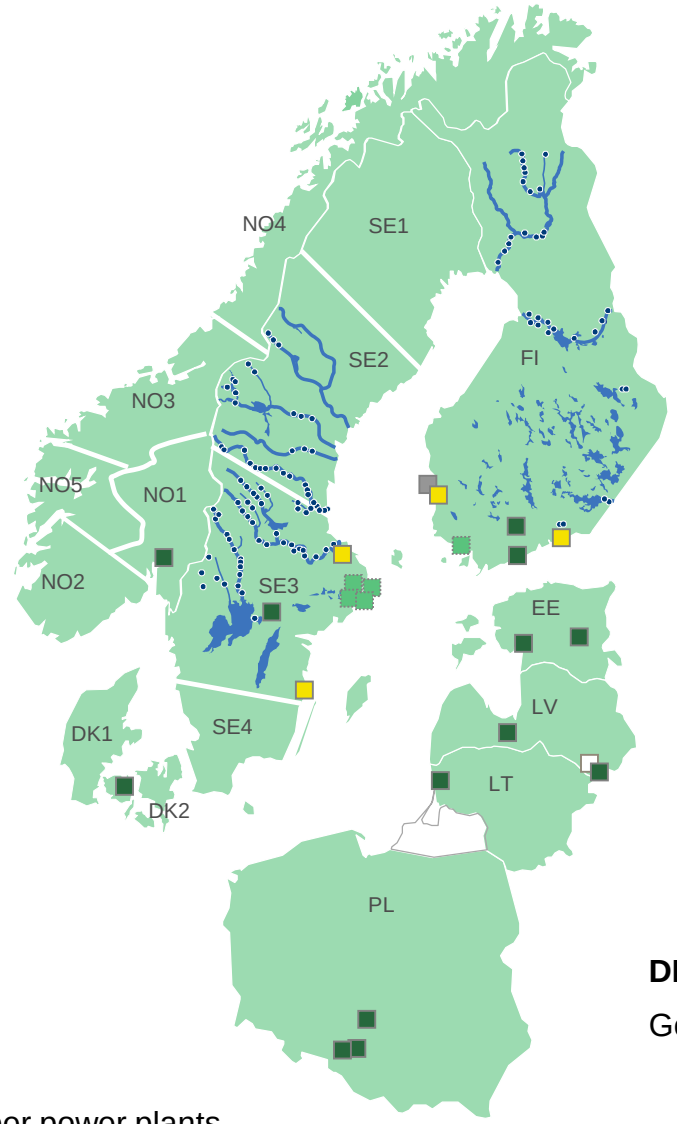
Figures 31 December 2019

The capacity includes the 52 MW Joensuu CHP plant in Finland, which has been sold in January 2020.

The capacity includes the 157 MW wind portfolio in Norway and Sweden, of which a majority 80% ownership has been sold in May 2020.

The capacity includes the 23 MW Järvenpää CHP plant in Finland, which has been sold in August 2020.

Associated companies' plants (not included in the MWs) Stockholm Exergi (Former Fortum Värme), Stockholm; TSE, Naantali



NORWAY	MW
Price areas	
NO4, Wind	82
NO1, CHP	20
Generation capacity	102

SWEDEN	MW
Price areas	
SE2, Hydro	1,550
SE2, Wind	75
SE3, Hydro	1,574
SE3, Nuclear	1,334
SE3, CHP	9
Generation capacity	4,542

