

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Sustainability statement

1 General information

1.1 Introduction

1.1.1 This is Fortum

Fortum is the third-largest power generator in the Nordics and its power generation has one of the lowest specific CO₂ emissions in Europe. Fortum is committed to being a safe and inspiring workplace for its employees.

Fortum's purpose is to power a world where people, businesses and nature thrive together, generating and reliably delivering clean energy at scale, and helping industries to decarbonise their processes and societies to reach their climate targets in balance with nature. The core operations in the Nordics comprise efficient, low-carbon power generation based on hydro and nuclear, as well as the reliable supply of electricity and district heat to private and business customers in Finland and Poland.

1.1.2 Highlights in 2024

Emission reduction targets validated by SBTi Fortum had its near- and long-term company-wide emission reduction targets validated by the Science Based Targets initiative (SBTi). The targets are aligned with the level of emission reduction needed to limit global warming to 1.5°C.	Transition plan for climate change mitigation Fortum has created a transition plan for climate change mitigation, aligned with the emission reduction targets validated by SBTi.	Coal exit in Poland proceeding Fortum announced the decarbonisation of the Czestochowa CHP plant in Poland to take place during 2024–2026. The annual direct CO ₂ emission reduction is approximately 175,000 t.	Coal exit acceleration Coal exit in Fortum's Heating and Cooling business in Finland took place one year earlier than expected, marking an important milestone for Espoo Clean Heat, which gradually reduces Fortum's annual Scope 1 GHG emissions by approximately 400 thousand tCO ₂ -eq.
Biodiversity Fortum started working with wind, solar and heat storage facility case studies in Finland and Sweden, aiming to reach the corporate-level No Net Loss biodiversity target from 2030 onwards.	Investment in renewable energy The 56-turbine Pjelax wind farm, a joint project between Fortum and Helen, started production in May. Finland's third-largest wind farm will produce more than 1 TWh of wind power annually.	Promoting employee engagement Employee engagement score, measuring employee experience and commitment, increased to 7.5.	Safety Over 550 persons completed the Safety and Security Leadership programme, exceeding the targeted 460 persons.

Fortum's strategy is based on three strategic priorities:

- Deliver reliable clean energy
- Drive decarbonisation in industries
- Transform and develop

The first priority is to deliver reliable clean energy, when needed and at scale, to customers and the Nordic energy system. This means that Fortum will continue to develop best-in-class operations for efficiency, flexibility and optimisation. Fortum will also continue to decarbonise and modernise those operations that still create emissions, backed by environmental commitments.

The second priority is to drive decarbonisation and growth in Nordic industries. This is achieved by partnering with strategic customers to reduce their carbon footprint and developing and building low-carbon power. Fortum makes selective profitable growth investments and explores opportunities in clean hydrogen and new nuclear.

The third strategic priority describes how Fortum is going to develop and transform to succeed. The aim is to restructure the organisation to fit the current strategy and purpose, build an efficient operating model, and develop company culture and leadership to support strategy execution.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

1.1.3 Material sustainability topics

Fortum has identified the following material sustainability topics:

 Environmental	 Social	 Business conduct
<ul style="list-style-type: none"> • Climate change • Pollution • Water and marine resources • Biodiversity • Resource use and circular economy 	<ul style="list-style-type: none"> • Own workforce • Value chain workers • Affected communities 	<ul style="list-style-type: none"> • Corruption and bribery • Management of relationships with suppliers

Environmental sustainability

Climate change is one of the global megatrends that is driving changes in Fortum's operating environment. The European Union is aiming for climate neutrality by 2050 and is committed to a 55% reduction in greenhouse gas emissions by 2030. The international Science Based Targets initiative (SBTi) has validated Fortum's near-term and long-term science-based emission reduction targets, and the net-zero science-based target by 2040.

Energy production generates emissions to the environment. Fortum controls emissions to air, water and soil caused by its operations and aims to reduce environmental impacts by fuel switching and by using technological solutions and flue gas cleaning technologies.

Water availability is a prerequisite for Fortum's operations where cooling water, in particular, is withdrawn from the sea and discharged back at nuclear and other condensing power plants. Fortum also has hydropower operations where water runs through the hydropower turbines with no significant changes in water quality and quantity. Fortum's responsibility for water use is related not only to water volume and availability, but also to its quality and to the aquatic habitat.

The degradation of biodiversity is one of the greatest environmental problems globally. All business operations, including Fortum's, have an impact on biodiversity. Fortum acknowledges the need to identify and take responsibility for its impacts on and dependencies related to biodiversity and ecosystem services.

A transition towards circular economy is necessary to ensure availability of natural resources, and it is essential for fighting climate change. Fortum produces conventional non-hazardous and hazardous waste in its power plants and other own operations. In addition to conventional industrial waste, radioactive waste is produced at own and co-owned nuclear power plants.

Social sustainability

Social sustainability at Fortum focuses particularly on employees, workers in the value chain and communities around Fortum's sites. The health and safety of employees and value chain workers working at Fortum's sites is a top priority. Fortum also systematically develops the human rights due diligence process further to address potential negative impacts, as well as collaborates with communities and organisations at global, national and local levels through the Corporate Social Responsibility programme.

Business conduct

Fortum believes there is a clear connection between high standards of ethical business practices and excellent financial results. Fortum obeys the law, embraces the spirit of integrity, and upholds ethical business conduct wherever it operates.

1.1.4 Fortum's sustainability targets

In 2024, Fortum complemented its sustainability targets to reflect material sustainability topics identified through the double materiality assessment. See [1.4 Double materiality assessment](#).

Fortum's climate, biodiversity and safety targets are now complemented by targets related to pollution, own workforce, workers in the value chain and business conduct. All targets are group-level targets aiming to increase production and deliver low-carbon and reliable energy for customers in the Nordics and Poland. Targets for water are common targets with pollution and biodiversity. These common targets are separately stated.

The international Science Based Targets initiative (SBTi) has validated Fortum's near- and long-term science-based emission reduction targets and science-based net-zero target by 2040. The targets are aligned with the level of emission reduction needed to limit global warming to 1.5°C. Fortum's commitment to SBTi targets is a significant milestone on Fortum's sustainability journey, in the core of the company's strategy and a vital part of its execution. At the same time, the group-level carbon neutrality target was removed as the SBTi targets were set.

Fortum's sustainability targets and performance against these targets are presented in tables below:

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Targets for climate change

	Included in performance incentive schemes ¹⁾	Measure	Base year	Base-year value ²⁾	Target year	2024	Change compared to base year, %
Reduce Scope 1 and 2 GHG emissions from electricity and heat generation by 85% per MWh ^{3, 4)}	●	tCO ₂ -eq/MWh	2023	0.024	2030	0.018	-23
Reduce Scope 1 and 3 GHG emissions from fuel- and energy-related activities covering all sold electricity by 69% per MWh ^{3, 4)}	●	tCO ₂ -eq/MWh	2023	0.13	2030	0.11	-12
Reduce absolute Scope 3 GHG emissions from use of sold products for sold fossil fuels by 55% ³⁾	●	tCO ₂ -eq	2023	949,779	2033	1,266,451	33
Reduce Scope 1 and 2 GHG emissions from electricity and heat generation by 90% per MWh ^{4, 5)}		tCO ₂ -eq/MWh	2023	0.024	2040	0.018	-23
Reduce Scope 1 and 3 GHG emissions from fuel- and energy-related activities covering all sold electricity by 94% per MWh ^{4, 5)}		tCO ₂ -eq/MWh	2023	0.13	2040	0.11	-12
Reduce absolute Scope 3 GHG emissions from fuel- and energy-related activities by 90% ⁵⁾		tCO ₂ -eq	2023	1,005,947	2040	962,775	-4
Reduce absolute Scope 3 GHG emissions from use of sold products for sold fossil fuels by 90% ⁵⁾		tCO ₂ -eq	2023	949,779	2040	1,266,451	33
Specific emissions of <20 gCO ₂ /kWh for total energy production		gCO ₂ /kWh	N/A	N/A	2028	26	N/A
Specific emissions of <10 gCO ₂ /kWh for power generation		gCO ₂ /kWh	N/A	N/A	2028	11	N/A
Coal exit in the company's own operations ⁶⁾		GW	N/A	N/A	2027	1.0	N/A

1) For more information on targets included in incentive schemes, see [1.5.2 Sustainability-related performance in incentive schemes](#).

2) Base-year values exclude the recycling and waste business divested in November 2024. Base-year values have not been assured.

3) Near-term science-based emission reduction target.

4) The target boundary includes land-related emissions and removals from bioenergy feedstocks.

5) Long-term science-based emission reduction target.

6) Coal-based capacity for power and heat. Coal-based power and heat production, as well as coal share of sales is presented in [2.2.8 Metrics for climate change](#).

Fortum's Scope 1 and Scope 2 greenhouse gas intensity for electricity and heat production decreased by 0.005 tCO₂-eq/MWh (23%) in 2024 due to actions taken to reduce coal use. Additionally, Scope 3 emissions from sold electricity decreased due to the increased sales of GoO-certified electricity, which also led to a decrease in the electricity sales intensity by 0.02 tCO₂-eq/MWh (12%). The volume of gas sales increased, resulting in a 0.3 Mt CO₂-eq (33%)

increase in greenhouse gas emissions from the use of sold gas. Emissions from sold heat decreased by 0.04 Mt CO₂-eq (4%). For information on actions in 2024, see [2.2.7 Actions and resources for climate change](#), and for information on GHG emissions, see [2.2.8 Metrics for climate change](#).

Targets for pollution

	Included in performance incentive schemes ¹⁾	Measure	Base year	Base-year value ²⁾	Target year	2024	Change compared to base year, %
20% reduction in nitrogen oxides (NO _x) emissions ²⁾		kg	2023	1,546,865	2030	1,378,084	-11
40% reduction in sulphur dioxide (SO ₂) emissions ²⁾		kg	2023	849,418	2030	616,604	-27
No major environmental incidents and no major non-compliance cases ³⁾		Number of incidents	N/A	N/A	Annual	1	N/A

1) For more information on targets included in incentive schemes, see [1.5.2 Sustainability-related performance in incentive schemes](#).

2) Base-year and current-year values exclude the recycling and waste business divested in November 2024. Base-year values have not been assured.

3) Common target with water, see [2.4.4 Targets for water](#).

Fortum's NO_x and SO₂ emissions decreased in 2024 compared to 2023. The most significant changes were due to the closure of the Suomenoja coal-fired CHP plant and the reduction of coal use at the Meri-Pori condensing power plant, resulting in a reduction of approximately 170 tons of NO_x emissions and 230 tons of SO₂ emissions. The major environmental incident target

was not met in 2024. There was one major environmental incident, a major leakage of extinguishing water into the environment in connection with a large fire in an energy waste bunker in Turku, Finland. For information on actions in 2024, see [2.3.5 Actions and resources for pollution](#).

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Targets for biodiversity

In addition to the above targets for climate change and pollution, Fortum has set the following targets related to material impacts on biodiversity:

- No net loss of biodiversity from existing and new operations in Scope 1 and 2 from 2030 onwards, excluding all aquatic impacts. In ongoing operations, the main lever for the target is to reduce Scope 1 GHG emissions in line with the climate transition plan, see [2.2.6 Transition plan for climate change mitigation](#). In 2024, Scope 1 GHG emissions decreased due to actions taken to reduce coal use. See section [2.2.5 Targets for climate change](#).

- 50% reduction in dynamic terrestrial impacts in upstream Scope 3 by 2030 compared to base year 2021. The main lever for the target is to reduce Scope 3 GHG emissions in line with the climate transition plan. In 2024, Scope 3 GHG emissions decreased due to the increased sales of GoO certified electricity. However, the impact is expected to have increased from the previous assessment, mainly due to the increased sales of electricity.

- Commitment to continue local initiatives and participate in the development of a science-based methodology to assess the aquatic impacts of hydropower. This is a common target with water. In 2024, Fortum continued to implement local initiatives, especially in hydropower; as well as worked on developing a science-based methodology to assess the aquatic impacts of hydropower, e.g., through case studies. See [2.5.6 Actions and resources for biodiversity](#).

Targets for own workforce

	Included in performance incentive schemes ¹⁾	Measure	Target year	Target value	2024
No severe or fatal injuries ²⁾		Number of incidents	Annual	0	2
Total Recordable Injury Frequency (TRIF) <1.0 ²⁾	●	TRIF	2030	<1.0	4.0
Execution rate for Safety improvement plans	●	%	2024	60	90
Improve employee engagement clearly above benchmark level ³⁾		Score	2030	7.7 ⁴⁾	7.5 ⁵⁾
Commitment to ensure that all employees receive an adequate wage and to not have unreasoned or unexplained gender pay gaps		Proceeding as planned, Yes/No	Annual	N/A	Yes

1) For more information on targets included in incentive schemes, see [1.5.2 Sustainability-related performance in incentive schemes](#).

2) Target includes own employees and value chain workers working at Fortum's sites (contractors' employees).

3) Industry benchmark for 'Energy and Utilities' sector.

4) Industry benchmark value 2024.

5) Excludes the recycling and waste business divested in November 2024.

Fortum's safety priorities to continuously improve safety culture progressed well in 2024. Completion of overall safety actions exceeded the target level. One of the actions was participation in the Safety and Security Leadership programme which aims to continuously improve safety culture. Over 550 persons were trained in the programme in 2024. Fortum's safety performance also had a positive trend, reflected in the TRIF value, despite two severe injuries. Reaching the target level requires continuous work on safety culture and learning from incidents and near-misses. See [3.2.5 Taking action and tracking effectiveness of actions on own workforce](#).

The employee engagement score has improved and the results show that employees appreciate the supportive work environment and good team spirit. To support the improvement, Fortum pays particular attention to the engagement drivers, see [3.2.5 Taking action and tracking effectiveness of actions on own workforce](#).

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Targets for workers in the value chain

	Included in performance incentive schemes ¹⁾	Measure	Target year	Target value	2024
Supplier qualification rate ²⁾		%	Annual	85	81
Enhance supply chain due diligence by developing supplier evaluation and supply chain data management	Proceeding as planned, Yes/No		2026	N/A	Yes

1) For more information on targets included in incentive schemes, see [1.5.2 Sustainability-related performance in incentive schemes](#).

2) Spend from qualified suppliers divided by total procurement spend in scope of qualification process. The recycling and waste business is included until the date of disposal.

The supplier qualification rate target was not met due to expired qualifications. Fortum's supplier qualification requires re-qualification after three years, which was done inconsistently. Fortum will continue the supplier qualification process, focusing on re-qualifications and monitoring through key performance indicators. The target to enhance supply chain due

diligence is proceeding according to plan, with development needs and potential data management solutions defined in 2024, see [3.3.5 Taking action and tracking effectiveness of actions on workers in the value chain](#).

Targets for business conduct

	Included in performance incentive schemes ¹⁾	Measure	Target year	Target value	2024
No incidents of corruption and bribery		Number of incidents	Annual	0	0

1) For more information on targets included in incentive schemes, see [1.5.2 Sustainability-related performance in incentive schemes](#).

In 2024, there were no confirmed incidents of corruption or bribery.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

1.2 Basis of preparation

1.2.1 Basis of preparation

Fortum Group's sustainability statement for the year ended 31 December 2024 has been prepared in accordance with the European Union's Corporate Sustainability Reporting Directive (CSRD) and the related European Sustainability Reporting Standards (ESRS). This sustainability statement includes EU Taxonomy disclosures, which are prepared in accordance with the EU Taxonomy Regulation and implementing delegated acts. The sustainability statement has not been published in digital format, tagged with XBRL sustainability taxonomy, in accordance with chapter 7, section 22, subsection 1, paragraph 2 of the Finnish Accounting Act as it has not been possible for companies preparing sustainability statements to follow the Finnish legislation due to the lack of ESEF regulation or other EU legislation to guide implementation.

Sustainability matters disclosed in this sustainability statement are based on the material topics identified through the double materiality assessment, which was performed in accordance with ESRS 1 General Requirements. See [1.4 Double materiality assessment](#).

Sustainability audit firm and Fortum's financial statements auditor, Deloitte Oy, has provided an independent auditor's limited assurance report on this sustainability statement in accordance with ISAE 3000 (Revised). Comparative information has not been assured. If not separately disclosed, disclosures in this sustainability statement have not been assured by any other external body than the assurance provider.

1.2.2 Reporting scope

Disclosures in this sustainability statement include the parent company, Fortum Oyj, and its subsidiaries. Subsidiaries are companies over which Fortum has control.

Associated companies are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights; and joint ventures are arrangements in which the Group has joint control. See [Note 1.3 Principles for consolidation](#) and [Note 40 Group companies by segment](#). Fortum has assessed that it does not have operational control over these companies. However, associated companies and joint ventures are included in certain metrics as required by ESRS.

Greenhouse gas (GHG) emissions of associated companies and joint ventures that are actors in Fortum's value chain, mainly nuclear and hydro companies, are included in GHG emissions in Scope 3 category 1 or category 3. Emissions from these companies are disclosed based on the proportion of electricity purchased from these companies, or the proportion of services used, as appropriate. Other associated companies and joint ventures that are not actors in Fortum's value chain are included in GHG emissions Scope 3 category 15 disclosures. See [2.2.8 Metrics for climate change](#), [Reporting principles](#).

If not otherwise stated, associated companies and joint ventures are currently not included in disclosures on policies, actions and targets. If not otherwise stated, other value chain actors are excluded from the disclosures as Fortum is utilising the exemption for phased-in disclosures (ESRS 1-10). This does not apply to suppliers of goods and services, which are included in the disclosures in sections [3.3 Workers in the value chain](#) and [4.5 Management of relationships with suppliers](#).

The scope of EU Taxonomy reporting is described in [2.7.1 Introduction to EU Taxonomy](#).

Fortum concluded the sale of its recycling and waste business on 29 November 2024 and its turbine and generator services on 31 December 2024. Disclosures in this sustainability statement include these businesses until the date of disposal, if not otherwise stated. The recycling and waste business is not included in the 2024 double materiality assessment, ensuring a focused reporting scope and a relevant assessment aligned with Fortum's current operational scope.

Fortum has not used the option to omit specific information relating to intellectual property, know-how or results of innovation, nor the exemption to disclose impending developments or matters in the course of negotiation.

1.2.3 Time horizons

In the double materiality assessment, Fortum is using time horizons that deviate from the medium- and long-term time horizons defined in ESRS 1 General Requirements section 6.4. The reason for the deviation is that the time horizons have been aligned with time horizons used in Fortum's financial planning process. The medium-term time horizon is from one to three years, and the long-term time horizon is more than three years.

1.2.4 Use of estimates, judgement and forward-looking information

The preparation of the sustainability statement requires management to make estimates and assumptions that affect both the qualitative and quantitative information given; on the other hand, certain ESRS disclosure requirements ask for forward-looking information, which is inherently uncertain. Estimates, judgement and forward-looking information are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas where management's estimates and judgement are most critical are:

- Judgement and forward-looking information used in the identification and scoring of sustainability impacts, risks and opportunities, as well as in determining the threshold for material topics. See [1.4 Double materiality assessment](#).
- Estimates and forward-looking information used in valuing the anticipated financial effects from sustainability risks and opportunities. See [1.4 Double materiality assessment](#).

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

- Estimations used in GHG Scope 3 emission calculations. See [2.2.8 Metrics for climate change, Reporting principles](#).

1.2.5 Exemptions for phased-in disclosures

In 2024, Fortum is taking advantage of the following exemptions listed in ESRS 1 section 10 and Appendix C:

- Comparative information will not be disclosed in the first year of reporting. This exemption does not apply to the EU Taxonomy disclosures.
- Anticipated financial effects from material risks and opportunities will not be disclosed (ESRS 2 SBM-3 and ESRS E1-9). Qualitative information will be provided in 2025, quantitative at the latest in 2027.
- The following information on own workforce (ESRS S1) will not be disclosed: characteristics of non-employee workers (S1-7), as well as cases of work-related ill-health and number of days lost to injuries, accidents, fatalities and work-related ill health, and health and safety information on non-employees (S1-14). These disclosures will be provided in 2025.
- As described above in section [1.2.2 Reporting scope](#), certain disclosures exclude value chain actors. These disclosures will be provided at the latest in 2027. In 2024, Fortum focused on collecting information for mandatory disclosures and decided to use the possibility to phase-in information gathering over time. Planning for value chain-related information gathering will commence in 2025.
- List of significant ESRS sectors and total sales by significant ESRS sector (ESRS 2 SBM-1). The disclosure will be given when sector-specific disclosure requirements are in force.