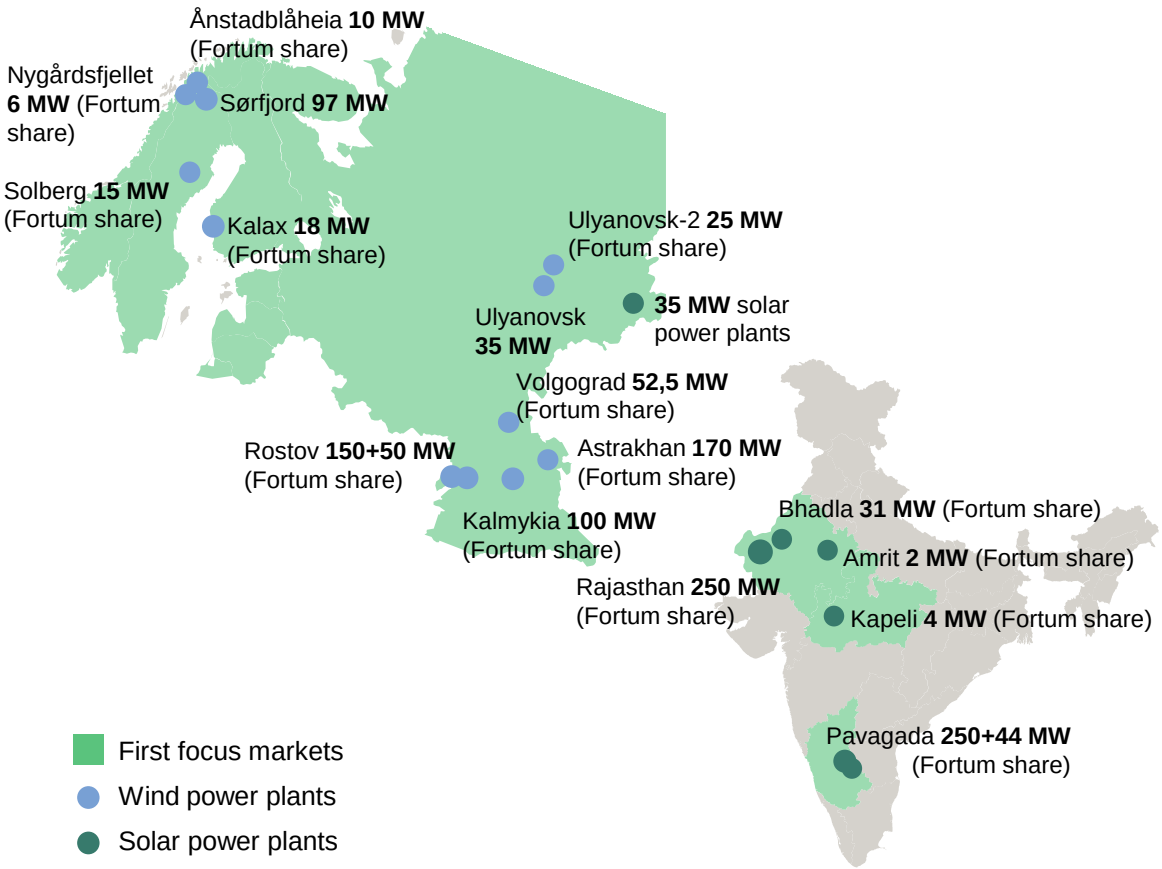
DENMARK, DK1	MW
Generation capacity, CHP	16

FINLAND	MW
Hydro	1,553
Nuclear	1,487
CHP	452
Other thermal	565
Generation capacity	4,057

BALTICS AND POLAND	MW
Generation capacity, CHP	
in Estonia	49
in Latvia	34
in Lithuania	18
in Poland	233
in Latvia, Wind	2