1.3 Strategy and business model

1.3.1 Business model and value chain

Fortum is the third-largest power generator in the Nordics, with power generation of 46.3 TWh and heat and steam production of 4.1 TWh in 2024. In 2024, 99% of Fortum's total power generation originated from the company's Nordic 45.5 TWh outright power generation, which is based mainly on hydro, nuclear and onshore wind power. Fortum is also the largest electricity retailer in the Nordics, with over two million customers. Furthermore, Fortum has district heating and cooling businesses in Finland and Poland, and pilot phase hydrogen production operations. These businesses are complemented by the electricity and gas retail business in Poland and the battery recycling business. Fortum concluded the sale of its recycling and waste business on 29 November 2024; the related activities are excluded from Fortum's value chain. While the majority of operations are non-fossil, Fortum has some fossil fuel derived operations. In 2024, the share of fossil fuels of sales was 12%, including fossil-based production and gas sales. The share of fossil fuels of production-based sales was 6% and the share of coal of sales was 3%.

Fortum is a major economic actor in its main operating countries in the Nordics. The most significant direct monetary flows come from sales to customers, procurement of goods and services from suppliers, compensation to lenders, dividends to shareholders, growth and maintenance investments, employee wages and salaries, and taxes paid. On 31 December 2024, Fortum had 4,496 employees in 14 countries, with the majority of employees in Finland, Sweden, Norway and Poland. See Note [6.4 Group-wide disclosures](#) for number of employees by country.

Fortum's strategy and business model are designed to deliver on the company's purpose: to power a world where people, businesses and nature thrive together. Sustainability and low-carbon power generation are built into Fortum's strategy. Fortum has three reportable segments: Generation, Consumer Solutions, and Other Operations. See Note [6.1 Business and segment structure](#). The target of the organisation is the successful implementation of the company's purpose and strategy. The business structure mirrors the key value drivers in Fortum's low-carbon generation portfolio, strong sales and trading capabilities, as well as customer orientation.

Fortum has set near- and long-term company-wide emission reduction targets in line with the targets of the SBTi, and anchored these targets to the overall business strategy. Fortum has also created a climate transition plan defining actions and resources towards net-zero operations. The plan is based on existing operations and business structure, and dependent on future development and changes in the operating environment. In addition, Fortum has set targets for biodiversity, pollution, own workforce, workers in the value chain and business conduct. See [1.1.4 Fortum's sustainability targets](#) and [2.2.6 Transition plan for climate change mitigation](#).

The resilience analysis steers Fortum's strategy. In its analysis, Fortum considers a landscape of five strategic, long-term macro scenarios in its operating environment outlook, including the sustainability-related drive of societal focus on climate and environment, and the variable of climate and ecosystem stability. Sustainability risk identification is based on the resilience analysis, and assets and business activities at risk are considered in the double materiality assessment. See [2.2.4 Resilience analysis](#).

The management of sustainability-related impacts, risks and opportunities and targets are designed to support strategy execution. Fortum is continuously assessing its business portfolio and evaluates risks and opportunities for acquisitions, investments and divestments, including sustainability-related matters and possible trade-offs between risks and opportunities. See [1.4.2 Material impacts, risks and opportunities](#).

Fortum is a significant purchaser of goods and services, and aims to achieve its sustainability targets through responsible supplier selections and close collaboration with partners. Electricity purchased from the Nordic wholesale electricity market for retail, investments and fuel purchases accounted for the majority of purchases. The rest consisted of other goods and services related to operation and maintenance, as well as other functions, such as IT solutions and professional services. Fortum uses various fuels, such as uranium 81%, waste-derived fuel 6%, coal 6%, biomass and biofuels 3%, and natural gas 2%, to produce electricity, heat and

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

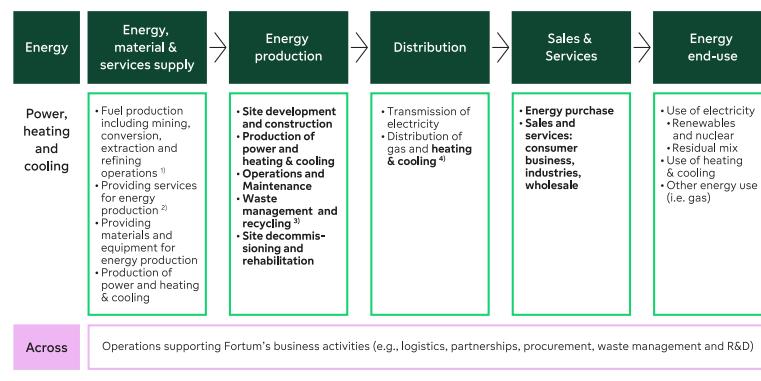
ISSB content index

Investor information

steam. Percentage shares are based on the energy content of the fuel. In fuel sourcing, special attention is paid to the origin of the fuel and to responsible production. Fortum does not buy fossil fuels, wood pellets or biomass from Russia. These fuels mainly originate from Europe and the US. In addition, Fortum uses land areas and large volumes of water in its power plants and district heating networks.

Fortum has an ability to reliably deliver low-carbon energy at scale. With total energy sales of EUR 3.2 billion in 2024, Fortum helps its customers and societies to decarbonise. Fortum follows the availability of different energy production forms as the measure of security of supply and has set strategic targets for fleet availability: over 90% for nuclear and 95% for hydropower. In 2024, the nuclear fleet availability was 84% and hydro availability was 97%.

Fortum's value chain is depicted below:



1.3.2 Interests and views of stakeholders

Fortum's way of operating responsibly includes open and regular dialogue with its stakeholders. Collaboration with different stakeholder groups helps Fortum to understand, assess and meet the expectations that various groups have towards the company. Several different stakeholder surveys are conducted to systematically monitor stakeholders' views.

The table below presents Fortum's stakeholders, their respective group (affected stakeholders, users of the sustainability statement, or both), as well as the method of engagement with each stakeholder group:

Stakeholder type	Affected stakeholders	Users of the sustainability statement	Method of engagement		
			Meetings and interviews	Media monitoring	One Fortum Survey
Lenders, investors, shareholders	●	●	●	●	●
Clients and consumers	●	●	●	●	●
Employees	●	●	●	●	●
Future talent	●	●	●	●	●
Authorities and decision makers	●	●	●	●	●
Energy sector organisations	●	●	●	●	●
Local communities	●	●	●	●	●
Service and goods suppliers	●	●	●	●	●
Workers in the value chain	●	●	●	●	●
NGOs and trade unions	●	●	●	●	●
Media	●	●	●	●	●

Engagement with the above-mentioned stakeholders informs Fortum's strategy and business model in several ways, as described below.

Fortum follows public dialogue and monitors media in the countries where it operates and participates in providing relevant information to stakeholders through different channels. Feedback from customers drives the development of Fortum's products and services. Interviews and discussions held with national authorities, decision-makers and politicians help the company to understand its industry-specific political environment and future trends. Regular employee surveys keep Fortum alert to topical issues among its personnel, enable the company to address grievances internally and to practice successful employee retention. Dialogue with non-governmental organisations (NGOs) and trade unions keeps Fortum updated on topical external sustainability concerns, challenges the company to address difficult issues, and gives valuable external expert opinions to Fortum's sustainability work.

The views of suppliers of goods and services inform Fortum on issues relevant not only to the company's own operations, but also further along its value chain. Engagement with value chain workers informs Fortum about the working conditions in its supply chains and supports the company in addressing related concerns with its business partners. Membership in national and international organisations helps to deepen Fortum's understanding of industry- and sector-wide stakeholder issues and their connections to Fortum's business. Direct dialogue and surveys with local communities around Fortum's sites helps the company to contribute positively to the surrounding society and to be a good corporate citizen. Active dialogue with investors and investor coalitions, as well as frequent contact with both equity and credit research analysts at investment banks and brokerage firms, not only helps Fortum to address the requirements of the capital markets but, most importantly, helps the company to adequately consider investor feedback in its continuous business development and strategic decarbonisation agenda.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Fortum has an informal Advisory Council consisting of representatives from Fortum's key stakeholder groups in Finland, as invited by the Board of Directors. The Advisory Council aims to advance Fortum's businesses by facilitating the dialogue and exchange of views between Fortum and its stakeholders.

In collaboration with third parties, Fortum annually conducts several surveys regarding stakeholders' expectations and opinions of the company. These surveys help Fortum to assess and respond to stakeholder groups' expectations and to measure the success of stakeholder collaboration. These surveys also provide information about sustainability trends and risks. The results are used in business planning, as well as in identifying priorities for sustainability, including input into Fortum's double materiality assessment. See also [1.4 Double materiality assessment](#).

The most widely disseminated stakeholder survey is the extensive One Fortum Survey, which measures company reputation, as well as customer satisfaction and its development at different business units. The survey is conducted annually, in the autumn, in most countries where Fortum has operations. The views and interests of affected stakeholders regarding Fortum's sustainability-related impacts are shared with the administrative, management and supervisory bodies as part of the annual process of sharing One Fortum Survey results. Thus, the results feed into the annual corporate strategy process. They also play a role in reviewing and adjusting, if needed, the corporate business model and the ways of operating in different business units.

Fortum also has specific methods of engaging with affected stakeholders on material sustainability issues and hearing the views and interests of Fortum's own workforce, value chain workers and affected communities. This engagement also addresses their human (including labour) rights. The views and interests of own workforce, including their views on strategy, are gathered, for example, through the Employee Voice survey and taken into account in operative and strategic planning. The Fortum European Council (FEC) also serves as a cooperation function for dialogue between management and employee representatives on, e.g., strategy and information exchange on various activities (e.g. personnel motivation and wellbeing). Views and interests of value chain workers, gathered through audits or indirect sources (e.g. external NGO reports and surveys) inform, for example, supplier selection. Views and interests of affected communities received through stakeholder engagement are taken into account in new project development (e.g. site selection and landscaping) and adjusting the business model, where possible. For more information about the methods of engaging with affected stakeholders and how their input is taken into account in business planning and decisions, see [3.2 Own workforce](#), [3.3 Workers in the value chain](#) and [3.4 Affected communities](#).

The table below shows Fortum's main stakeholder surveys, their target groups, scope and frequency:

Survey	Target group	Target countries	Frequency
One Fortum Survey	Customers General public Public administration Capital markets NGOs Opinion leaders Personnel Media	Finland, Sweden, Norway, relevant international stakeholders	Customer satisfaction is measured semi-annually or annually, depending on the customer segment. Reputation is measured annually.
Supplier Relationship Management (SRM) Survey	Suppliers of goods and services	All operating countries	Annually
Media tracking	Media	All operating countries	Daily
Brand tracking	General public and customers	Finland, Sweden, Norway	Continuously
Employee Voice survey	Own personnel	All operating countries	Every six months
Fortum Digital Experience Survey	Own personnel	All operating countries	Continuously
Local acceptance of hydropower production	Local stakeholders around Fortum's sites	Sweden	Annually
Local nuclear acceptability survey	Local stakeholders around Loviisa nuclear power plant	Finland	Annually

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

1.4 Double materiality assessment

1.4.1 Double materiality assessment process

The scope of the sustainability statement is determined through a double materiality assessment (DMA). The double materiality assessment process follows the methodology outlined in ESRS 1 General Requirements. The double materiality assessment is done on an annual basis, involving relevant internal functions and business units across the Group. Impacts, risks and opportunities are identified and assessed on a business unit level and consolidated and analysed at Group level. The material topics are approved by the Fortum Leadership Team (FLT) and reviewed by the Audit and Risk Committee (ARC). See also [1.5 Sustainability governance](#). Internal controls related to the double materiality assessment are described in [1.5.3 Risk management and internal controls over sustainability reporting](#).

Fortum uses the following four-step approach for its double materiality assessment:

Step 1: Understanding value chains, business activities, industry, geographies and dependencies

The purpose of this step is to gain an understanding of the overall context for the double materiality assessment, including an examination of Fortum's value chain and key stakeholders. In the first year of reporting, this step also included identifying and reviewing existing materials and assessments to help identify potential sources of impacts, risks and opportunities.

The starting point of the first double materiality assessment was a detailed value chain mapping to better understand Fortum's operations and main product and service groups through key business activities and dependencies stemming from geographies or relationships, covering both upstream and downstream elements of the value chain. For more details on the results of the value chain assessment, see [1.3.1 Business model and value chain](#).

Step 1 also included the mapping of both affected stakeholders and users of the sustainability statement with whom Fortum engages on a continuous basis. During 2024, stakeholder input was collected for the double materiality assessment through different annual stakeholder surveys (e.g. One Fortum Survey). After the survey results were analysed and scrutinised, the findings were provided as input for steps 2 and 3. For more details on stakeholder engagement, see [1.3.2 Interests and views of stakeholders](#).

Following the divestment of the recycling and waste business in 2024, the recycling and waste business is not included in the 2024 double materiality assessment, ensuring a focused reporting scope and a relevant assessment aligned with Fortum's current operational scope.

Step 2: Impact materiality – identifying and assessing impacts (inside-out)

The purpose of this step is to identify and assess both positive and negative impacts on environmental, social and business conduct matters across Fortum's own operations and in its

upstream and downstream value chain. The first impact assessment was initiated by revisiting the comprehensive list of value chain activities identified in step 1 to identify direct and indirect impacts across the value chain. This included reviewing existing due diligence materials and other relevant internal and external materials, e.g., internal impact assessments, and using the list of sustainability matters in ESRS 1 Application Requirement (AR) 16 as support to ensure completeness.

Once the list of actual and potential impacts were identified, they were classified based on the following factors: actual or potential impact; negative or positive impact; value chain location; time horizon; and ESRS topic, sub-topic and sub-sub-topic (the ESRS 1 AR16 list was slightly amended by combining existing and adding some new sub-topics and sub-sub-topics to better reflect Fortum's business and to facilitate a more detailed analysis).

Next, to determine the severity of the identified impacts, the impacts were scored based on the following three factors:

- Scale: how grave is the negative impact, or how beneficial is the positive impact for people or the environment?
- Scope: how widespread is the impact, i.e., what is the extent of the environmental damage, or the geographical perimeter, or the number of people adversely impacted?
- Irremediable character of negative impacts: whether and to what extent the negative impacts can be remediated, i.e., by restoring the environment or affected people to their original state or equivalent?

For potential impacts, the likelihood of occurrence was also assessed, and the final assessment was calculated based on two parameters: severity and likelihood. For actual impacts, a likelihood of 100% was used in the calculation.

Step 3: Financial materiality – identifying and assessing risks and opportunities (outside-in)

The purpose of this step is to identify and assess potential environmental, social and business conduct topics that could trigger a negative (risk) or positive (opportunity) financial impact on Fortum's business. During 2024, Fortum integrated the financial materiality assessment into the Enterprise Risk Management (ERM) process. Sustainability risks previously identified in the ERM process on a business unit level were used as a basis for the assessment. These existing risks were then complemented by risks and opportunities deriving from impacts identified in step 2, dependencies on natural, human and social resources, as well as other factors, such as exposure to climate hazards or changes in regulation that address systemic risks.

Once the risks and opportunities had been identified, they were classified based on value chain location, financial impact type (e.g. EBITDA, cash flow), whether it is a recurring or one-time event, as well as by ESRS topic, sub-topic and sub-sub-topic.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Finally, materiality of the identified risks and opportunities was assessed by scoring the likelihood of occurrence and the financial magnitude in the short-, medium-, and long-term. The final score for each risk and opportunity was then calculated by multiplying the potential magnitude of financial effect by its likelihood of occurrence.

Step 4: Determining thresholds and assessing final materiality

To conclude the double materiality assessment, impacts, risks and opportunities scored on a business unit level were consolidated, after which they were categorised by sub-sub-topic and score. Qualitative adjustments were made to ensure the consolidated results accurately represent Fortum's material impacts, risks and opportunities as a whole. Materiality thresholds were set by considering a range of factors, including but not limited to the significance of the impact, risk or opportunity to stakeholders, potential financial implications, and the strategic importance of the topic. Based on these considerations, the materiality threshold for 2024 was set at 12 on a scale of 1-25. A sustainability matter meets the double materiality criteria if it is material either from the impact perspective or from the financial perspective, or from both.

In addition to scoring, qualitative criteria can be applied to determine material topics. These include, e.g., strategic or stakeholder expectations. In 2024, these considerations led to a management decision to include certain additional business conduct topics as material. See [4.2 Material impacts, risks and opportunities for business conduct](#).

For a list of the material disclosure requirements, see [5.1 Material disclosure requirements](#).

Use of judgement and forward-looking information in the double materiality assessment

Due to the complex and often uncertain nature of sustainability issues, as well as difficulties in accessing exact value chain data, assessing the severity, magnitude and likelihood of impacts, risks and opportunities will always involve a certain amount of judgement. This is the case especially for impacts, risks and opportunities beyond the first value chain tier, or further in the future. In conducting the double materiality assessment, efforts were made to anchor the assessment on quantitative factors, utilising existing information, assessments and processes, where possible. Where exact data was not reasonably available, specialist knowledge and best available information, e.g., geography and industry data, were utilised.

An example of a situation where estimates and forward-looking information are used is in valuing the anticipated financial effects from sustainability risks and opportunities. These values are used in the financial materiality assessment. Financial materiality is estimated using professional judgement and based on the most appropriate measure for the specific risk or opportunity, such as the anticipated annual EBITDA impact, multiplied by the likelihood of occurrence.

Furthermore, determining the materiality thresholds involves management judgement. To ensure relevant and accurate results, various factors, including implications for Fortum and its stakeholders, were carefully considered in determining material topics.

Specific considerations regarding the process to identify and assess impacts, risks and opportunities for each material topic

In addition to the general double materiality process description, the ESRS mandates a more detailed explanation of the process used to identify and assess impacts, risks and opportunities for each material topic. The following section outlines methodologies, input parameters, and processes for evaluating each of these topics.

For climate change, consideration was given to sources of GHG emissions in own operations, including upstream and the downstream value chains, across all Fortum's key business activities. The current volumes of GHG emissions were taken into account when identifying impacts, risks and opportunities throughout the value chain. Furthermore, consideration was given to all climate-related transition risks, physical risks and opportunities. Both actual and potential transition and physical risks were considered in the resilience analysis conducted as part of the double materiality assessment. Scenarios analysed included three different climate change scenarios with global warming of more than 3°C, 2.5-2.8°C and 1.5-1.9°C. The resilience analysis and climate scenarios used are further described in [2.2.4 Resilience analysis](#). Fortum's operations and assets are exposed to external events, such as changes in air and water temperature, precipitation, and extreme weather events, the frequency and magnitude of which may increase as a result of climate change. The identification of physical risks was conducted at entity level, and resilience towards various acute and chronic physical climate risks was assessed.

For pollution, consideration was given to all Fortum's key business activities. For own operations, sources of emissions to air, water and soil were considered based on measuring and monitoring emissions in accordance with environmental permit requirements for each site and local regulations. An internal chemical database was used to evaluate the quantity of substances of concern used in own operations.

For water and marine resources, all key business activities were taken into account. Interactions with water, including water withdrawal, discharge and consumption were considered. The WRI Aqueduct Water Risk Atlas was used to screen whether own operations and main known locations of fuel sourcing are located in water-stressed areas. In addition to the WRI Aqueduct Water Risk Atlas, Fortum used site-level basin physical risk data from the WWF Risk Filter Suite's Water Risk Filter tool in the assessment of physical water risks. Both the baseline situation and future scenarios were analysed with both tools.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

For biodiversity and ecosystems, Fortum performed a biodiversity footprint assessment (BFA), finalised in 2023. The assessment was made by using the Global Biodiversity Score® (GBS®) tool. The assessed impacts and dependencies on biodiversity and ecosystem services, covering direct operations as well as the value chain, were used as base information in the double materiality assessment. In the methodology used, the impacts and dependencies were assessed based on datasets of ENCORE and EXIOBASE. The BFA was made by following the publicly available, Science-Based Targets for Nature, Initial guidance for Business by Science Based Target Network (SBTN). From the main drivers of biodiversity loss, the BFA covered interactions with land/sea use change, direct exploitation, climate change and pollution. The methodology used did not cover the interaction with invasive alien species. Additionally, the aquatic impact of hydropower production was evaluated separately through an expert review and is considered a material biodiversity impact. In addition to these assessments, the double materiality assessment considered all of Fortum's key business activities. Affected communities were not consulted for the identification and assessment of biodiversity-related impacts, risks or opportunities. For information about the assessment regarding biodiversity-sensitive areas, see [2.5.7 Metrics for biodiversity](#).

For resource use and circular economy, resource inflows and outflows in own operations, including in the upstream and the downstream value chain, in all Fortum's key business activities were considered. The assessment was done based on site-specific data on resources used and materials and waste produced, and it was supplemented by expert evaluations.

For own workforce, all employees were considered in the assessment. Employee feedback and perspectives were obtained from, e.g., employee surveys and SpeakUp reports, where relevant. Country-specific aspects were also considered, where relevant.

For value chain workers, Fortum's upstream value chains and the procurement of different products and services were considered in the assessment. Where exact data of the upstream value chain beyond the first tier was not reasonably available, specialist knowledge and best available information, e.g., industry- and country-related data and external reports and studies, were utilised to develop understanding of vulnerable workers and the likelihood of impacts in different supply chains.

For affected communities, Fortum's operating countries and location of plants in the areas of indigenous communities, as well as stakeholder feedback were taken into consideration.

For business conduct, all operating countries were considered, and previous cases of misconduct were taken into account in the assessment. The assessment also considered supplier relationship management practices and processes to evaluate suppliers in terms of environmental and social sustainability.

1.4.2 Material impacts, risks and opportunities

As a result of the double materiality assessment, Fortum has identified 34 material impacts, risks and opportunities (IROS) covering nine out of ten ESRS topics. The table below includes a summary of these, categorised by ESRS topic, value chain location(s), the most significant time horizon(s), and whether it is a positive or negative impact, risk or opportunity. Each impact, risk and opportunity has been assigned a reference number that corresponds to the impacts, risks and opportunities in the topical sections of this sustainability statement.

All of the material impacts, risks and opportunities are covered by ESRS disclosure requirements, as Fortum has not identified any material entity-specific topics. The material topics are assessed on a strategic basis, and clear targets and action plans have been developed to ensure impacts and risks are addressed. For more information on these material impacts, risks and opportunities and how they are managed, see each topical section.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

IRO reference	Topic	Impact, risk or opportunity	Value chain location	Time horizon	Description
E1.1	Climate change	Negative impact	Own operations, upstream	Long-term	Producing GHG emissions in power and heat production.
E1.2	Climate change	Negative impact	Own operations	Medium-term	Purchasing of non-renewable or uncertified electricity for own use.
E1.3	Climate change	Negative impact	Upstream	Long-term	Producing GHG emissions in the production of electricity purchased from the market and sold to end-users unbundled with Guarantee of Origin certificates.
E1.4	Climate change	Negative impact	Across	Medium-, long- term	Producing GHG emissions in the upstream and downstream value chain (fuels, materials, components and waste).
E1.5	Climate change	Negative impact	Downstream	Long-term	Producing GHG emissions in the use of natural gas sold to customers.
E1.6	Climate change	Negative impact	Across	Long-term	Climate change impact caused by travelling and commuting.
E1.7	Climate change	Positive impact	Downstream	Short-, medium-, long-term	Helping customers to decarbonise their operations. Offering low-carbon and stable energy supply for customers' decarbonisation needs. Providing electric vehicle charging applications to the customers supporting their own CO ₂ emission reduction efforts.
E1.8	Climate change	Risk	Own operations	Long-term	Policy and legal risk: Uncertainties around regulatory development in the EU (e.g., EU ETS) affecting Fortum's profitability.
E1.9	Climate change	Risk	Own operations	Long-term	Reputation risk: Failure to decarbonise Fortum's operations in accordance with climate targets and as requested by stakeholders, potentially affecting market value.
E1.10	Climate change	Risk	Across	Short-, medium-, long-term	Chronic climate risk: Increased average temperatures, including water, affecting electricity, gas and heat demand, and supply and production continuity.
E1.11	Climate change	Risk	Across	Short-, medium-, long-term	Acute climate risk: Extreme weather events such as storms or heat waves and dry spells causing e.g. forest fires affecting power generation and transmission.
E1.12	Climate change	Opportunity	Own operations	Short-, medium-, long-term	Opportunities from increased sales resulting from decarbonising Fortum's own operations.
E1.13	Climate change	Opportunity	Across	Short-, medium-, long-term	Opportunities from increased sales resulting from increased demand for low-carbon electricity.
E2.1	Pollution	Negative impact	Own operations, downstream	Medium-term	Air pollution due to nitrogen oxides (NO _x) and sulphur dioxide (SO ₂) emissions produced in fuel combustion.
E2.2	Pollution	Negative impact	Own operations	Short-, medium-term	Potential impact on the environment when using Substances of Concern (SoC)/Substances of Very High Concern (SVHC) in operations.
E2.3	Pollution	Positive impact	Own operations	Long-term	Battery metal recovery prevents SoC from ending up in the environment.
E3.1	Water and marine resources	Negative impact	Own operations	Medium-term	Water withdrawal and discharge related to power and heat production mainly for cooling purposes.
E3.2	Water and marine resources	Negative impact	Own operations	Medium-term	Impact of hydropower production on the fluctuation range and rhythm of the water discharge and water levels in waterways.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

IRO reference	Topic	Impact, risk or opportunity	Value chain location	Time horizon	Description
E4.1	Biodiversity and ecosystems	Negative impact	Own operations	Long-term	Aquatic impact from hydropower production. Damming of rivers has negative impacts on fish and other fauna migration.
E4.2	Biodiversity and ecosystems	Negative impact	Upstream	Long-term	Biodiversity impact through climate change pressure from trading of energy. Impacts through global warming. The mechanism is global, but the impact is shown at the local level.
E4.3	Biodiversity and ecosystems	Negative impact	Upstream	Long-term	Biodiversity loss resulting from fuel procurement. The production of fuel used in Fortum's power and heat production affects biodiversity through land use, resulting in changes and loss and degradation of the natural environment. Emissions from production of fuels used by Fortum also affect biodiversity through climate change.
E4.4	Biodiversity and ecosystems	Negative impact	Own operations	Long-term	Land use impact from construction. Changes and loss of the natural environment at construction sites. In addition, increased impact from fragmentation and encroachment. At the operational stage, there may also be possible impacts on avifauna (mainly birds and bats) through collision risk and changes in migration routes.
E5.1	Resource use and circular economy	Negative impact	Own operations	Long-term	Producing radioactive waste in nuclear power plant operations. Radioactive waste is classified as either low-level, intermediate-level or high-level waste, based on how it was created, its original purpose and radioactivity level. Radioactive substances ending up in the environment through the processing, storage, transportation and/or disposal of radioactive waste may cause environmental impacts.
S1.1	Own workforce	Positive impact	Own operations	Short-term	Fortum provides secure employment through permanent, full-time jobs and by fostering attractive career and development opportunities for continued competence development. This increases employees' security, stability, job continuity, and peace of mind, and fosters commitment to the organisation.
S1.2	Own workforce	Positive impact	Own operations	Short-term	All Fortum employees receive an adequate wage and Fortum is committed to ensuring gender-equal and adequate pay for all employees in all countries.
S1.3	Own workforce	Positive and negative impact	Own operations	Short-, medium-term	Safety is considered a material and strategic issue at Fortum and Fortum strives for excellence in safety culture across all operations. Safety incidents have a negative impact on employee health and safety.
S2.1	Workers in the value chain	Negative impact	Upstream	Short-term	Excessive working hours, inadequate wages, insufficient health and safety practices, gender inequality and a limited right to collective bargaining in supply chains violate value chain workers' rights at work and have a negative impact on their quality of life, health and wellbeing. Fortum may be linked to those impacts through its supply chains.
S2.2	Workers in the value chain	Negative impact	Upstream	Short-term	Use of forced, involuntary or child labour violates human rights and children's rights. Fortum may be linked to those impacts through its supply chains.
S2.3	Workers in the value chain	Negative impact	Upstream	Short-term	Safety incidents have a negative impact on contractors' employees who work at Fortum's sites.
S3.1	Affected communities	Positive impact	Own operations	Medium-term	Fortum has positive socio-economic impacts on local communities around its sites through providing employment and indirect employment opportunities through purchases of products and services. In addition, land leasing and taxes provide income for local communities.
S3.2	Affected communities	Negative impact	Across	Medium-term	Activities in Fortum's value chain, including Fortum's provision of services to wind power plants have potential impacts on the traditional land use modes, customary practices and modes of livelihood, e.g. traditionally practised reindeer herding of indigenous peoples.
G1.1	Business conduct		Across	Medium-term	Fortum considers effective compliance management, business conduct, as well as the prevention and detection of corruption and bribery to be a basis of ethical corporate culture.
G1.2	Business conduct		Across	Short-term	Fortum encourages employees and other stakeholders to raise concerns and report any misconduct when necessary and considers the protection of whistleblowers critical to building trust in the reporting channels.
G1.3	Business conduct		Upstream	Medium-term	Managing relationships with suppliers is essential for effective management of sustainability impacts and risks.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

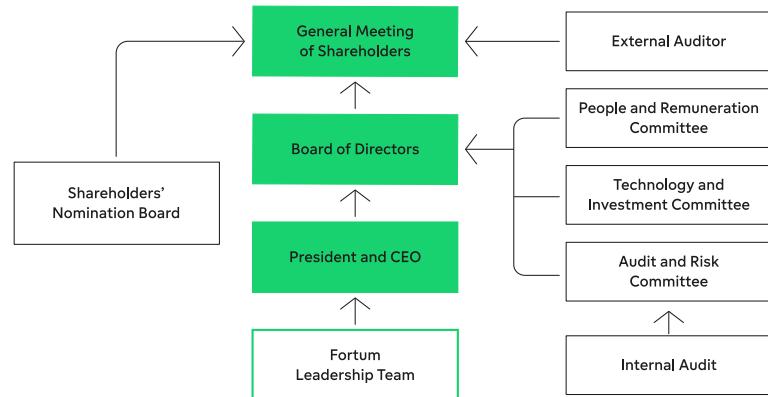
ISSB content index

Investor information

1.5 Sustainability governance

1.5.1 Role of administrative, management and supervisory bodies

Roles and responsibilities of the administrative, management and supervisory bodies



The decision-making bodies managing and overseeing Fortum's administration and operations are the General Meeting of Shareholders; the Board of Directors (the Board) with its Audit and Risk Committee (ARC), the Technology and Investment Committee (TIC), and the People and Remuneration Committee (PRC); and the President and Chief Executive Officer (CEO), supported by the Fortum Leadership Team (FLT).

The highest decision-making authority on sustainability- and business conduct -related matters is with the Board. In addition, both the ARC and the TIC have their specific duties and responsibilities. Members of the FLT and other senior executives support the Board in its decision-making on sustainability- and business conduct -related matters.

Sustainability is an integral part of Group strategy. In accordance with the Board charter, the Board is responsible for strategic development and steering of the Group's businesses, setting and following up performance targets, including sustainability-related targets; as well as for reviewing and approving sustainability reporting. Sustainability risks and opportunities are considered as an input in making of strategic choices, including major transactions, and in setting performance targets.

Sustainability risks and opportunities are managed through the same risk management framework, governance, and processes than all other risks and opportunities. The Board has the supervision and oversight to ensure that risk management of the company is properly organised. The Board is also responsible for confirming operating principles and Group policies, including the Code of Conduct, the Sustainability Policy and the Risk Policy, as well as for overseeing their implementation to ensure that also sustainability-related matters are appropriately managed.

In accordance with its charter, the ARC monitors the sustainability reporting process. The ARC is responsible for informing the Board of the outcome of the assurance of the sustainability reporting, how the assurance of the sustainability reporting has contributed to the integrity of sustainability reporting, and what the role of the ARC has been in the sustainability reporting assurance process. The ARC prepares the recommendation for the Board on the election of the external auditor and sustainability reporting assurance provider and evaluates the independence of the external auditor and assurance provider. The ARC meets regularly the sustainability auditor to discuss and review the assurance plan, assurance processes and observations. The ARC also reviews the description of the main features of the internal control and risk management systems for sustainability reporting processes, and monitors material sustainability-related risks and uncertainties. Further, the ARC monitors the efficiency of the company's compliance and risk management systems, as well as monitors and assesses the legal and business ethics compliance, including following cases of misconduct related to business conduct.

The TIC assesses and reviews recommendations for the Board on sustainability-related policies and targets, excluding reporting.

The FLT, led by the President and CEO, is responsible for setting the Group's sustainability objectives, proposing sustainability targets for Board approval, and monitoring sustainability performance on a monthly, quarterly, or annual basis, depending on the specific target. The FLT reviews and the Board approves amendments to the Sustainability Policy. The execution of the climate transition plan will be followed in the FLT's Strategy and Capital Allocation Committee (SCAI) on a regular basis.

The Chief Financial Officer has the executive-level responsibility for the sustainability statement in accordance with CSRD, including the related reporting process and controls, as well as the overall ownership of the ERM process, including material sustainability risks and opportunities. The Executive Vice President, Sustainability and Corporate Relations has the overall responsibility for sustainability, including the development, execution and oversight of the Group's sustainability activities, such as the Sustainability Policy and related group-level instructions, sustainability targets and monitoring performance; as well as the double materiality assessment process, including the identification of material impacts.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Material sustainability-related impacts, risks and opportunities are reported to the ARC and the FLT, at least annually, see list in [1.4.2 Material impacts, risks and opportunities](#). The management of impacts, risks and opportunities, and the related assessment process is integrated into annual governance processes utilising relevant experts across the company. Responsibility for providing a consolidated view of Fortum's production portfolio, its long-term development, and its alignment with the Group strategy and sustainability-related targets falls under the Strategy function.

Composition and diversity of the members of administrative, management and supervisory bodies

Information on the composition of the Board is presented in the table below:

As indicated	2024
Number of executive members	0
Number of non-executive members	9
Board's gender diversity ratio, female to male	3:6
Proportion of independent board members, %	100

With regard to the Board's gender diversity ratio, the Shareholders' Nomination Board applied the Board diversity principles in line with the Finnish Corporate Governance Code 2025 in preparing the proposal for the nomination of Board members for the 2024 and 2025 Annual General Meeting (AGM). Ahead of the 2024 AGM, a member of the Board at the time announced that she was not available for election to the Board for the new term. Thus, the composition of the Board decreased from ten to nine members, of which three are female and six are male. The proposal for the board members for the AGM 2025 consists of three females and six males. The Shareholders' Nomination Board acknowledges the current gender ratio of the Board and will take it into account in the preparation of the proposal on the composition of the Board in the future.

The Board does not have employee or other worker representation. However, Fortum has an informal Advisory Council consisting of representatives from different key stakeholder groups, as invited by the Board. The Advisory Council aims at maintaining and furthering the dialogue with key stakeholders to advance Fortum's interests, brand and reputation. The Advisory Council regularly discusses topics related to Fortum's operations and development with the President and CEO, FLT and the Board. The Advisory Council currently consists of 15 persons representing Fortum's different stakeholder groups, including three employee representatives.

Ensuring skills and expertise for sustainability oversight by administrative, management and governance bodies

The purpose and task of Fortum's Shareholders' Nomination Board is to prepare proposals on the remuneration, the number of Board members, and the composition of the Board for the General Meeting. It also seeks successor candidates to the Board. The Shareholders' Nomination Board consists of three members appointed by the three largest shareholders. The Shareholders' Nomination Board applies diversity principles to the Board of Directors in line with the Finnish Corporate Governance Code, according to which the Board composition shall include expertise from the geographical areas where Fortum conducts its business. The underlying profession of Board members shall include such competencies that supports the implementation of Fortum's strategy, and that enables the Board members to challenge management decisions and to exercise oversight, emphasising experience gained in a CEO-level management position in an international business, as well as strong expertise in sustainability, energy industry and digitalisation, in particular. The Shareholders' Nomination Board has deemed that both the current board composition and the board member candidates proposed to be elected by the AGM 2025 possesses the competences defined in the diversity principles in a well-balanced manner.

Information provided to and sustainability matters addressed by Fortum's administrative, management and supervisory bodies

In 2024, the Board actively monitored the preparations of the first sustainability statement in accordance with the CSRD. Ahead of the new sustainability reporting obligations, the entire Board also participated in designated trainings.

Furthermore, the ARC, in each meeting, monitored closely the status of the CSRD implementation project, as well as outcomes, e.g., the results of the double materiality assessment and key reporting processes and controls. It also reviewed the external assurance plan and assurance observations, as well as the disclosures in the sustainability statement, including the list of material impacts, risks and opportunities. In accordance with its role, the TIC reviewed the sustainability targets proposed by the FLT.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

1.5.2 Sustainability-related performance in incentive schemes

The Remuneration Policy for the governing bodies sets out the remuneration principles for the President and CEO, as well as for the Board.

The Board annually decides on the group-level sustainability targets to be included in the incentive schemes. Current incentive schemes include elements that are linked to climate and safety impacts and targets.

Fortum has a short-term incentive (STI) programme applicable to all personnel, which includes safety as one element. In the 2024 STI programme, the safety target included completion of key safety actions to improve safety culture in five focus areas: safety leadership, contractor management, risk awareness, learnings and skills, and health and wellbeing. The weight of the safety target in the incentive programme was 10%. In addition to the financial and safety targets, the 2024 STI programme also included customer satisfaction and operational measures (fleet availability), each having a weight of 10%.

The long-term incentive (LTI) programme, applicable to top management and other key employees, consists of annually commencing LTI plans with a three-year performance period. Performance measures, weightings and targets are set by the Board to ensure that they continue to support the company strategy, and they typically include Environmental, Social, and Governance (ESG) measures. In the 2022–2024 LTI plan, the ESG measure was related to the reduction of absolute CO₂ emissions of the company in Europe. The weight of the ESG measure in the LTI programme was 20%. In the 2023–2025 LTI plan, the ESG measure is linked to emission reduction targets based on climate science (SBTi 1.5°C) and is related to emissions in Europe, and to Fortum's reputation index development among key stakeholders. In the 2024–2026 LTI plan, the ESG measures are based on the development of a pipeline of renewable energy to respond to future demand-driven growth and emission reduction targets aligned with SBTi. In both 2023–2025 and 2024–2026 LTI programmes the weight of the ESG measure is 30%.

Board members are not in an employment relationship with Fortum and, therefore, they are not able to participate in Fortum's STI or LTI programmes.

See also [Note 10 Employee benefits and Board remuneration](#).

1.5.3 Risk management and internal controls over sustainability reporting

The requirements for internal controls are set in Group policies, Group instructions and the internal control framework, which is based on the main elements of the framework introduced by the Committee of Sponsoring Organisations of the Treadway Commission (COSO). The internal control framework is designed to support operational effectiveness and efficiency, reliable financial and sustainability reporting, and compliance with applicable laws, regulations and policies, defining the minimum requirements for key processes.

Key risks for sustainability reporting have been identified by analysing potential causes for error in the reporting process and the likely impact on the quality of reporting. The overall risk in sustainability reporting is material misstatement due to, e.g., incompleteness or inaccuracy of reported information. In addition, the preparation of the sustainability statement requires significant judgement, such as in determining material topics. In the rapidly developing reporting landscape, non-compliance with applicable laws and regulations is also a key risk. Key controls have been defined to address the main risks identified in the end-to-end reporting process.

Environmental, social and business conduct data used for sustainability reporting are entered into five source systems by sites and business units and consolidated and governed centrally by the Finance function. The Corporate Sustainability, People, Procurement, and Compliance & Ethics functions provide content expertise. Control activities, such as automated IT controls, data entry approval, reconciliations, analytical review and checklists, are applied throughout the sustainability reporting process, including the double materiality assessment, to prevent or to detect and correct errors and deviations. Responsibilities have been clearly assigned between the different Group functions and business units. Group Accounting ultimately ensures that sustainability reporting disclosures comply with applicable laws and regulations.

The effectiveness of key internal controls are assessed annually as part of Group-wide internal controls maturity assessments and identified improvement actions are reported to the FLT and the ARC. Internal control design and operating effectiveness are also assessed as part of the audits carried out by Internal Audit. Audit results, including corrective actions and their status, are regularly reported to the management and to the ARC.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

1.5.4 Statement on sustainability due diligence

Fortum's approach to due diligence is based on the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. The table below summarises where the key elements of human rights and environmental due diligence processes are described in this sustainability statement.