Excluding capacities of Uniper power plants

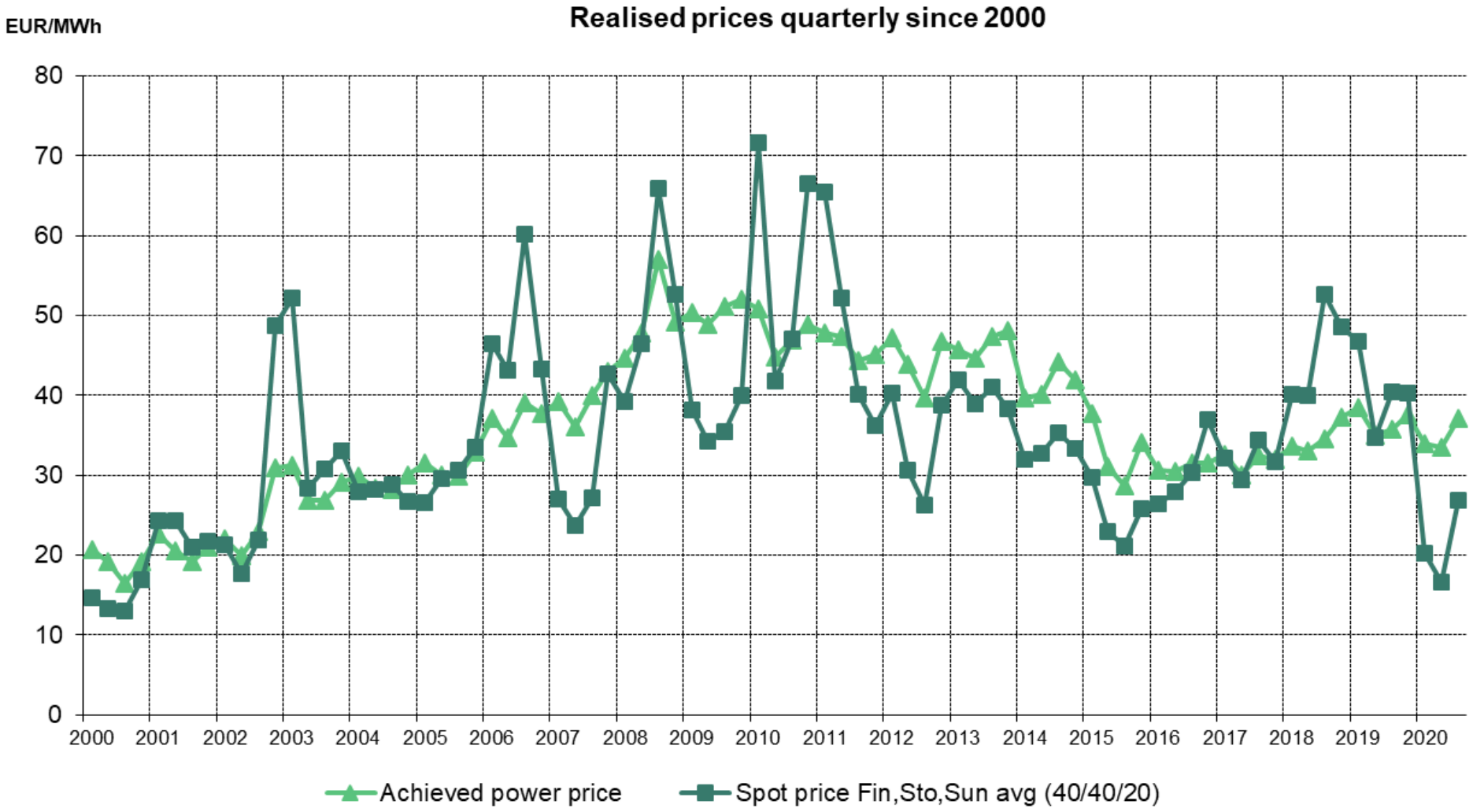
Fortum is growing towards gigawatt scale target in solar and wind power generation



PORTFOLIO	STATUS	CAPACITY, MW	FORTUM SHARE, MW	SUPPLY STARTS/STARTED
FINLAND		**90**	**18**	
• Kalax	Under construction	90	18 (20%)	Q1 2021
NORWAY		**179**	**113**	
• Nygårdsfjellet	Operational	32	6 (20%)	2006 and 2011
• Ånstadblåheia	Operational	50	10 (20%)	2018
• Sørfjord	Under construction	97	97	Q4 2019-Q3 2020
SWEDEN		**76**	**15**	
• Solberg	Operational	76	15 (20%)	2018
RUSSIA		**2,009**	**1,098**	
• Bugulchansk	Operational	15	15	2016-2017
• Pleshanovsk	Operational	10	10	2017
• Grachevsk	Operational	10	10	2017
	Under development	110+6	110+6	2021-2022
• Ulyanovsk	Operational	35	35	2018
• Ulyanovsk 2	Operational	50	25 (50%)	1.1.2019
• Rostov	Operational/Under construction	300+100	150+50 (50%)	Q1 2020-Q4 2021
• Kalmykia	Under construction	200	100 (50%)	Q4 2020
• Astrakhan	Under construction	340	170 (50%)	Q4 2021
• Volgograd	Under construction	88+17	44+8,5(50%)	Q4 2021- Q4 2022
• Rusnano JV	Under development	728	364 (50%)	2021-2023
INDIA		**685**	**581**	
• Amrit	Operational	5	2 (44%)	2012
• Kapeli	Operational	10	4 (44%)	2014
• Bhadla	Operational	70	31 (44%)	2017
• Pavagada	Operational	100	44 (44%)	2017
• Pavagada 2	Operational	250	250	Q3 2019
• Rajasthan	Under construction	250	250	Q4 2020
TOTAL		**3,039**	**1,825**	
	Under development	844	480,5	
	Under construction	1182	737,5	
	Operational	1,013	607	

*) NOTE: Table numbers not accounting; tells the size of renewables projects. All not consolidated to Fortum capacities. All figures in MW and rounded to nearest megawatt. Additionally, target to invest 200 – 400 million euros in India solar and create partnership for operating assets. Under construction includes investment decisions made.