Core elements on due diligence	Section(s)
Embedding due diligence in governance, strategy and the business model	1.5 Sustainability governance 2.1.2 Policies on environmental matters 2.2.5 Targets for climate change 2.3.4 Targets for pollution 2.4.4 Targets for water 2.5.4 Targets for biodiversity 2.6.4 Targets for resource use and circular economy 3.1.2 Policies on social matters and respect for human rights 3.2.4 Targets for own workforce 3.3.4 Targets for workers in the value chain 3.4.4 Targets for affected communities
Engaging with affected stakeholders in all key steps of the due diligence process	1.3.2 Interests and views of stakeholders 3.2.6 Engaging with own workforce on impacts 3.3.6 Engaging with value chain workers on impacts 3.4.6 Engaging with affected communities on impacts
Identifying and assessing adverse impacts	1.4.1 Double materiality assessment process 2.2.2 Material impacts, risks and opportunities for climate change 2.3.2 Material impacts, risks and opportunities for pollution 2.4.2 Material impacts, risks and opportunities for water 2.5.2 Material impacts, risks and opportunities for biodiversity 2.6.2 Material impacts, risks and opportunities for resource use and circular economy 3.2.2 Material impacts, risks and opportunities for own workforce 3.3.2 Material impacts, risks and opportunities for workers in the value chain 3.4.2 Material impacts, risks and opportunities for affected communities

Core elements on due diligence	Section(s)
Taking actions to address those adverse impacts	2.2.5 Targets for climate change 2.2.6 Transition plan for climate change mitigation 2.2.7 Actions and resources for climate change 2.3.5 Actions and resources for pollution 2.4.5 Actions and resources for water 2.5.6 Actions and resources for biodiversity 2.6.5 Actions and resources for resource use and circular economy 3.2.5 Taking action and tracking effectiveness of actions on own workforce 3.3.5 Taking action and tracking effectiveness of actions on workers in the value chain 3.4.5 Taking action and tracking effectiveness of actions on affected communities 4.5 Management of relationships with suppliers
Tracking the effectiveness of these efforts and communicating	2.2.7 Actions and resources for climate change 2.2.8 Metrics for climate change 2.3.6 Metrics for pollution 2.4.6 Metrics for water 2.5.7 Metrics for biodiversity 2.6.6 Metrics for resource use and circular economy 3.2.5 Taking action and tracking effectiveness of actions on own workforce 3.3.5 Taking action and tracking effectiveness of actions on workers in the value chain 3.4.5 Taking action and tracking effectiveness of actions on affected communities 4.5 Management of relationships with suppliers

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

2 Environmental sustainability

2.1 Introduction

2.1.1 Introduction to environmental sustainability

Environment is at the core of Fortum's strategy and operations. Climate change, pollution, water, biodiversity and ecosystems, as well as resource use and circular economy are material environmental topics for Fortum.

Fortum's target is to reduce greenhouse gas emissions across its operations and value chain, in alignment with the goals of the Paris Agreement and the requirements of the Science Based Targets initiative (SBTi). Fortum assesses the life-cycle impact of its products and projects and aims to improve their energy and resource efficiency. Fortum also aims at preventing pollution by adopting cleaner technologies, optimising processes, and reducing waste generation, where feasible.

Fortum aims at reducing its emissions to air, land and water. Fortum monitors its use of water and aims for efficient use of water, reduction of fresh-water use, and recycling of water especially in areas of high water stress. Fortum also assesses and increases its knowledge of its impacts and dependencies on biodiversity and ecosystem services, the aim being to reduce negative impacts on the natural environment and to improve biodiversity in connection with its operations.

2.1.2 Policies on environmental matters

The key policies to address the management of environmental impacts, risks and opportunities on Fortum's operations and the value chain are the Code of Conduct, the Supplier Code of Conduct and the Sustainability Policy. These policies are approved by the Board of Directors and are accompanied by instructions and guidelines to guide implementation. The policies apply to all employees, businesses and corporate functions in all operating countries, and the Supplier Code of Conduct sets the expectations for Fortum's suppliers. The above-mentioned policies are available on Fortum's website.

The Code of Conduct states Fortum's commitment to act with due care to ensure environmentally sound business practices and the responsible use of natural resources, to mitigate climate change and to protect biodiversity in all phases of operations, and to continuously improve environmental performance, while supporting the decarbonisation of industries and societies.

The Sustainability Policy describes Fortum's commitments and ambition level towards material environmental issues. Views of affected stakeholders are taken into account when compiling the Sustainability Policy. These stakeholders include customers, personnel, service and goods suppliers, local communities and non-governmental organisations (NGOs).

Commitments related to different environmental topics are described under each topical policy chapter.

Key policies and instructions on environmental matters are presented in the table below. Policies and instructions marked with 'OO' relate to own operations. Those marked with 'VC' aim to address the impacts, risks and opportunities within the value chain, although not all of them are directly binding on value chain actors.

Document name	Climate Change	Pollution	Water	Biodiversity and ecosystems	Resource use and circular economy
Key policies, instructions and manuals					
Code of Conduct (OO, VC)	●			●	
Supplier Code of Conduct (VC)	●	●	●	●	●
Sustainability Policy (OO, VC)	●	●	●	●	●
Biodiversity Manual (OO, VC)			●	●	
Fortum's Paris Aligned Climate Advocacy Principles (OO, VC)	●				
Other related policies, instructions and manuals					
Group Risk Policy (OO, VC)	●	●	●	●	●
Sustainability Governance Model (OO)	●	●	●	●	●
Investment Manual (OO, VC)	●	●	●	●	●
Group Manual for Sustainability Assessment (OO, VC)	●	●	●	●	●
Instructions and Minimum Requirements for EHS Management (OO, VC)		●	●	●	●
Forest Management Guidelines (OO)				●	
Fortum Nuclear Generation Safety and Quality Policy (OO)					●
Group Counterparty Risk Instruction (OO, VC)	●	●	●	●	●

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

2.2 Climate change

2.2.1 Introduction to climate change

Climate change is one of the global megatrends that is driving changes in Fortum's operating environment. Large evidence of global warming is already underway, and this highlights the need to accelerate efforts to reduce emissions and increase carbon sinks. In order to stay within the 1.5 °C limit, the world's emissions must be halved by 2030 and must reach net-zero in the early 2050s. The world must rapidly shift away from burning fossil fuels, and carbon removal is now essential to reach the targets. Climate change mitigation and adaption require political commitment and ambitious actions from different players in society. The European Union is aiming for climate neutrality by 2050 and is committed to a 55% reduction in greenhouse gas emissions by 2030.

2.2.2 Material impacts, risks and opportunities for climate change

Fortum's operations have both actual and potential negative impacts and actual positive impacts on climate change and are subject to climate-related risks and opportunities. The impacts, risks and opportunities related to greenhouse gas (GHG) emission reductions and low-carbon energy sources relate to all business segments across upstream, downstream and own operations. Impacts, risks and opportunities surface in the short-, medium- and long-term, and risks are both physical and transitional.

Fortum has identified the following material climate change-related impacts, risks and opportunities in the double materiality assessment. For more information on the double materiality assessment process, see [1.4 Double materiality assessment](#).

IRO reference	Description
Negative impacts	
IRO E1.1	Fossil fuel combustion releases carbon dioxide and other greenhouse gases, that causes temperature rise and accelerates climate change and changes in rainfall, resulting in more floods, droughts, or intense rain, as well as more frequent and severe heat waves. Fortum has identified negative climate change impacts in the following operations: <ul style="list-style-type: none"> Producing GHG emissions in power and heat production. Purchasing of non-renewable or uncertified electricity for own use. Producing GHG emissions in the production of electricity purchased from the market and sold to end-users unbundled with Guarantee of Origin certificates. Producing GHG emissions in the upstream and downstream value chain (fuels, materials, components and waste). Producing GHG emissions in the use of natural gas sold to customers. Climate change impact caused by travelling and commuting.
IRO E1.2	
IRO E1.3	
IRO E1.4	
IRO E1.5	
IRO E1.6	
Positive impact	
IRO E1.7	Helping customers to decarbonise their operations. Offering low-carbon and stable energy supply for customers' decarbonisation needs. Providing electric vehicle charging applications to the customers supporting their own CO ₂ emission reduction efforts.
Risks	
IRO E1.8	Policy and legal transition risk: Uncertainties around regulatory development in the EU , e.g., EU ETS, affecting Fortum's profitability. Long-term risk; there was no material financial effect in 2024.
IRO E1.9	Reputational transition risk: Failure to decarbonise Fortum's operations in accordance with climate targets and as requested by stakeholders, potentially affecting market value. Long-term risk; there was no material financial effect in 2024.
IRO E1.10	Chronic physical climate risks: Increased average temperatures , including water, affecting electricity, gas and heat demand, and supply and production continuity. Fortum's profitability is sensitive to changes in weather; changes in temperature affect demand for power and may impact power price. It is not possible to isolate the financial effect of increased average temperatures on sales.
IRO E1.11	Acute physical climate risks: Extreme weather events , such as storms or heat waves and dry spells, causing, e.g., forest fires affecting power generation and transmission. Fortum's profitability is sensitive to changes in weather; changes in weather conditions impact power price and/or production volumes. It is not possible to isolate the financial impact of extreme weather events on sales. Extreme weather in 2024 had no material financial effect on Fortum's assets.
Opportunities	
IRO E1.12	Increased profitability from decarbonising heating and cooling operations. Medium- and long-term opportunity; there was no material financial effect in 2024.
IRO E1.13	Increased sales resulting from increased demand for low-carbon electricity. The production of low-carbon electricity is an integral part of Fortum's corporate strategy, and Fortum is actively looking for partners for long-term power purchase agreements (PPA). Pjelax wind farm, with total capacity of 380 MW, was commissioned in July 2024, and the Finnish energy company Helen Ltd. has a 12-year 'pay-as-produced' PPA to purchase 65% of the power generation. The result contribution in 2024 was slightly positive. In 2024, a five-year PPA was signed with the Swedish ferroalloy's producer Värgön Alloys AB. The contract has progressive pricing for the delivery of approx. 0.4 TWh of electricity and GoO for nuclear power per annum in Sweden. The contract term is from December 2024 to December 2029.

Management of these impacts, risks and opportunities is described in section [2.2.6 Transition plan for climate change mitigation](#).

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

2.2.3 Policies on climate change

Key policies to address climate change mitigation and adaptation are the Sustainability Policy, the Code of Conduct, the Supplier Code of Conduct, and Fortum's Paris-Aligned Climate Advocacy Principles.

In accordance with the Sustainability Policy, Fortum addresses risks posed by climate change, including extreme weather events and changing conditions, and implements measures for climate change adaptation to enhance its resilience to protect its assets and to ensure business continuity. The Sustainability Policy also states that Fortum assesses the life-cycle impact of its products and projects and aims to improve their energy efficiency.

The Code of Conduct addresses Fortum's ambition to strive for climate change mitigation in all phases of operations, in alignment with the goals of the Paris Agreement and the requirements of the SBTi, as well as with Fortum's strategy to support the decarbonisation of industries and societies. Renewable energy deployment is not specifically mentioned but it is part of Fortum's commitment to support decarbonisation and to provide customers and societies with clean energy at scale.

The Supplier Code of Conduct outlines the requirements for suppliers and business partners, including requesting suppliers to consider the climate impacts of their operations and to reduce GHG emissions, where reasonable. The Paris-Aligned Climate Advocacy Principles guide the more detailed positions Fortum takes on EU and country-specific policies and also form the basis for policy advocacy in industry associations.

Environmental sustainability, including climate change, is also incorporated in the other related policies, instructions and manuals outlined in section [2.1.2 Policies on environmental matters](#).

2.2.4 Resilience analysis

Fortum considers a landscape of five strategic, long-term macro scenarios in its operating environment outlook to analyse resilience. The scenarios are formed exploratively and are defined by distinct potential developments in four first-order drivers: level of cooperation, government versus market, societal focus on climate and environment, and technology development; and two second-order variables: macro- and geo-economics, and climate and ecosystem stability. The scenarios consider resiliency in both the mid-term (2030) and long-term (2050) in all Fortum's key business areas and operating countries. Both qualitative and quantitative inputs and uncertainties are considered in the scenario landscape, and three of the five identified strategic scenarios are quantified in further detail using power market modelling:

- A delayed transition scenario (with global warming of more than 3°C), in which national security, economy and/or political polarisation push the climate crisis and mitigating actions outside of societal focus.

- An ambition meets realism scenario (with global warming of 2.5-2.8°C), where high climate ambitions share focus with other national interests as current economic and political uncertainties continue, in addition to real-life frictions from, e.g., technology costs and supply chains.
- A policy-driven accelerated transition scenario (Paris-aligned, with global warming of 1.5-1.9°C) that is defined by a substantial societal step-up in climate mitigation actions, leading to a global war-time-economy-like mobilisation of resources.

The power market modelling is done for the whole European power system, on 1-hour resolution from the current year to 2050, in the three strategic scenarios described and considering high/low sensitivities for energy commodity prices and weather-based variation. Key assumptions and inputs assess the key uncertainties, including political targets and regulation, power, heat and hydrogen demand in sectors, energy technology costs, generation potentials and profiles, commodity volumes and prices (e.g., gas, oil, coal, CO₂), grid and other energy infrastructure and macroeconomic variables. Key outputs include wholesale power prices, installed capacity and power generation by generation technology, power demand by sector and segment, and energy sector CO₂ emissions.

These scenarios sufficiently cover both extremities of the potential climate scenario range, as any scenario of over 3°C is expected to present similar transition considerations, and a transition of under 1.5°C is not considered likely. In addition, implications from all five qualitative scenario narratives are considered in the Group's strategy to deliver clean energy and drive decarbonisation in industries.

Transition events based on the scenario and resilience analyses were considered in the double materiality assessment. It considers both actual and potential transition and physical risks in the energy and materials value chains. No specific exclusions were made before the double materiality assessment.

A transition to a low-carbon and resilient economy will affect the surrounding areas. Among others, Fortum recognises that decarbonising heavy industries through direct and indirect electrification increases electricity consumption. The power system will need low-carbon sources of both firm and flexible capacity. While the transition away from fossil fuels is causing less dependency on imports, the growth of solar and wind generation is increasing the need for security of supply.

The scenario and resilience analyses inform Fortum's strategy 'Power to Renew', published in March 2023. The least risky course of action is to decarbonise power production effectively in the short- and medium-term – this strategy, combined with a focus on the Nordic energy market, ensures sufficient access to capital, profitability, and a secure and clean energy supply.

The assets and business activities at risk are considered in the double materiality assessment and the results of this assessment guide the definition of climate targets, investment decisions, as well as current and planned mitigation actions. These actions are further elaborated in

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

section [2.2.6 Transition plan for climate change mitigation](#), including a description of Fortum's ability to adjust and adapt its strategy and business model to climate change over the short- medium- and long-term.

2.2.5 Targets for climate change

Fortum's climate change-related targets and performance against them is presented in the table below:

Measure	Base year	Base-year value ¹⁾	Target year	Change compared to base year, %	
				2024	2024
1. Reduce Scope 1 and 2 GHG emissions from electricity and heat generation by 85% per MWh ^{2,3)}	tCO ₂ -eq/ MWh	2023	0.024	2030	0.018
2. Reduce Scope 1 and 3 GHG emissions from fuel- and energy-related activities covering all sold electricity by 69% per MWh ^{2,3)}	tCO ₂ -eq/ MWh	2023	0.13	2030	0.11
3. Reduce absolute Scope 3 GHG emissions from use of sold products for sold fossil fuels by 55% ²⁾	tCO ₂ -eq	2023	949,779	2033	1,266,451
4. Reduce Scope 1 and 2 GHG emissions from electricity and heat generation by 90% per MWh ^{3,4)}	tCO ₂ -eq/ MWh	2023	0.024	2040	0.018
5. Reduce Scope 1 and 3 GHG emissions from fuel- and energy-related activities covering all sold electricity by 94% per MWh ^{3,4)}	tCO ₂ -eq/ MWh	2023	0.13	2040	0.11
6. Reduce absolute Scope 3 GHG emissions from fuel- and energy-related activities by 90% ⁴⁾	tCO ₂ -eq	2023	1,005,947	2040	962,775
7. Reduce absolute Scope 3 GHG emissions from use of sold products for sold fossil fuels by 90% ⁴⁾	tCO ₂ -eq	2023	949,779	2040	1,266,451
8. Specific emissions of <20 gCO ₂ /kWh for total energy production	gCO ₂ / kWh	N/A	N/A	2028	26
9. Specific emissions of <10 gCO ₂ /kWh for power generation	gCO ₂ / kWh	N/A	N/A	2028	11
10. Coal exit in the company's own operations ⁵⁾	GW	N/A	N/A	2027	1.0

1) Base-year values exclude the recycling and waste business divested in November 2024. Base-year values have not been assured.

2) Near-term science-based emission reduction target.

3) The target boundary includes land-related emissions and removals from bioenergy feedstocks.

4) Long-term science-based emission reduction target.

5) Coal-based capacity for power and heat. Coal-based power and heat production, as well as coal share of sales is presented in [2.2.8 Metrics for climate change](#).

Fortum commits to reaching net-zero GHG emissions across the value chain by 2040. SBTi has approved Fortum's science-based near-term (targets 1-3) and long-term targets (targets 4-7). Climate targets have been set by using SBTi's sectoral decarbonisation approach in line with the goal of the Paris Agreement limiting warming to 1.5°C, and in accordance with the SBTi Corporate Near-Term Criteria and Corporate Net-Zero Standard.

Target base years and baseline values are described in the table above. SBTi-aligned targets are based on the GHG inventory; the same inventory boundaries are used for the targets and the GHG inventory. The base year is selected in accordance with SBTi criteria, and the most recent year for which data was available at the time of SBTi validation was chosen as the base year. Fortum will review the climate targets every five years, or when significant changes in the organisation structure, consolidation approach or calculation methodology occur. The estimated quantitative contribution of decarbonisation levers to the achievement of GHG emission reduction targets are disclosed in section [2.2.6 Transition plan for climate change mitigation](#).

Fortum's Scope 1 and Scope 2 greenhouse gas intensity for electricity and heat production decreased by 0.005 tCO₂-eq/MWh (23%) in 2024 due to actions taken to reduce coal use. Additionally, Scope 3 emissions from sold electricity decreased due to the increased sales of GoO-certified electricity, which also led to a decrease in the electricity sales intensity by 0.02 tCO₂-eq/MWh (12%). The volume of gas sales increased due to past contracted volumes, resulting in a 0.3 Mt CO₂-eq (33%) increase in greenhouse gas emissions from the use of sold gas. Emissions from sold heat decreased by 0.04 Mt CO₂-eq (4%). For information on actions in 2024, see [2.2.7 Actions and resources for climate change](#).

2.2.6 Transition plan for climate change mitigation

Fortum has set near- and long-term company-wide emission reduction targets in line with the SBTi, a global initiative that helps companies and organisations to set emission reduction targets aligned with the latest climate science. The transition plan implies GHG emission reduction targets aligned with a 1.5°C global warming limit.

Fortum has set targets separately for own operations (Scope 1 and Scope 2), as well as for the upstream and the downstream value chain (Scope 3). SBTi-aligned climate targets include a reduction of Scope 1 and Scope 2 GHG emissions intensity for power and heat production, a reduction of Scope 1 and Scope 3 category 3 GHG emissions intensity for sold electricity, and a reduction of GHG emissions from the use of sold natural gas (Scope 3, category 11). In addition, Fortum has set a target to reduce GHG emissions from fuel and energy-related activities covering sold heat. Climate targets are presented in the section above.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

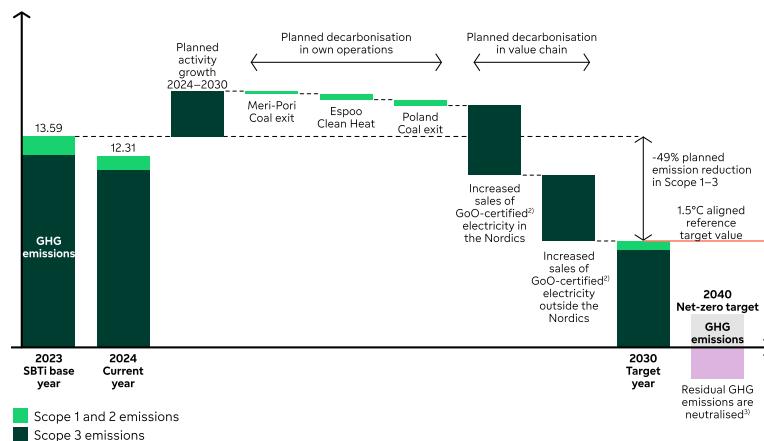
The transition plan defines actions and resources towards net-zero targets and is anchored with the overall business strategy and the strategic priorities: deliver reliable clean energy, drive decarbonisation of industries, and transform and develop. The plan is based on existing operations and business structure, and dependent on future development and changes on energy policy and regulations, market structure, power and heat demand, fuel supply, innovations in technology, as well as changes in GHG calculation methodologies and SBTi guidelines. The main assumptions include, e.g., growth in power generation and sales. The plan transforms the business from fossil fuels to other energy sources (e.g. utilising waste heat and electric boilers), thus the impact on workforce is limited.

The transition plan has been approved by the CEO, with the support of the FLT, and presented to TIC. The execution of the transition plan will be followed in the Strategy and Capital Allocation Committee (SCAI) on a regular basis.

The following chart depicts Fortum's illustrative transition plan to 2040:

Illustrative transition plan for climate change mitigation

Total absolute fossil emissions (Mt CO₂-eq)¹⁾



1) The transition plan excludes the recycling and waste business divested in November 2024.

2) Guarantee of origin (GoO) refers to an electronic document that provides evidence that a given share or quantity of energy has been produced with, e.g., renewable sources or nuclear power.

3) Residual emissions are either decarbonised from own value chain or neutralised to reach net-zero emissions in 2040.

Scope 1

The biggest GHG emission reduction lever for Scope 1 GHG emissions intensity target is the exit of coal use in heat and power production, which is estimated to decrease Scope 1 GHG emissions by 68%.

In Finland, Fortum is committed to exit coal in the Meri-Pori coal-fired condensing power plant (CO₂ emission reduction of 14%). Additionally, the use of coal in heat production will be replaced by smart and flexible solutions that are largely based on renewable or nuclear-based electricity: waste heat utilisation, heat pumps, heat accumulators and electric boilers. This is estimated to decrease CO₂ emissions by approximately 22%.

In Poland, Fortum plans to replace coal with biofuels and electric boilers, which is estimated to decrease Scope 1 GHG emissions by approximately 32%. Bio-based CO₂ from the combustion of biofuels is assumed to be netted out, i.e., assuming the same amount of CO₂ is absorbed in the growth of the biomass.

Scope 2

The main lever for reducing Scope 2 emissions is the purchasing of renewable or nuclear-based electricity for own use. In climate target base year 2023, the Scope 2 share of total Scope 1 and Scope 2 GHG emissions intensity per MWh produced power and heat was approximately 3%.

Scope 3

Scope 3 emissions will be reduced through supply-chain decarbonisation.

For upstream emissions for electricity sales, the main decarbonisation lever will be increasing the share of renewable and nuclear-based electricity in the product portfolio in all markets, especially in Norway and Poland, through product selection and electricity purchases. The estimated CO₂ emission reduction is 60%.

For downstream emissions for gas sales, the main decarbonisation lever will be successively increasing the share of biogas in the portfolio, especially among the enterprise customer segment, and actively participating in and contributing to the needed market development related to, e.g., new instruments for emission reduction.

To achieve the net-zero target for Scope 3 emissions, emissions related to external heat delivered to customers will also need to be reduced, primarily via the market development of exiting coal in Poland and transitioning to biomass, waste heat utilisation, heat pumps, heat storages and electric boilers.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

New low-carbon power generation capacity

In addition to these levers, increased low-carbon production capacity by 2030 will decrease Scope 1 GHG emissions intensity by approximately 5% compared to 2023. Fortum is planning to increase power generation capacity by installing new wind and solar plants and by modernising existing nuclear and hydropower plants. More information on new low-carbon generation capacity can be found in the section below.

Locked-in GHG emissions

Fortum aims to decarbonise own operations by electrification and switching fuels. Emission reduction will be achieved on a fast schedule, with coal combustion phased out by 2027, as well as the reduction of other fossil fuels. Subsequently, only fossil fuels that are harder to replace will remain, such as back-up power, peak capacity, and fuels used to start power plants. The estimated locked-in Scope 1 and Scope 2 GHG emissions produced during the remaining lifetime of existing power plants are approximately 4.5 million tCO₂eq by 2030 and 13.9 million tCO₂eq by 2050. GHG emissions from Fortum's operations are considered as locked-in until the investment decision is made.

Alignment with EU Taxonomy criteria

The alignment of operating expenses and capital expenditure to the EU Taxonomy Climate Change Mitigation (CCM) objective is disclosed in section [2.7.3 EU Taxonomy KPIs](#). Fortum's transition plan and actions to meet the set targets are aligned with the CCM objective, and the EU Taxonomy Capital expenditure plan disclosed in section [2.7.5 Capital expenditure plan](#).

Based on Commission Delegated Regulation (EU) 2020/1818, Articles 12.1 (d) to (g) and 12.2, Fortum is not excluded from the EU Paris-aligned Benchmarks.

Fortum's progress in implementing the transition plan is described in [2.2.7 Actions and resources for climate change](#) and in [2.2.5 Targets for climate change](#).

2.2.7 Actions and resources for climate change

Actions during the year

In 2024, Fortum implemented the following actions to reduce GHG emissions in own operations and in the upstream value chain. Implemented actions are grouped by the decarbonisation lever.

Where indicated, investments are capitalised to property, plant and equipment ([Note 18 Property, plant and equipment and right-of-use assets](#)), and linked to EU Taxonomy classification [2.7.3 EU Taxonomy KPIs](#)). In 2024, operating expenses relating to actions have not been significant.

Scope 1: Coal exit	Timing	Approx. GHG emission reduction	Total cost/ investment	Cost / investment in 2024 ¹⁾
Finland: Espoo Clean Heat programme increasing flexible electricity-based district heat production				
Closure of Suomenoja, Espoo coal-fired DHC plant	Apr 2024			
The closure of the last coal-fired unit used for district heat production at the Suomenoja power plant.				
Construction of electric boiler in Nuijala	2023–2027			
In 2024, construction of an electric boiler/heat storage began in the Nuijala area. (CCM4.11 ^{2,3)})	360 thousand t CO ₂ -eq ⁴⁾			
Construction of heat pumps utilising waste heat from data centre in Kolabacken and Hepokorpi	2023–2025			
In 2024, construction of heat pumps began in the Kolabacken and Hepokorpi areas. (CCM4.25 ^{2,3)})	approx. EUR 300 million ⁴⁾			EUR 77 million ⁴⁾
Finland: Meri-Pori coal exit				
Meri-Pori coal-fired power plant in strategic reserve	Apr 2024–Dec 2026	150 thousand t CO ₂ -eq	Not significant	N/A
Meri-Pori coal-fired condensing plant was moved to reserve production under an agreement with the National Emergency Supply Agency (NESI). Production is reserved for severe disruption and emergencies to guarantee security of supply in the electricity system in Finland.				
Poland: coal exit				
Wroclaw district heating heat pump project	2022–2024	35 thousand t CO ₂ -eq	approx. EUR 24 million (PLN 100 million)	EUR 18 million
Completed. The heat pump utilises heat from municipal sewage and covers up to 5% of the annual district heating demand. (CCM4.25 ²⁾)				
Czestochowa combined heat and power plant (CHP)	2024–2026	175 thousand t CO ₂ -eq	approx. EUR 100 million	EUR 3 million
In 2024, the Czestochowa plant's retrofit from coal to biomass was announced. (CCM4.20 ²⁾)				

1) Investments are capitalised to property, plant and equipment, see [Note 18 Property, plant and equipment and right-of-use assets](#).

2) Reference to EU Taxonomy-aligned activity code, see [2.7.3 EU Taxonomy KPIs](#).

3) Included in the EU Taxonomy capital expenditure plan.

4) Total for Espoo Clean Heat programme.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Action				
Scope 1: Coal exit				
Investigate decarbonisation of Zabrze coal-fired CHP plant, Poland				
Remaining coal-fired generation capacity is 134 MW in the Zabrze CHP plant in Poland. Fortum will continue evaluating alternatives for decarbonisation of these assets to initiate a modernisation programme and to meet the coal exit by 2027 target.				
Scope 2: Purchasing renewable energy				
Purchase of low-carbon electricity	Timing	Approx. GHG emission reduction	Total cost/ investment	Cost/ investment in 2024
In 2024, 92% of electricity purchased for own use was based on renewable or nuclear energy sources.	2024–2029	40 thousand t CO ₂ -eq	Not significant	Not significant
Scope 3: Supply chain decarbonisation				
Increased sales of GoO- certified electricity.	2024–2029	N/A	N/A	N/A
Fortum and the Swedish ferroalloy producer Värgrön Alloys AB signed a PPA for the delivery of approximately 0.4 TWh of electricity and GoO for nuclear power per annum in Sweden.				
New low-carbon power generation capacity				
Pielax wind farm in Finland started power production.	2021–2024	EUR 360 million	EUR 28 million	Cost/ investment in 2024 ¹⁾
The wind farm will produce more than 1 TWh of electricity annually. (CCM4.3 ²⁾)				
Hydropower productivity investments	Forshuvud 2021–2025; Untra 2023–2030; Malta 2024–2026	Forshuvud: approx. EUR 59 million (SEK 650 million); Untra: over EUR 60 million (SEK 700 million); Malta: approx. EUR 20 million (SEK 250 million)	EUR 130 million ⁴⁾	
Continuous hydropower plant maintenance, legislative and productivity investments. Investment to increase production capacity in Swedish hydropower plants includes an extensive rebuild of the Forshuvud, modernisation of the Untra, as well as modernisation and increase production capacity of the Malta plants. The investments in production capacity will increase annual production capacity by approx. 35 MW. (CCM4.5 ^{2,3)})				
Lovisa, Finland nuclear power plant lifetime extension to 2050.	2023–2050	approx. EUR 1,000 million	EUR 54 million	
Over the course of the new licence period, the plant is expected to generate up to 170 TWh of electricity. (CCM4.2B ^{2,3)})				

1) Investments are capitalised to property, plant and equipment, see Note 18 [Property, plant and equipment and right-of-use assets](#).

2) Reference to EU Taxonomy-aligned activity code, see [2.7.3 EU Taxonomy KPIs](#).

3) Included in the EU Taxonomy capital expenditure plan.

4) Includes hydropower plant maintenance, legislation and productivity investments.

Planned future actions

In addition to the ongoing actions listed above, based on the transition plan, Fortum is planning to implement the following actions to reduce GHG emissions in own operations and in the upstream and downstream value chain.

Action
Scope 1: Coal exit
Investigate decarbonisation of Zabrze coal-fired CHP plant, Poland
Remaining coal-fired generation capacity is 134 MW in the Zabrze CHP plant in Poland. Fortum will continue evaluating alternatives for decarbonisation of these assets to initiate a modernisation programme and to meet the coal exit by 2027 target.
Scope 2: Purchasing renewable energy
Fortum commits to ensuring low-carbon renewable or nuclear-based electricity use in own operations , including existing operations, and new investments in heat pumps and electric boilers, in accordance with the target for Scope 1 and 2 GHG intensity reduction.
Scope 3: Supply chain decarbonisation
Upstream: Consumer and small business sector decarbonisation: Fortum aims to provide exclusively electricity covered with guarantees of origin to consumers, entrepreneurs and small enterprises across all markets; to continue offering electricity covered with guarantees of origin as a base product in Sweden and Finland; and to gradually introduce electricity covered with guarantees of origin as a base product in Norway and Poland, aiming to provide only electricity covered with guarantees of origin in these segments by 2030.
Upstream: medium and large enterprise sector decarbonisation: Fortum will work towards providing only electricity covered with guarantees of origin in Sweden and Finland, as well as making a step-change in Norway and Poland, aiming for approximately 70–80% of volumes being covered by guarantees of origin by 2030.
Downstream decarbonisation: Key actions are related to reducing emissions from sold gas to end users in the Polish market. Fortum aims to reduce the absolute gas sales volume and to develop an offering according to market development by reducing emissions through reduced gas consumption among larger enterprise customers, reviewing the current customer portfolio and working together with strategic customers to reduce emissions from gas. Fortum is also investigating possibilities to reduce GHG emissions through an increased share of biogas in the portfolio. Fortum is also actively participating and contributing to the needed market development.
New low-carbon power generation capacity
Development of a ready-to-build pipeline of 800 MW capacity in onshore wind and solar .
Fortum is developing sites in the Nordics to build onshore wind and solar power. E.g., in 2024, Fortum signed an agreement to acquire a project development portfolio for renewable power from EnerSense. The acquired portfolio includes 2.6 GW of early-stage onshore wind development projects in Finland, of which a minor part is expected to reach ready-to-build status. No investment commitments have been made and decisions could be made earliest by the end of this decade.

2.2.8 Metrics for climate change

The relevant climate change indicators are energy consumption, energy production and GHG emissions. GHG emissions reporting covers direct Scope 1 emissions from own operations, indirect Scope 2 emissions from purchased energy, and indirect Scope 3 emissions from the upstream and downstream value chain.

Energy consumption

Fortum uses various fuels, such as uranium, coal, waste-derived fuels, biomass fuels and natural gas to produce electricity, heat and steam at its plants in the Nordic countries and Poland. Energy consumption includes purchased electricity and heat used in production plants and other facilities.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Energy consumption by source is presented in the table below:

MWh or as indicated	2024
Coal and coal products	1,871,177
Crude oil and petroleum products	78,338
Natural gas	491,937
Other fossil sources	1,505,170
Purchased or acquired electricity, heat, steam, and cooling from fossil sources	49,037
Total fossil sources	3,995,659
Share of fossil sources in total energy consumption, %	13
Total nuclear sources	24,278,552
Share of nuclear sources in total energy consumption, %	81
Renewable fuels	1,688,034
Purchased or acquired electricity, heat, steam, and cooling from renewable sources	26,294
Self-generated non-fuel renewable sources	29,957
Total renewable sources	1,744,285
Share of renewable sources in total energy consumption, %	6
Total	30,018,496

Energy production

Power generation is mainly based on hydro and nuclear power. Fortum also produces district heating and cooling.

Energy production by source is presented in the table below:

MWh	2024	Power	Heat
Nuclear	24,272,710	N/A	
Natural gas	93,000	340,000	
Coal	441,328	942,231	
Waste-derived fuels	145,942	528,282	
Fuel oil, other	816	30,537	
Heat pumps, electricity	N/A	961,000	
Total non-renewable energy production	24,953,795	2,802,050	
Hydro	20,239,503	N/A	
Solar, wind	910,047	N/A	
Biomass and other biofuels	75,705	752,857	
Waste-derived fuels	145,942	528,282	
Heat pumps, electricity	N/A	—	
Total renewable energy production	21,371,197	1,281,139	
Total	46,324,992	4,083,189	

The share of power generation from renewable and nuclear sources, coal-based capacity, the share of coal and fossil fuels of sales, as well as free emission allowances are presented in the table below. This table is providing additional, voluntary information relating to the coal exit target and EU ETS.

As indicated	2024
Share of power generation from renewable and nuclear sources, %	99
Coal-based capacity, GW	1.0
Coal-based power generation capacity, GW	0.7
Coal-based heat production capacity, GW	0.4
Share of coal of sales, %	3
Share of fossil fuels of production-based sales, %	6
Share of fossil fuels of sales ¹⁾ , %	12
Free emission allowances ¹⁾ , Mt	0.1

1) Includes fossil-based production and gas sales.

Energy intensity

Energy intensity based on net sales is presented in the table below:

EUR million	2024
Net sales from activities in high climate impact sectors ¹⁾	5,800
Net sales from other activities	—
Total	5,800

As indicated	2024
Total energy consumption from activities in high climate impact sectors, MWh	30,018,496
Net sales from activities in high climate impact sectors, EUR million	5,800
Total energy consumption from activities in high climate impact sectors per net sales from activities in high climate impact sectors, MWh/EUR million	5,176

1) High climate impact sectors are those listed in NACE Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council. Fortum's activities in electricity production and trade, gas sales, heat production, treatment and disposal of non-hazardous and hazardous waste, and recovery of sorted materials are defined as high climate impact sectors.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

GHG emissions

Breakdown of GHG emissions is presented in the table below:

tCO ₂ -eq or as indicated	Retrospective				Milestones and targets ²⁾				Annual % target / Base year
	Base year, 2023 ¹⁾	2023 ¹⁾	2024	Change, %	2025 ³⁾	2030	2033	2040	
Scope 1									
Gross Scope 1	1,635,701	1,635,701	1,351,041	-17	—	260,000	—	180,000	-5
Proportion of Scope 1 GHG emissions from EU ETS, %	68	68	62	-9					
Scope 2									
Gross location-based Scope 2	57,372	57,372	46,694	-19					
Gross market-based Scope 2	44,784	44,784	24,470	-45	—	0	—	0	-14
Significant Scope 3									
Total gross Scope 3	12,465,711	12,465,711	11,494,566	-8					
1 Purchased goods and services	220,773	220,773	167,311	-24					
2 Capital goods	61,468	61,468	95,681	56					
3 Fuel- and energy-related activities	10,859,498	10,859,498	9,664,931	-11	—	5,200,000	—	2,200,000	-5
4 Upstream transportation and distribution	226,187	226,187	280,798	24					
5 Waste generated in operations	316	316	302	-4					
6 Business travel	3,722	3,722	4,309	16					
7 Employee commuting	2,271	2,271	2,518	11					
8 Upstream leased assets	986	986	1,502	52					
9 Downstream transportation and distribution	11,445	11,445	10,571	-8					
10 Processing of sold products	666	666	176	-74					
11 Use of sold products	949,779	949,779	1,266,451	33	—	—	430,000	100,000	-5
12 End-of-life treatment of sold products	59	59	16	-73					
13 Downstream leased assets	—	—	—	—					
14 Franchises	—	—	—	—					
15 Investments ⁴⁾	128,541	128,541	—	-100					
Total									
GHG emissions, location-based	14,158,784	14,158,784	12,892,300	-9					
GHG emissions, market-based	14,146,196	14,146,196	12,870,076	-9					

1) In 2024, Fortum revised the methodology and process for the GHG inventory to improve its accuracy and completeness. 2023 GHG emissions has been updated to follow the renewed process. Base-year values have not been assured.

2) Values for milestones and targets exclude the recycling and waste business divested in November 2024.

3) Fortum has not set targets for 2025.

4) In 2024, emissions from associates and joint ventures providing services or energy for Fortum are reported as a part of Scope 3, category 1 or category 3. Emissions from other investments are assessed as insignificant. For the list of associates and joint ventures, see Note 40 Group companies by segment.

In 2024, 92% of electricity purchased for own use was bundled with GoO certificates.

In 2024, total Scope 1, 2, and 3 market-based GHG emissions were 12.9 Mt CO₂-eq, with a decrease of 1.2 Mt CO₂-eq (9%) compared to 2023.

Scope 1 GHG emissions decreased by 0.28 million CO₂-eq tonnes mainly due to the reduction of coal use at the Meri-Pori condensing power plant (0.1 Mt CO₂-eq), the closure of the Suomenoja coal-fired CHP plant (0.08 Mt CO₂-eq), and the divestment of the recycling and waste business in November 2024 (December GHG emissions, 0.02 Mt CO₂-eq). Scope 2 market-based GHG emissions decreased by 0.02 Mt CO₂-eq (45%) as a result of increased share of GoO-certified

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

electricity purchased for own use. Regarding Scope 3, GHG emissions from sold electricity decreased by 1.0 Mt CO₂-eq due to the increased sale of GoO certified electricity. In addition, gas sales volume in the Polish market increased, which also increased downstream Scope 3 GHG emissions from the use of sold gas by 0.3 Mt CO₂-eq.

In 2024, Fortum updated the GHG inventory process to improve its accuracy and completeness and recalculated GHG emissions for 2023, which decreased total Scope 1, 2, and 3 emissions by 0.2 Mt CO₂-eq.

Fortum's biogenic CO₂ emissions are presented in the table below. Biogenic CO₂ emissions are generated in the combustion of biofuels and bio-based waste in own operations (Scope 1), as well as from production of heat sold to end users and in the combustion of biofuels from partially owned companies (Scope 3).

Biogenic CO ₂ emissions, tCO ₂	2024
Scope 1	629,987
Scope 3	149,978

GHG intensity

GHG emissions intensity based on net sales is presented in the table below:

EUR million	2024
Net sales used to calculate GHG intensity	5,800
Net sales from other activities	0
Total	5,800

GHG emissions per net sales, tCO ₂ -eq/EUR million	2024
Location-based	2,223
Market-based	2,219

Internal carbon pricing

Fortum uses various internal carbon pricing schemes to evaluate costs related to investments and emission reduction activities, and to support decision-making.