Hedging improves stability and predictability – principles based on risk mitigation



2009 onwards thermal and import from Russia excluded

Capital returns: 2019 EUR 1.10 per share ~ EUR 1 billion

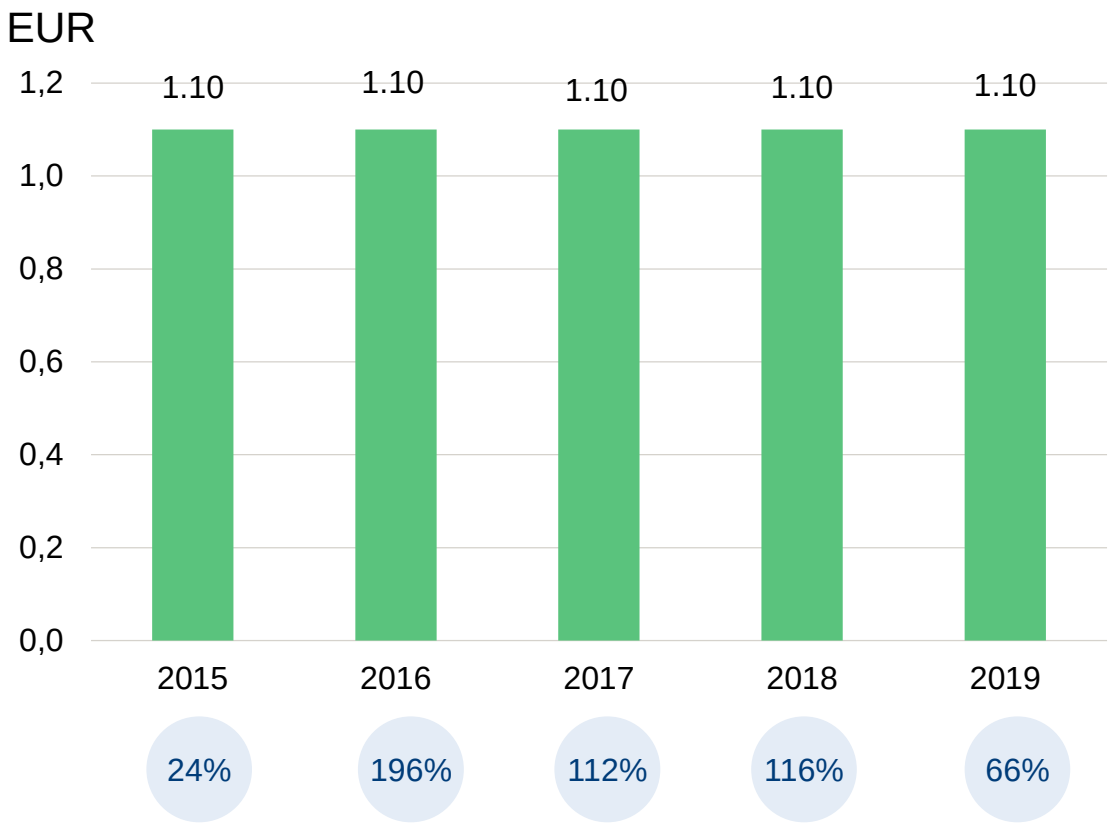
Fortum's target is to pay a stable, sustainable, and over time increasing dividend of 50-80% of earnings per share excluding one-off items

Fortum's dividend policy is based on the following preconditions:

- The dividend policy ensures that shareholders receive a fair remuneration for their entrusted capital, supported by the company's long-term strategy that aims at increasing earnings per share and thereby the dividend.
- When proposing the dividend, the Board of Directors looks at a range of factors, including the macro environment, balance sheet strength as well as future investment plans.

Since 1998 Fortum has paid dividends totaling EUR 16.5 billion

Five year history of dividend per share



Next events:
The CMD planned for 3 December 2020
Fortum Corporation's Financial Statements Bulletin for the year 2020 will be published on 12 March 2021
January-March Interim Report on 12 May 2021
January-June Interim Report on 17 August 2021
January-September Interim Report on 12 November 2021

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Ingela Ulfves
Vice President,
Investor Relations and
Financial Communication
+358 (0)40 515 1531
ingela.ulfves@fortum.com

Rauno Tiihonen
Manager
+358 (0)10 453 6150
rauno.tiihonen@fortum.com

Måns Holmberg
Manager
+358 (0)44 518 1518
mans.holmberg@fortum.com

Pirjo Lifländer
IR Specialist
+358 (0)40 643 3317
pirjo.liflander@fortum.com

Meeting requests:
Anna-Elina Perttula
IR coordinator
+358 (0)40 664 0240
anna-elina.perttula@partners.fortum.com

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