Fortum has had an obligation in the EU emissions trading system (ETS) to set a price for carbon emissions since 2005. The EU ETS price of carbon is among the key factors impacting the Nordic electricity price and is fully integrated into investment decisions. The EU ETS price is valid for CO₂ emissions, covering 61% of Fortum's Scope 1 emissions in 2024. The average price for EU ETS for 2024 was 67 EUR/tonne CO₂.

In 2024, Fortum updated its internal CO₂eq shadow price parameter to ensure that the cost of GHG emissions are considered in growth and refurbishment investment decisions, and thereby will support Fortum in reaching net-zero emissions. The shadow carbon price is valid for Scopes 1 and 2, and for Scope 3 in fuel- and energy-related activities, however, it was not yet applied to investment decisions in 2024. The internal carbon price will be based on high-quality certified emission reductions (CERs), and the accurate price and critical assumptions made to determine the price will be defined in 2025.

Reporting principles

Energy consumption and GHG emissions include all heat and power plants and production facilities in all operating countries. The reporting scope is based on operational control. Data for power and heat generation (GWh), used to calculate intensity targets for Scope 1, includes Fortum's share in associated companies and joint ventures that sell their production to the owners at cost. This is in line with how the production purchased from these companies is reflected in financial reporting. See also section [1.2.2 Reporting scope](#).

Total energy consumption covers fuels used in power and heat production, as well as electricity and heat purchased for own use. Purchased electricity and heat are divided into renewable, fossil and nuclear sources. 100% renewable or nuclear-based electricity is only reported for GoO-certified electricity; otherwise, the country-specific emission factor for residual mix electricity is used.

In calculating the specific carbon dioxide emissions, combined heat and power plant (CHP) emissions have been allocated for electricity and heat using the efficiency method presented in the GHG Protocol guidelines, with a heat production efficiency of 90% and electricity production efficiency of 40%.

The reporting of GHG emissions covers direct GHG emissions (Scope 1) from own operations, indirect GHG emissions (Scope 2) from purchased energy, and indirect GHG emissions from the upstream and downstream value chain (Scope 3). GHG emissions are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. All GHG emissions are calculated as tonnes of CO₂ equivalent, excluding biogenic CO₂, which is reported separately for Scopes 1 and 3. Biogenic emissions for Scope 2 are not disclosed as emission factors applied do not separate the percentage of biomass or biogenic CO₂.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

The calculation of GHG emissions covers carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃). PFCs and NF₃ are marked as zero, since such emissions have not been identified in any part of the value chain. The global warming potential of all gases is based on IPCC publications (IPCC Sixth Assessment Report, 2023 (AR6), 100-year time horizon). In 2024, Fortum revised the methodology and process for its GHG inventory and recalculated all Scope 1, 2 and 3 emissions for 2023. Major changes were related to Scope 3 categories 3 and 15.

Scope 1 GHG emissions from power plants are based on continuous measurements, sample testing, or have been calculated based on fuel-specific emission factors. Various measurement or calculation systems are in use in power plants. Scope 1 includes CH₄ and N₂O emissions from biofuel combustion. Biogenic CO₂ emissions are reported separately.

Scope 2 GHG emissions are calculated using both the market-based and location-based method. The market-based method uses supplier-specific emissions factors. Emission factor zero kg CO₂/MWh has only been used for GoO-certified renewable or nuclear-based electricity. Otherwise, the residual mix emission factor has been used. In the location-based method, country-specific average emission factors for electricity are used. The residual mix factors and country-specific factors have been obtained from the Association of Issuing Bodies (AIB) report on emission factors for the most recent year.

Scope 3 GHG emissions are calculated based on operational data obtained from internal reporting systems. In the absence of accurate data, estimates based on historical data have been used. The emission factors used are mainly from external databases, including EXIOBASE 3.4, EcoInvent v3.11, US-EPA 2024, and various literature sources. 92% of Scope 3 GHG emissions are measured using primary data from activities within Fortum's upstream and downstream value chain. Fortum is planning to improve the data accuracy and the share of primary data, especially related to Scope 3 categories 1 and 2, in the following years.

Primary material-, product- or activity-based data is used to calculate GHG emissions in categories 3 (Fuel- and energy-related activities), 5 (Waste generated in operations), 10 (Processing of sold products), 11 (Use of sold products), 12 (End-of-life treatment of sold products). Upstream and downstream transportation and distribution (categories 4 and 9) have been calculated based on volume of transported material and actual transportation distance. Category 6 (Business travel) is calculated based on distance travelled. Transport-related emissions (categories 3, 4, 6, 7 and 9) are reported on a well-to-wheel basis. Secondary spend-based data is used to calculate categories 1 (Purchased goods and services), 2 (Capital goods) and 8 (Upstream leased assets). The volumes and categories of purchased goods and services are based on Fortum's spend-analytics database. National average data is used to calculate category 7 (Employee commuting).

Fuel- and energy-related activities, especially electricity sold to end users and heat purchased for distribution, is the major source of GHG emissions. Electricity sales volumes are based on sales contracts, for which Fortum has a balance responsibility. The volumes for GoOs are based on internal databases. Some business-level estimates have been made as the purchase of GoOs for the reporting year is possible until the end of March of the following year. Emissions are calculated for that part of the total volume of electricity sales from which the GoO- certified volume has been subtracted. The emission factor source for sold electricity is the country-specific emission factor for the most recent year published by AIB.

Total volume of external heat distributed to customers is reported based on the heat volumes distributed and sold to end users, and supplier-specific emission factors.

Emissions from fuel value chains include emissions from fuel production (e.g. mining, refining and processing), fuel transportation and storage. Emission factors from international and national sources have been applied for each part of the value chain.

GHG emissions from joint ventures and associated companies are included in either Scope 3, category 1 (Companies providing products or services) or Scope 3, category 3 (Companies producing electricity). GHG emissions data for investments is obtained directly from the respective company and includes data for 2023. See also section [1.2.2 Reporting scope](#).

Fortum's GHG inventory includes all relevant Scope 3 categories. Categories 13 (Downstream leased assets) and 14 (Franchises) are not material, as Fortum does not have these kinds of activities.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

2.3 Pollution

2.3.1 Introduction to pollution

Energy production generates emissions to the environment. Fortum controls emissions to air, water and soil caused by its operations and aims to reduce environmental impacts by fuel switching and using technological solutions and flue-gas cleaning technologies.

2.3.2 Material impacts, risks and opportunities for pollution

Fortum has identified the following material negative and positive pollution-related impacts in the double materiality assessment. For more information on the double materiality assessment process, see [1.4 Double materiality assessment](#).

IRO reference	Description
Negative impacts	
IRO E2.1	Air pollution due to nitrogen oxides (NO_x) and sulphur dioxide (SO₂) emissions produced in fuel combustion. NO _x and SO ₂ are acidifying substances that interact with water, oxygen and other chemicals in the atmosphere to form acid rain, which harms sensitive ecosystems such as lakes and forests. NO _x emissions may also cause eutrophication by negatively affecting nutrient balance.
IRO E2.2	Potential negative impact on the environment when using substances of concern (SoC)/very high concern (SVHC) in operations. When SoC/SVHC are used as process chemicals, small amounts may enter nature within the limits allowed by environmental permits.
Positive impact	
IRO E2.3	Battery metal recovery prevents substances of concern from ending up to the environment. Fortum's battery recycling solution recycles over 95% of the valuable metals contained in the battery's black mass and can be put back into circulation, instead of ending up as waste.

Combustion processes in energy production generate emissions to air. The EU has set very strict limits for flue-gas emissions; meeting the requirements necessitates the use of Best Available Techniques (BAT). The BAT Reference (BREF) document sets stricter emission standards that European power plants must meet, unless they obtain a formal derogation.

All Fortum's power plants operate in compliance with the terms of their environmental permits and the requirements in the environmental management standard, and all production sites are ISO 14001 certified.

Fortum continuously measures emissions; deviations to environmental permit limits are internally investigated and reported to authorities. Major non-compliances and major leaks or spills into the environment are classified and treated as major environmental incidents.

2.3.3 Policies on pollution

The key policy to address the management of material impacts related to pollution prevention and control is the Sustainability Policy. Fortum aims to prevent pollution by adopting cleaner technologies, optimising processes, and reducing waste generation, where feasible. Fortum

strives to minimise and reasonably control and manage emissions and impacts of pollutants to air, water and soil. The Sustainability Policy does not specifically mention SoC, but Fortum considers them to be included in the pollutants.

The Supplier Code of Conduct outlines the requirements for Fortum's suppliers and business partners, including the requirement to continuously minimise waste and emissions to air, water and soil.

Instructions and Minimum Requirements for EHS (environment, health and safety) Management includes the definition of major environmental incidents and guidelines for identifying these, as well as for limiting and continuously reducing the use of hazardous chemicals.

Environmental sustainability, including pollution, is also incorporated in the other related policies, instruction and manuals outlined in section [2.1.2 Policies on environmental matters](#).

2.3.4 Targets for pollution

Fortum's targets related to pollution and performance against the targets is presented in the table below:

Measure	Base year	Base-year value	Target year	Change compared to base year, %	
				2024	year, %
20% reduction in nitrogen oxides (NO _x) emissions ¹⁾	kg	2023	1,546,865	2030	1,378,084
40% reduction in sulphur dioxide (SO ₂) emissions ¹⁾	kg	2023	849,418	2030	616,604
No major environmental incidents and no major non-compliance cases ²⁾	Number of incidents	N/A	N/A	Annual	1

1) Base-year and current-year values exclude the recycling and waste business divested in November 2024. Base-year values have not been assured.

2) Common target with water.

To minimise negative impacts from air pollution, Fortum has set a target to reduce emissions of nitrogen oxides (NO_x) and sulphur dioxide (SO₂) by 2030. These substances are produced in the chemical reactions in the combustion process based on, e.g., the impurities of the fuel. Targets include emissions from all power plants and operations as described in section [1.2.2 Reporting scope](#).

NO_x and SO₂ emissions decreased in 2024 compared to 2023. The most significant changes were due to the closure of the Suomenoja coal-fired CHP plant and the reduction of coal use at the Meri-Pori condensing power plant, resulting in a reduction of approximately 170 tons of NO_x emissions and 230 tons of SO₂ emissions.

In addition, Fortum aims to reduce its' overall environmental impacts and, therefore, has set a separate target to track major environmental incidents and compliance with site-specific

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

environmental permits. According to the definition, a major environmental incident is an incident that resulted in significant harm to the environment (ground, water, air) or environmental non-compliances with legal or regulatory requirements. Major environmental incidents are monitored, reported and investigated, and corrective actions are implemented to prevent similar cases in the future. In 2024, there was one major environmental incident, a major leakage of extinguishing water into the environment in connection with a large fire in an energy waste bunker in Turku, Finland. The financial effect of related corrective actions is not material.

Fortum aims to reduce the use of SoC, including SVHC, by 2030 and is working on setting a concrete target for this. These substances are used as process, laboratory and maintenance chemicals, or as a part of chemical products. Fortum will gradually assess the possibilities to replace these chemicals with less hazardous substitutes.

All pollution-related targets are voluntary, meaning that they are not required by other legislation applicable to Fortum.

2.3.5 Actions and resources for pollution

Fortum's climate target to reduce Scope 1 and 2 GHG emissions intensity for power and heat production will achieve a corresponding reduction in pollution to air from own operations. For more details on Fortum's GHG emission reduction targets, see [2.2.5 Targets for climate change](#) and [2.2.7 Actions and resources for climate change](#).

In addition to the above, the following actions are ongoing and planned to address pollution-related targets:

Actions during the year

Action	Timing	Total cost/investment	Cost/investment in 2024
Implementation of chemical management system in Poland The Polish sites implemented a chemical management system, and now all sites are in the same chemical management system.	2024	Not significant	Not significant
Identification and substitution of substances of concern and very high concern The SoC and SVHC used or produced were identified and the amounts calculated in order to direct measures to replace the harmful chemicals in the future. Some business units already started replacing SVHC in 2024.	2024–2030	Not significant	Not significant

Planned future actions

Actions

Internal process for investigating environmental incidents will be reviewed and strengthened with an aim of preventing future incidents.

Identification and substitution of substances of concern and very high concern
using the chemical management system will start with an assessment of the SoC/SVHC used as maintenance chemicals and will continue with an assessment of laboratory and process chemicals.

2.3.6 Metrics for pollution

The material pollution-related sub-topics for Fortum are pollution of air and use of SoC and SVHC. Pollution of water and soil, as well as production of microplastics are not material.

Emissions to air

Emissions to air are presented in the table below. Emissions include those power plants and production facilities where annual emissions exceed the threshold presented in Annex II of Regulation (EC) No 166/2006 of the European Parliament and the Council. Facilities with emissions below the threshold are excluded. Sulphur dioxide and nitrogen oxide emissions from power plants and operations are reported above in section [2.3.4 Targets for pollution](#).

Substance, kg	2024
Chromium to air	102
Hydrofluorocarbons	103
Hydrogen chloride	39,100
Sulphur dioxide	417,000
Nitrogen oxides	1,726,489

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Substances of concern (SoC) and very high concern (SVHC)

Substances of concern used by Fortum mainly consist of a few high-volume process chemicals and fuels, which are detailed below. In addition, Fortum had a total of over 2,400 products in use, which are used as process, laboratory and maintenance chemicals and contain SoC as components. The total amount of these components is shown in the 'Other' category. Fortum also recycles battery materials, and the feedstock materials consists SoC. The total amount of these materials is described separately at the end of the table below.

Material Substances of Concern, annual consumption, t	2024
Used in production	
Ammonia (CAS 7664-41-7) ³⁾	125
Ammonium persulfate (CAS 7727-54-0) ²⁾	150
Ferrous sulphate, heptahydrate (CAS 7782-63-0) ²⁾	303
Heavy fuel oils ^{1,2,3)}	13,033
Light fuel oils/diesel fuels ^{1,2,3)}	6,239
Cement (65997-15-1) ²⁾	27
Other ⁴⁾	67
Total used in production	19,944
Used as a feedstock in battery material recycling	
Black mass and NCM precursor	179
Total used as a feedstock	179

- 1) Carcinogenicity categories 1 and 2: H350, H350i, H351; Germ cell mutagenicity categories 1 and 2: H340, H341; Reproductive toxicity categories 1 and 2: H360, H360F, H360D, H360FD, H361, H361F, H361d, H361fd.
- 2) Respiratory sensitization category 1: H334; Skin sensitisation category 1: H317; Specific target organ toxicity - repeated exposure categories 1 and 2: H372, H373; Specific target organ toxicity – single exposure categories 1 and 2: 370, H371; Endocrine disruptors.
- 3) Chronic hazard to the aquatic environment categories 1 to 4: H410, H411, H412, H413; Hazardous to the ozone layer: H420.
- 4) Lubricants, gasoline, solvents, other maintenance chemicals, water treatment chemicals, antifoam agents, fire-extinguishing agents, antifreeze agents, coolants, laboratory chemicals, including over 2,400 different trade names of chemicals containing SoC as components. Hazard categories are not specified.

SVHC used by Fortum includes two low-volume process chemicals, boric acid and hydrazine. Boric acid is used in nuclear power production in pressurised water reactors as a soluble neutron absorber to control reactor reactivity. Hydrazine is used as a corrosion inhibitor to remove oxygen in water, in boilers and district heating waters. In addition, Fortum had over 150 products in use, which are used as laboratory and maintenance chemicals and contain SVHC as components. The total amount of these components is shown in the 'Other' category. Fortum recycles battery materials, and the end product consists of SVHC as constituents.

Material Substances of Very High Concern, annual consumption, t	2024
Used in production	
Boric acid (CAS 10043-35-3, 1303-96-4) ¹⁾	7
Hydrazine (CAS 7803-57-8/10217-52-4) ^{1,2,3)}	2
Other ⁴⁾	1
Total used	10
Produced when recycling battery material	
Metal sulfates in solution ^{1,2,3)}	455
Total produced	455

- 1) Carcinogenicity categories 1 and 2: H350, H350i, H351; Germ cell mutagenicity categories 1 and 2: H340, H341; Reproductive toxicity categories 1 and 2: H360, H360F, H360D, H360FD, H361, H361F, H361d, H361fd.
- 2) Respiratory sensitization category 1: H334; Skin sensitisation category 1: H317; Specific target organ toxicity - repeated exposure categories 1 and 2: H372, H373; Specific target organ toxicity – single exposure categories 1 and 2: 370, H371; Endocrine disruptors.
- 3) Chronic hazard to the aquatic environment categories 1 to 4: H410, H411, H412, H413; Hazardous to the ozone layer: H420.
- 4) Maintenance chemicals, heat transfer fluids, oils and laboratory chemicals, including over 150 different trade names of chemicals containing SVHC substances as components. Hazard categories are not specified.

Reporting principles

Emissions to air include all heat and power plants and production facilities in all operating countries. Emissions to air are reported for those facilities where annual emissions exceed the threshold presented in Annex II of Regulation (EC) No 166/2006 of the European Parliament and the Council. Nitrogen oxides and sulphur dioxide emission reduction targets include all facilities regardless of whether they exceed the threshold or not. Emissions exceeding the threshold from Fortum's recycling and waste business are included in the disclosed annual emissions, but excluded from the target figures for the years 2023 and 2024.

Fortum measures and monitors emissions for each site in accordance with environmental permit requirements and local regulations. Site-specific data is collected to an internal database, compared to the threshold and consolidated at Group level.

Reported emissions to air are mainly based on continuous on-site measurements and calculations based on e.g. measured concentrations and flue-gas volume. In addition, periodic sampling can also be used for emissions measurement.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

2.4 Water

2.4.1 Introduction to water

Water availability is a prerequisite for Fortum's operations where cooling water, in particular, is withdrawn from the sea and discharged back at nuclear and other condensing power plants. Fortum has also hydropower operations where water runs through the hydropower turbines with no significant changes in the water quality and quantity. Fortum's responsibility for water use is related not only to water volume and availability, but also to its quality and to the aquatic habitat.

Fortum does not include river flows through hydropower turbines in water metrics. Fortum has very limited own operations in water-stressed areas, mainly located in Poland.

2.4.2 Material impacts, risks and opportunities for water

Fortum withdraws and discharges large amounts of water in its operations. Fortum's has identified two material water-related negative impacts in the double materiality assessment. For more information on the double materiality assessment process, see [1.4 Double materiality assessment](#).

IRO reference	Description
Negative impacts	
IRO E3.1	Water withdrawal and discharge related to power and heat production, mainly, for cooling purposes. 98% of Fortum's water withdrawal is seawater for cooling, especially for nuclear and condensing power production, and it is usually discharged back into the same water system without consumption. The majority of water withdrawal takes place at the Loviisa nuclear power plant in Finland and is used for cooling. In addition to cooling, fresh water and seawater are used, e.g., in other power plant processes, in waste treatment and in district heating networks. Wastewater is discharged within the permit limits to minimise environmental impacts.
IRO E3.2	Impact of hydropower production on the fluctuation range and rhythm of the water discharge and water levels in waterways, having negative environmental and social impacts. Water regulation for flood control, on the other hand, has positive impacts for local residents.

Fortum has co-owned nuclear and hydro assets, which have similar impacts.

At the local level, water-related actions are guided by certified environmental management systems and the plants' environmental and other permits. Permit regulations affect, e.g., the water intake volume, the quality of discharged water, as well as water flows and water levels at hydropower plants. Fortum monitors the use of water and aims for efficient use by, e.g., decreasing water consumption and by recycling water, where feasible.

Fortum has precise knowledge of the water situation in those waterways where it produces hydropower, and uses real-time hydrological forecasts in production planning. Fortum carries out water-related measures locally in order to take into consideration the needs of other water users as well.

2.4.3 Policies on water

The key policy addressing the management of material impacts related to water is the Sustainability Policy, which addresses water management, optimisation and efficient use of water in own operations, including reducing fresh-water use, as well as prioritising the recycling of water especially in areas of high water stress, where feasible. The Sustainability Policy guides the minimisation of the negative impacts of Fortum's activities on water quality and the implementation of measures to prevent pollution, decrease water consumption and maintain the health of local water bodies.

The Sustainability Policy is accompanied by instructions and guidelines that address the management of impacts in case of incidents and emergency situations. Additionally, water management is addressed in Instructions and Minimum Requirements for EHS Management. The Biodiversity Manual, defining the company's principles related to biodiversity, also addresses the management of water-related biodiversity impacts. The Supplier Code of Conduct outlines the requirements for suppliers and business partners, including the requirement to continuously reduce the use of water and to minimise waste and emissions to water.

Environmental sustainability, including water-related sustainability, is also incorporated in the other related policies, instructions and manuals outlined in section [2.1.2 Policies on environmental matters](#).

Fortum is a co-owner in a nuclear power plant in Forsmark, Sweden, which is located in an area of extremely high water stress. Fortum does not have operational control of Forsmark and, therefore, it is not covered by Fortum's water-related policies, nor is it included in the water metrics.

2.4.4 Targets for water

Fortum's water-related targets are:

- No major environmental incidents and no major non-compliance cases, common target with pollution. See [2.3.4 Targets for pollution](#).
- Commitment to continue local initiatives and participate in the development of a science-based methodology to assess the aquatic impacts of hydropower, common target with biodiversity. See [2.5.4 Targets for biodiversity](#).

The first target includes, e.g., non-compliances related to water regulation and water withdrawal and discharge, as well as leakages. The target covers material impacts of water withdrawal and

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

discharge, especially for cooling, as well as the impact of hydropower construction and use on water flow and water levels, but also the broader water use in Fortum's operations.

The second target covers the material impact of hydropower construction and production and aims at mitigating these impacts.

The targets do not directly aim to reduce water consumption, but the first target also covers water consumption-related non-compliances. It also covers Fortum's operations in water-stressed areas. Both water-related targets are voluntary, meaning that they are not required by legislation.

2.4.5 Actions and resources for water

Actions during the year

In 2024, the implementation of the coal exit by 2027 -target resulted in decreased water use at the coal-fired condensing power plant in Meri-Pori, Finland, as well as in the production of electricity and district heating in Espoo, Finland. These actions are described in section [2.2.7 Actions and resources for climate change](#).

In addition, the following actions are ongoing and planned to address water-related targets:

Action	Timing	Total cost/ investment in 2024	Cost/ investment in 2024
Modernisation of a water treatment system at energy production sites in Czestochowa, Poland In the water-stressed area, municipal water is used mainly as process water for the production of heat and electricity, and to replenish losses in the heating network. In order to reduce water withdrawal, part of the used water is recycled back to the processes. The 2024 modernisation will have a positive impact on water quality and is estimated to reduce water withdrawal by 2400 m ³ annually in the medium- and long-term.	2024–2025	Not significant	Not significant
New fish farm in Gammelkroppa, Sweden, taken into operation In the land-based facility, water circulates in a closed system, reducing water withdrawal by about 90% compared to a standard run-off fish farm.	2021–2025	Not significant	Not significant

Planned future actions

Climate transition plan actions will decrease water consumption intensity in the future. These actions are described in section [2.2.6 Transition plan for climate change mitigation](#).

Actions to achieve the target 'Commitment to continue local initiatives and participate in the development of a science-based methodology to assess the aquatic impacts of hydropower' are

described in section [2.5.6 Actions and resources for biodiversity](#). The management of environmental incidents and non-compliances are covered in section [2.3.4 Targets for pollution](#).

2.4.6 Metrics for water

The relevant water-related indicators are related to water consumption, water recycling and reuse, water withdrawal and water discharge. Water withdrawal describes water intake, and water consumption is water that is not discharged back to nature or to some other destination.

Water consumption and other relevant water metrics are presented in the tables below:

Water consumption

	2024
Total water consumption	966,566
Total in areas at water risk	54,900
Total per net sales (EUR million)	167
Total water recycled and reused	3,365,290

Fortum's water consumption includes, e.g., water leakage from district heating networks and water used in processes at waste recycling facilities and power plants.

According to the WRI Aqueduct Water Risk Atlas, accessed in September 2024, Fortum's CHP plant and heat boilers in Czestochowa, Poland are located in an area of extremely high (80–100%) water stress. Total water consumption in areas at water risk refers to this site and accounts for 5.7% of total water consumption. In 2024, Fortum recycled or reused 3,4 million m³ of water.

Water withdrawal in production operations

	2024
Cooling	
Seawater	1,397.6
Fresh surface water	0.1
Total for cooling	1,397.7
Other use	
Fresh surface water	24.8
Municipal water	1.0
Rainwater, stormwater and seepage	0.7
Seawater	0.3
Groundwater	0.1
Other external water supplier, fresh water	0.3
Total for other use	27.2
Total	1,424.8

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Water discharge by recipient

	2024
Cooling discharge	
Sea	1,397.7
Fresh surface water	0.1
Total cooling discharge	1,397.8
Discharge, other than cooling	
Fresh surface water	24.9
Sea	0.6
Municipal sewage	0.4
Water or steam to external customers	0.2
Total discharge, other than cooling	25.9
Total	1,423.9

Fortum's total water withdrawal in 2024 was 1,425 million m³, of which sea water for cooling accounted for 98%. In addition, fresh surface water, municipal water and groundwater are used. Fortum's water metrics also include rainwater, stormwater and seepage, which is not used, but collected only to be discharged.

Majority of Fortum's water discharge is sea water used for cooling that is released back into the sea. Other water discharge includes process water and wastewater. In total, Fortum discharged 1,424 million m³ of water in 2024.

Reporting principles

Water metrics include all heat and power plants and other production facilities in all operating countries. Fortum measures and monitors water withdrawal and discharge for each site in accordance with environmental permit requirements and local regulations. The majority of water withdrawal and discharge data are sourced from direct measurement; a minor part is based on estimations and calculations.

Total water consumption is calculated as a difference between total water withdrawal and total water discharge. Total water consumption in areas at water risk refers to water consumption at sites in areas of high or extremely high water stress based on the WRI Aqueduct Water Risk Atlas.

Total water consumption per net sales is calculated as total water consumption in Fortum's operations in m³ per net sales (EUR million).

2.5 Biodiversity and ecosystems

2.5.1 Introduction to biodiversity

Biodiversity is the variety of all living things. It supports all systems of life on earth and is a vital factor for the wellbeing and economic prosperity of people and businesses. The degradation of biodiversity is one of the greatest environmental problems globally. All operations, including Fortum's, have an impact on biodiversity. Fortum acknowledges the need to identify and take responsibility for its impacts and dependencies related to biodiversity and ecosystem services.

2.5.2 Material impacts, risks and opportunities for biodiversity

Fortum has identified four material biodiversity-related negative impacts in the double materiality assessment. For more information on the double materiality assessment process, see [1.4 Double materiality assessment](#).

IRO reference	Description
Negative impacts	
IRO E4.1	Aquatic impact from hydropower production in Finland and Sweden. Hydropower production alters the fluctuation range and rhythm of the water discharge and level in waterways. The damming of rivers has a barrier effect and causes a discontinuation in the natural flow of rivers. This causes negative impacts, e.g., on the migration and drifting of fish and of other fauna and ecological substances; some of the impacted species are threatened. This also has a negative impact on natural habitats, e.g., breeding grounds for migratory fishes, ecosystems as a whole, erosion, and flora and fauna. Impacts may occur in the rivers and also in the riparian zone.
IRO E4.2	Biodiversity impact through climate change pressure from the trading of electricity. Producing GHG emissions in the production of electricity purchased from the market and sold to end-users as unbundled with Guarantee of Origin certificates generate negative impacts through global warming. The mechanism is global, but the impact is local.
IRO E4.3	Biodiversity loss through climate change pressure and land use change from fuel procurement. The impact relates to Fortum's heating and cooling operations both in Finland and Poland. The production of fuel, both bio- and fossil-based, used in power and heat production affects biodiversity through land use, resulting in changes in land and loss and degradation of the natural environment, as well as the loss of natural resources. These local-scale impacts are most evident and recognisable. Also, emissions from the production of used fuels, as well as the energy production, accelerate climate change, and while the impact mechanism is global, the effect on biodiversity is local.
IRO E4.4	Land use impact from construction. The impact is potential and real with all operations requiring change in land use, such as new wind and solar power production. This includes changes in land and loss of the natural environment at construction sites. In addition, the impact increases from fragmentation and encroachment. The operational stage of wind power production can also have impacts on avifauna (mainly birds and bats) through collision risk and changes in migration routes.

Fortum has not identified direct negative impacts from its operations on land degradation, desertification or soil sealing. Some impacts may occur through climate change pressure, but these cannot be specified and hence have not been assessed as material.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Impacts are managed as described in biodiversity-related policies. Mitigation of the impacts is done according to the steps of the ecological mitigation hierarchy. Mitigation of negative impacts is done through voluntary and obligatory actions, e.g., fish passage and transportation solutions and fish stockings in connection with hydropower production. To mitigate the negative impact from changes in land use, Fortum favours areas of low biodiversity values for new operations that require change in land use. An assessment of biodiversity impacts is also included as a part of the investment assessment.

2.5.3 Policies on biodiversity

The key policies to address the management of material impacts related to biodiversity and ecosystems are the Code of Conduct, the Supplier Code of Conduct and the Sustainability Policy. These policies address the assessment and reduction of negative impacts on the natural environment according to the ecological mitigation hierarchy.

According to the Sustainability Policy, Fortum conserves biodiversity by avoiding activities that harm ecosystems and species. In addition, Fortum aims to restore or mitigate the impacts caused by operations whenever possible, and to offset impacts, if needed. Fortum also strives for active collaboration on the impacts in partnership with local communities and around its plants, as outlined in section [3.4.6 Engaging with affected communities on impacts](#).

The Supplier Code of Conduct outlines the requirements for suppliers and business partners, including the requirement to continuously minimise waste and emissions to air, water and soil in their operations and to mitigate impacts on biodiversity. Suppliers are also responsible for ensuring and monitoring their sub-suppliers' compliance with the principles of the Supplier Code of Conduct.

The key policies are accompanied by instructions and guidelines that address the management of material impacts related to biodiversity and ecosystems. The Biodiversity Manual defines principles related to biodiversity. As described in the manual, biodiversity issues are systematically considered as a part of environmental management processes and operations. The manual contains specific instructions for biodiversity issues in current operations, new projects and the supply chain, as well as for reporting and communication. Fortum also has Forest Management Guidelines that define a framework for the sustainable use of Fortum-owned forests. The purpose of the guidelines is to provide direction for forest management to enable Fortum to increase the overall value of the biodiversity of forests and to shoulder responsibility in halting global biodiversity loss. Biodiversity-related policies are adopted across all operations. Environmental sustainability, including biodiversity, is also incorporated in the other related policies, instructions and manuals outlined in section [2.1.2 Policies on environmental matters](#).

Fortum has not adopted a specific protection policy on operating in or near protected areas or in areas of high biodiversity value outside protected areas. However, Fortum does take identified negative impacts into account in operations, as defined in the Biodiversity Manual. Though Forest Management Guidelines are in place, Fortum does not have a specific policy on sustainable land use, agriculture practices, ocean and sea practices, or policies to address deforestation. The biodiversity policies do not specifically address the direct impact drivers on biodiversity loss, production, sourcing or consumption from ecosystems that are managed to maintain or enhance conditions for biodiversity.

2.5.4 Targets for biodiversity

Fortum has set the following targets related to the material impacts on biodiversity:

- No net loss of biodiversity from existing and new operations in Scopes 1 and 2 from 2030 onwards, excluding all aquatic impacts.
- 50% reduction in dynamic terrestrial impacts in upstream Scope 3 by 2030 compared to base-year 2021.
- Commitment to continue local initiatives and participate in the development of a science-based methodology to assess the aquatic impacts of hydropower, common target with water. See [2.4.4 Targets for water](#).

When setting the targets, ecological planetary boundaries were considered, though specific thresholds towards local biodiversity values were not assessed. The use of biodiversity offsets is expected to be needed to meet the set targets. Fortum is committed to following the steps of the ecological mitigation hierarchy when defining mitigation actions and/or offsets. To reach the target 'No net loss of biodiversity from existing and new operations in Scopes 1 and 2 from 2030 onwards, excluding all aquatic impacts', it is expected that offsets are needed to mitigate the negative impact through change in land use. Mitigation actions, including possible compensation actions, will be assessed with science-based methods.

Fortum has actively followed the biodiversity related policy and regulatory agenda, the public discussion, including the development of concrete actions to implement the EU Biodiversity Strategy for 2030, as well as the Kunming-Montreal Global Biodiversity Framework. Fortum supports these policies and the high ambitions to protect and restore species and habitats. When setting targets, topical international frameworks as well as national policies and legislation were considered. Although the targets are not aligned with the Kunming-Montreal Global Biodiversity Framework, or the EU Biodiversity Strategy for 2030, Fortum's biodiversity actions and targets are contributing to meet these global targets.

See the next section for performance against the targets.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

2.5.5 Transition plan for biodiversity

In 2023, Fortum finalised the biodiversity footprint assessment (BFA), using the Global Biodiversity Score® (GBS®) tool. As a result of the assessment, Fortum has mapped its biodiversity-related dependencies and impacts, covering direct operations and its value chain. Due to the limitations in the methodology, the aquatic impact of hydropower production could not be assessed and quantified. In 2025, Fortum is planning to conduct a biodiversity footprint assessment for 2024 to measure how its impact has changed.

According to the results of the biodiversity footprint assessment, on a global scale, Fortum's main terrestrial biodiversity impacts are related to the impacts from GHG emissions, land use and fuel procurement. Reducing emissions is a key lever to reduce negative impacts on biodiversity. See [2.2.6 Transition plan for climate change mitigation](#).

In addition, Fortum has identified negative impacts on biodiversity from change in land use and from new growth that requires change in land use, e.g., new wind and solar power production. High-level actions to meet the biodiversity targets are identified through a biodiversity evaluation included in the investment process. A more detailed biodiversity transition plan is under development, estimated to be ready during 2025.

No net loss of biodiversity from existing and new operations in Scopes 1 and 2 from 2030 onwards, excluding all aquatic impacts

In the ongoing operations, the main lever for the target is to reduce Scope 1 GHG emissions in line with the climate transition plan. Scope 1 and 2 GHG emissions decreased during 2024.

In addition, Fortum is developing a process to analyse the biodiversity footprint and to assess biodiversity impact mitigation possibilities for adverse impacts of new growth in order to reach the target. Identified impacts will be mitigated by following the ecological mitigation hierarchy when deciding on actions.

To support the transition, Fortum is also improving the biodiversity value of existing assets by, e.g., implementing new guidelines for the management of owned forests. The new sustainable Forest Management Guidelines are expected to show a positive impact over time.

50% reduction in dynamic terrestrial impacts in upstream Scope 3 by 2030 compared to base-year 2021

The main lever for the target is to reduce Scope 3 GHG emissions in line with the climate transition plan. This includes reducing the burning of fuels and increasing the share of Guarantee of Origin-certified electricity sales. In 2024, Scope 3 GHG emissions decreased due to the increased sales of GoO certified electricity. However, the impact is expected to have increased from the previous assessment, mainly due to the increased sales of electricity. Fortum is planning to conduct a biodiversity footprint assessment for 2024.

In addition, Fortum is developing a process to assess the biodiversity impact of procurement.

Commitment to continue local initiatives and participate in the development of a science-based methodology to assess the aquatic impacts of hydropower

With regard to this target, Fortum has in 2024 continued to implement local initiatives, especially in hydropower. In addition, Fortum, together with partners, has worked on developing a science-based methodology to assess the aquatic impacts of hydropower, e.g., through case studies. Similar actions are also planned in the future. See section below for further details.

2.5.6 Actions and resources for biodiversity

The Biodiversity Action Plan containing ongoing and planned voluntary biodiversity-related measures is updated annually. The Biodiversity Action Plan describes Fortum's goals, responsibilities, timelines and partners for local-scale biodiversity projects.

Actions are ongoing and planned to mitigate negative biodiversity impacts and to address biodiversity-related targets. However, actions are not validated with science-based methods, hence they cannot be considered as offsets in accordance with the steps of the ecological mitigation hierarchy. Fortum actively engages local communities, including indigenous people, where relevant, although Fortum has not specifically sought local and indigenous knowledge when determining biodiversity actions.

Ongoing and planned actions to address biodiversity-related targets are presented in the following table:

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Actions during the year

Action	Timing	Total cost/ investment	Cost/ investment in 2024
Development work to measure hydropower's aquatic biodiversity impacts continued by participating in developing the aquatic segment of the Global Biodiversity Score® (GBS®) tool, and assessing other potential tools and approaches. Furthermore, Fortum has conducted a pilot study in Emäjoki, Finland to develop a Water Nature Index for quantifying the impact of hydropower production and significance of planned bypass solution in Seitenojeka, to aquatic biodiversity in the river system, as well as run case studies for selected rivers in Sweden in accordance with the National Plan for Modern Environmental Conditions for Hydropower (NAP) process to better understand the biodiversity impact and ensure actions are following the steps of the ecological mitigation hierarchy.	Ongoing	Not significant	Not significant
Case studies to assess biodiversity impact of projects. In 2024, case studies were started in the wind power project in Borgvik, Sweden, the solar power project in Tarvasjoki, Finland, and the heat storage facility in Nuijala, Finland. The studies aim to create a process to analyse the biodiversity footprint and assess biodiversity impact mitigation possibilities (for adverse impacts) in order to reach the corporate-level No Net Loss target from 2030 onwards. In Tarvasjoki and Nuijala, Fortum is also modelling the implementation and validation of possible concrete biodiversity measures and their effectiveness.	Ongoing	Not significant	Not significant
Fortum continued to carry out voluntary and licence-related biodiversity measures to prevent negative impacts and, where possible, to implement biodiversity improvement measures, including: <ul style="list-style-type: none"> • Removing dams with limited energy benefits to the energy system in river Uvån, Sweden. • Habitat improvements around hydropower plants in rivers Dalälven, Klarälven and Ljusnan. • Pre-study for a fish passage at the Hennan, Sweden, regulating dam. • Release of young salmon and sea trout in the tributaries of river Oulujoki, Finland. • Continued planning of the Seitenojeka fish passage in river Emäjoki, Finland. • Continued operation of the Fishheart solution for upstream passage of fish at the Leppikoski hydropower plant and at river Oulujoki, Finland. • Continued operation of the Montta fish trap to trap and transport mature salmon to the improved spawning areas in the tributaries upstream of several dams in river Oulujoki, Finland. 	2024	Not significant	Not significant

Planned future actions

- Fortum will continue working with its biodiversity strategy development to identify and implement actions needed to achieve the biodiversity targets. High-level actions will be identified; as explained above, the biodiversity transition plan is under development.
- Fortum is committed to applying a science-based approach when setting its biodiversity targets also related to the impact of hydropower. As Fortum is currently not aware of methodologies of sufficient quality, it continues to participate in the development of science-based tools to assess the aquatic biodiversity impacts of its hydropower production. In the absence of quantifying tools supporting science-based criteria, Fortum will continue building a process to qualitatively assess the aquatic impact and mitigation possibilities following the steps of the ecological mitigation hierarchy at the river level. In addition, Fortum will continue the work on voluntary and licence-obligated biodiversity projects.

2.5.7 Metrics for biodiversity

Fortum has hydropower operations in or near biodiversity-sensitive areas that are potentially negatively impacted. The potential negative impact is identified at a total of 27 hydropower plants. The impact on biodiversity-sensitive areas is connected to the general environmental impact from hydropower production. See [2.5.2 Material impacts, risks and opportunities for biodiversity](#).

The biodiversity-sensitive areas identified to have a negative impact are areas that are included in the Natura 2000 network. Fortum has implemented or is planning to implement actions to mitigate the possible negative impact on the affected Natura 2000 areas. Mitigation actions are aligned with the actions determined in the conservation plan of the area of concern. In Sweden, the mitigation actions will be addressed in connection with the implementation of the National Plan for Modern Environmental Conditions for Hydropower.

The ecological potential or status of water bodies, based on the Water Framework Directive, in hydropower plants operating in biodiversity-sensitive areas in Sweden is poor or moderate. However, Fortum's operations do not have an impact on the ecological state or the conservation values of the sites from the current situation. All identified impacts are included in the EU Taxonomy analysis of aligned economic activities and all Fortum's own hydropower plants fulfil the DNSH (do no significant harm) criteria.

Sites in or near biodiversity-sensitive areas or key biodiversity areas at 31 December 2024 are presented in the following table:

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

River	Hydropower plant	Operational area, ha	Biodiversity-sensitive areas in or near operations (Natura 2000)
Sweden			
Klarälven	Höjles Dejefors Edsforsen Forshaga Forshult Krakerud Munkfors Skymnäs Skoga	40.2	SE0610169 Klarälven, övre delen SE0610190 Klarälvsdeltat SE0610221 Noret
Gullspångsälven	Gullspång	16.9	SE0540213 Gullspångsälven
Ljusnan	Sveg Laforseen Öjeforsen Edeforsen Halvfari Långå	10.7	SE0720291 Ljusnan (Hede-Svegsjön) SE0630101 Mellanljusnan Laforsen-Korskrogen SE0630223 Mellanljusnan Korskrogen-Edeforsen
Svartälven	Karåsen Skråforsen Brattforsen	6.0	SE0240127 Torkesvikens SE0540213 Gullspångsälven
Letälven	Letten Degerfors Åtorp	5.0	SE0610169 Klarälven, övre delen SE0610190 Klarälvsdeltat SE0240181 Sveafallen SE0540213 Gullspångsälven
Timsälven	Björkborn Bofors	4.0	SE0540213 Gullspångsälven
Dalälven	Lanforsen	3.4	SE0630154 Spjutholmen SE0210008 Båtfors
Glasälven	Glava	2.0	SE0610133 Rödvattnet-Majendal
Finland			
Oulujoki	Jylhäma	1.3	FI1200104 Oulujärven saaret ja ranta-alueet FI1200105 Oulujärven lintusaaret FI1200801 Painuanlahti
Total		89.4	

Reporting principles

When determining the impact on biodiversity-sensitive areas, Fortum has assumed that the impact from an individual hydropower plant can affect the entire river system. Hence, the potential negative impact may be allocated to several hydropower plants in the same river system, even if there is one or more other hydropower plants or other dams between the impacted area and the hydropower plant.

An area is assessed as having an impact from hydropower production if changes in hydrological conditions or direct impacts from hydropower production are presented as a threat to the conservation values of the area in concern. The approach is precautionary and the actual impact may not occur for all presented sites.

The analysis of biodiversity-sensitive areas was performed using a customised tool in ArcGIS Pro (Geographical Information System). The tool was based on a buffer and an intersection analysis that made it possible to determine biodiversity-sensitive areas that were located in the site or within a specified distance from the site. Biodiversity-sensitive area data (e.g. Natura 2000 SPA, Conservation areas) were set as separate rules.

The operational area was defined using built-up areas in the analysis. If there were none, an assumption of two hectares of operational area was used.

In addition, assessments made in conjunction with the EU Taxonomy reporting were utilised. The identified sites and the possible negative impact on the biodiversity-sensitive areas was reviewed individually.

2.6 Resource use and circular economy

2.6.1 Introduction to resource use and circular economy

A transition towards a circular economy is necessary to ensure the availability of natural resources and to combat climate change. Fortum applies waste hierarchy principles in all operations, including prevention, preparing for re-use, recycling, energy recovery, and responsible disposal.

Fortum produces conventional non-hazardous and hazardous waste in its power plants and other own operations. In addition to conventional industrial waste, radioactive waste is also produced at the Loviisa nuclear power plant in Finland, as well as in co-owned nuclear power plants Olkiluoto in Finland, and Forsmark and Oskarshamn in Sweden.

2.6.2 Material impacts, risks and opportunities for resource use and circular economy

In the double materiality assessment, Fortum identified one material negative impact related to resource use and circular economy, as described below. For more information on the double materiality assessment process, see [1.4 Double materiality assessment](#).

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

IRO reference	Description
Negative impacts	
IRO E5.1	Producing radioactive waste in nuclear power plant operations. Radioactive waste is classified as either low-level, intermediate-level or high-level waste, based on how it was created, its original purpose and radioactivity level. If radioactive substances end up in the environment through the processing, storage, transportation or disposal of radioactive waste, they may cause severe environmental impacts. The same negative impact is also relevant for co-owned nuclear power plants.

In addition to radioactive waste, Fortum also produces conventional non-hazardous and hazardous waste in its power plants and other own operations.

Radioactive waste management

Waste management at the Loviisa power plant is comprised of two separate areas: waste management for the non-controlled area and waste management for the controlled area. All waste generated in the controlled area is treated as radioactive.

Waste generated in the controlled area is divided into three categories: low-level waste (maintenance waste), intermediate-level waste (mainly liquid waste and small amounts of dry waste, such as filters and probes), and high-level waste (spent fuel). Maintenance waste is either cleared as non-active and treated as conventional waste or disposed of in the final repository located at a depth of 110 metres in the power plant area.

Liquid waste is purified and released into the sea or stored and solidified in concrete and then disposed of in the final repository.

Highly radioactive spent nuclear fuel is stored to await final disposal. Fortum and Teollisuuden Voima Oyj have established Posiva Oy to handle the technical implementation of the final disposal of spent nuclear fuel. Final disposal in the world's first-ever deep geological repository for spent fuel is scheduled to begin at Olkiluoto in Eurajoki, Finland, in the mid-2020s. The final disposal of spent nuclear fuel from Loviisa will begin in the 2030s and from Olkiluoto in the 2020s.

The processing of nuclear waste in Finland is governed by the Nuclear Energy Act, the Nuclear Energy Decree, and the Government Decree on the Safety of Disposal of Nuclear Waste. With regard to the management of radioactive substances, Fortum strives to keep any emissions well below the emission limits set by the authorities.

In Sweden, Svensk Kärnbränslehantering AB (SKB) is responsible for the disposal of radioactive waste from co-owned nuclear power generation. A spent fuel disposal facility is under construction in Forsmark, Östhammar municipality, and is expected to be completed by the end of this decade. After construction and a trial operation period it should be possible to start disposal operations in the late 2030s.

See Note [29 Nuclear-related assets and liabilities](#) for financial impact of radioactive waste management.

Conventional waste management

Improving the management of conventional waste is done in close cooperation with local waste management partners.

The greatest volume of waste produced by Fortum's power plants is ash produced in the combustion of solid fuels. Ash is the non-combustible residue of the fuel, containing mainly minerals and metals.

Fortum's Battery recycling business uses a combination of mechanical and hydrometallurgical technologies to recycle battery materials. The recovered battery chemicals – lithium, cobalt, manganese and nickel – can be used by battery manufacturers in the production of new batteries. It is possible to recycle over 80% of the battery and 95% of the valuable metals contained in the battery black mass.

As part of the divested recycling and waste businesses, Fortum offered waste management services for customers in the Nordic countries to increase material recycling and recovery and to ensure safe disposal of non-recyclable waste fractions. This included the recycling of plastic recyclate from post-consumer plastic waste, the processing and recycling of metals, the treatment and processing of ash, dredging masses, slurry and contaminated water from energy production and other industries for reuse, as well as the treatment of contaminated soil.

2.6.3 Policies on resource use and circular economy

The key policy to address radioactive waste management is the Nuclear Generation Safety and Quality Policy. Additionally, nuclear power operations are governed by safety and quality requirements imposed by legislation and authorities.

The key policies to address circular economy and the management of non-hazardous waste and non-radioactive hazardous waste are the Code of Conduct and the Sustainability Policy. Fortum adheres to the waste hierarchy, including prevention, preparing for re-use, recycling, energy recovery, and responsible disposal. Fortum prioritises waste reduction strategies, such as re-use, repair, refurbishment, remanufacturing, and repurposing, where feasible. Fortum also assesses the lifecycle impact of its products and projects and aims to improve their resource efficiency.

The Supplier Code of Conduct outlines the requirements for suppliers and business partners, including the requirement to promote the circular economy and pay attention to the efficient use of materials and the lifecycle impact of their products.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Environmental sustainability, including circular economy, is also incorporated in the other related policies, instructions and manuals outlined in section [2.1.2 Policies on environmental matters](#).

2.6.4 Targets for resource use and circular economy

Currently, Fortum has not set specific targets relating to resource use and circular economy.

Fortum has identified the radioactive waste generated by the operation of nuclear power plants as a material topic. Radioactive waste management is highly regulated by the authorities, and the volume of the waste is dependent on the amount of nuclear power generated. Radioactive waste is isolated from the environment in a reliable manner to prevent pollution to air, water and soil, and negative impacts on living organisms. Nuclear waste management is conducted in strict accordance with legislation and requirements from authorities.

2.6.5 Actions and resources for resource use and circular economy

Actions during the year

Action	Total provision	Change in provision in 2024
Radioactive waste management	EUR 1,117 million	EUR 58 million

Posiva (an associate) **started testing the final disposal facility** without actual spent fuel. The equipment and systems of the disposal facility were tested together for the first time in accordance with planned processes during the trial run stage. The purpose of the trial run is to verify safe final disposal before the start of the actual final disposal operation, estimated to commence in the 2020s.

Nuclear provisions consist of estimated future decommissioning costs of Loviisa, Finland nuclear power plant and estimated future disposal costs for fuel used (spent fuel). The provisions are based on long-term cash flow forecasts. Changes in the provision include, e.g., updates in technical plans and cost estimates, impact of discounting of the provision, nuclear waste related investments, as well as decommissioning measures and costs which have already been included in the provision. See Note [29 Nuclear-related assets and liabilities](#) for more information.

In addition, exiting coal in own operations and reducing the use of fossil fuels in the production of power and heat in accordance with the climate transition plan will significantly reduce the amount of fossil fuels used and decrease the volumes of ash and other by-products generated in combustion and flue-gas treatment processes. See section [2.2.7 Actions and resources for climate change](#) for details.

Planned future actions

Final disposal of spent nuclear fuel from the Loviisa nuclear power plant is estimated to begin at Olkiluoto in Eurajoki, Finland, in the 2030s. Nuclear power companies cover the cost of nuclear waste management, and the requisite funds are set aside in the State Nuclear Waste Management Fund. See Note [29 Nuclear-related assets and liabilities](#).

2.6.6 Metrics for resource use and circular economy

Fortum monitors the volume of conventional non-hazardous and hazardous waste and radioactive waste based on treatment or disposal method. Total volume includes both the waste generated in own operations, as well as the non-recyclable customer waste that is treated by the Circular Solutions business. The disclosures below include the recycling and waste business until the date of disposal, 29 November 2024.

Waste generated

Waste generated is presented in the table below:

	2024
Non-hazardous waste, preparation for reuse	0
Non-hazardous waste, recycling	3,384,070
Non-hazardous waste, other recovery operations	12,255
Total amount of non-hazardous waste diverted from disposal	3,396,325
Hazardous waste, preparation for reuse	0
Hazardous waste, recycling	6,180
Hazardous waste, other recovery operations	609
Total amount of hazardous waste diverted from disposal	6,790
Non-hazardous waste, incineration	0
Non-hazardous waste, landfill	319,289
Non-hazardous waste, other disposal operations	0
Total amount of non-hazardous waste directed to disposal	319,289
Hazardous waste, incineration	0
Hazardous waste, landfill	233,486
Hazardous waste, other disposal operations	626
Total amount of hazardous waste directed to disposal	234,112
Total amount of non-recycled waste	566,266
Percentage of non-recycled waste, %	14
Total amount of hazardous waste generated	240,902
Total amount of radioactive waste generated¹⁾	626
Total amount of waste generated	3,956,517

¹⁾ Includes high-, intermediate- and low-level radioactive waste.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

In 2024, the majority (86%) of waste produced was recyclable non-hazardous waste, including construction materials, such as concrete and various metals, and recycled ash and slag. 34% of the total volume of waste, 30% of non-hazardous waste and almost 100% of hazardous waste was produced in the Circular Solutions business unit, which is responsible for recycling and waste and battery recycling businesses.

Reporting principles

Waste volumes include all heat and power plants and production facilities in all operating countries. Volumes include waste created in own operations and waste generated in the treatment of customer waste in the recycling and waste and battery businesses. Radioactive waste volumes exclude co-owned nuclear power plants.

Conventional hazardous and non-hazardous waste is mainly based on reports provided by waste management partners and waste haulers. Low- and intermediate-level radioactive waste is measured in cubic meters and converted to tonnes. High-level radioactive waste equals the weight of nuclear fuel used at the nuclear power plant and is reported for the period between annual maintenance breaks when the reactors are refuelled, usually between July and October.

2.7 EU Taxonomy

2.7.1 Introduction to EU Taxonomy

The EU Taxonomy Regulation is a classification system for defining economic activities that can be considered as environmentally sustainable. The Regulation provides specific key performance indicators (KPIs) that entities are required to report for their environmentally sustainable economic activities. The EU Taxonomy Regulation establishes six environmental objectives, two of which, the climate change mitigation (CCM) and climate change adaptation (CCA) criteria, were published on 4 June 2021 in the Climate Delegated Act. Inclusion of the Complementary Climate Delegated Act on nuclear and natural gas energy activities was approved on 5 July 2022, and the Environmental Delegated Act for the remaining four objectives in June 2023. These objectives include Water and Marine Resources (WTR), Circular Economy (CE), Pollution Prevention and Control (PPC), and Biodiversity and Ecosystems (BIO). As required by the Environmental Delegated Act, the eligibility of economic activities was assessed in 2023 and alignment in 2024.

Fortum's disclosures are prepared in accordance with the EU Taxonomy Regulation and implementing delegated acts. For the financial year ending 31 December 2024, Fortum reports the proportion of Taxonomy-aligned activities, Taxonomy-eligible (not aligned) activities and Taxonomy-non-eligible activities in relation to the three KPIs (Turnover, Operating expenses and Capital expenditure) and the plan (Capital expenditure plan) that aims either to expand Fortum's Taxonomy-aligned economic activities or to upgrade Taxonomy-eligible economic activities to render them Taxonomy-aligned within a period of five years. The reporting scope includes

continuing operations from Fortum's subsidiaries consolidated to the Group as of 31 December 2024.

2.7.2 Analysis of economic activities

Analysis of eligible economic activities

Fortum classifies its economic activities to aligned, eligible (not aligned) and non-eligible corresponding to economic activities described in the Climate Delegated Act, Complementary Climate Delegated Act and Environmental Delegated Act. Eligibility of Fortum's business operations was evaluated according to the descriptions of economic activities listed in the Climate Delegated Act (Annex I – CCM and Annex II – CCA), the Environmental Delegated Act (Annex I – WTR, Annex II – CE, Annex III – PPC, Annex IV – BIO) and the related NACE codes (Nomenclature of Economic Activities, European statistical classification of economic activities) provided in these descriptions. The evaluation was performed either at the power plant or business unit level, reflecting the nature of the operations.

Analysis of aligned economic activities

An eligible activity is considered to be aligned if it complies with the technical screening criteria of contributing substantially to at least one of the six environmental objectives, if it does not significantly harm the other environmental objectives (do no significant harm, DNSH, criteria), and if it is carried out in compliance with the minimum safeguards (MS) relating to human rights, fundamental labour rights, taxation, anti-corruption, bribery and fair competition. Fortum recognised economic activities under CCM, CE and PPC. The alignment of Fortum's most material eligible economic activities is based on interpretations and assumptions as described below.

Application method for substantial contribution criteria, DNSH criteria and minimum safeguards

Sustainability management at Fortum is strategy-driven and based on Fortum's Values, Code of Conduct, Supplier Code of Conduct, Sustainability Policy, other sustainability-related Group policies, as well as their specifying instructions. When analysing substantial contribution and DNSH criteria, Fortum relies specifically on its Sustainability Policy, Minimum Requirements for EHS Management, Biodiversity Manual and Group Risk Policy. Fortum is committed to a high level of environmental and safety management, complies with all regulations, and has license to operate each site. All Fortum's production sites are ISO 14001 certified. Fortum's sustainability management and policies for environmental matters are described in [1.5.4 Statement on sustainability due diligence](#) and [2.1.2 Policies on environmental matters](#).

In order to assess the alignment of its activities, Fortum's relevant business units verified their economic activities' compliance with the substantial contribution and DNSH criteria listed under the respective Act. Substantial contribution criteria are specific to each economic activity, and

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

compliance was assessed on a system, facility or installation level, as appropriate. DNSH criteria can be generic or economic activity-specific. Compliance with each DNSH criteria was assessed on the most material level reflecting the nature of the economic activity.

Fortum has its own and as co-owned nuclear power plants in Finland and Sweden. Operations at these plants relate to EU Taxonomy economic activities 'Construction and safe operation of new nuclear power plants' (CCM 4.27) and 'Electricity generation from nuclear energy in existing installations' (CCM 4.28). The most important task of nuclear power operations is to produce electricity safely, reliably, and competitively, in the short- and long-term, while complying with the principles of nuclear and radiation safety, waste management safety, and nuclear material control. Compliance with all of these requirements is overseen by national authorities in Finland and Sweden. Fortum complies with nuclear-related national regulation, which is considered to be the basis for the EU Taxonomy alignment criteria. Fortum's own and co-owned existing nuclear power plants have done, or are planning to start, modification of existing nuclear installations for the purposes of lifetime extension. Lifetime extension projects are always subject to national authorities' approval and comprehensive environmental and safety assessments.

DNSH Climate change mitigation

The management of climate change is integrated into Fortum's strategy. Fortum has set Scope 1, 2 and 3 emission reduction targets, and performance against the targets are reported in section [2.2.5 Targets for climate change](#).

DNSH Climate change adaptation

The management of climate-related risks is integrated into Fortum's Group risk management framework and follows the same governance and processes as other material risks and uncertainties. Risks are identified and assessed annually through an enterprise risk management framework. Taxonomy-relevant entities are required to take into account physical climate risks. Entities must also understand their assets' resilience towards different acute and chronic physical climate-related risks within different Intergovernmental Panel on Climate Change (IPCC) climate scenarios and create adaptation plans for the most material risks. Fortum's material climate-related risks are described in section [2.2.2 Material impacts, risks and opportunities for climate change](#).

DNSH Sustainable use and protection of water and marine resources

Fortum manages and uses major water resources in most of its operating countries and is committed to responsible water management. Fortum's responsibility for water use is related not only to volume and availability, but also to water quality and to the aquatic habitat. Consequently, all production sites under Fortum's operational control are included in the annual reporting scope for water use metrics and water stress assessment in section [2.4.6 Metrics for water](#). Water management guarantees that the operational sites comply with national

regulations and have a licence to operate. Fortum also carries out water-related measures locally, where relevant, in order to take into consideration the needs of other water users. Collaboration with local communities, municipalities, authorities, and research institutes is important in the implementation of these measures. Fortum's electricity generation from hydropower in Finland and Sweden is under the control of the water authorities in the frame of the Water Framework Directive (WFD). National transposition and timeline of the WFD is considered in this DNSH review. For the treatment of hazardous waste, relevant techniques are deployed for the protection of water and marine resources.

DNSH Transition to a circular economy

Fortum takes into account the life cycle and resource efficiency of its products and projects. Durability and recyclability of equipment and components are included in procurement processes. Fortum aims for utilisation and recovery of its own by-products and waste. Minimising the amount of waste and efficient management of end-of-life equipment and components is expected from Fortum's operating sites.

In addition to conventional industrial waste, Fortum's fully owned and co-owned nuclear power plants in Finland and Sweden generate radioactive waste. All plants take full financial and safe execution responsibility over radioactive waste originated from the operations and decommissioning, as well as optimise and develop treatment processes to minimise the amount of waste stored. All low-, intermediate- and high-level radioactive waste is treated and stored on site or in a special storage site located in the country where the waste is generated. Fortum's approach to circular economy and nuclear waste management is reported in more detail in section [2.6 Resource use and circular economy](#).

DNSH Pollution prevention and control

Fortum's chemical management ensures compliance with local regulations, existing permits and that operations do not cause any significant harm with substances used, covering the substances listed in Appendix C (Annex I – CCM and Annex II – CE). Fulfilling the requirements set by Fortum and the legislation in the respective country, proper management of chemicals in the whole chain-from purchasing to disposal, minimising risks related to the handling of chemicals, and limiting and continuously reducing the use of hazardous chemicals, and, where possible, substituting with chemicals less harmful to health and the environment- is ensured. See section [2.3 Pollution](#).

Fortum continuously aims to mitigate its environmental impact by utilising best practices and best available technologies. Minimum Requirements for EHS Management ensure compliance with permit conditions, regular monitoring and reporting of emissions to air, water and soil, and risk mitigation to prevent any cross-media effects. The relevant techniques for pollution prevention and control are in place at all relevant sites and meet the relevant associated emission limits.

Financials 2024

Operating and financial review

- Financial performance and position
- Risk management
- Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

The nuclear power operations' radioactive discharges to air, water and soil comply with individual licence conditions. Discharges and environmental impacts are strictly monitored by Finnish and Swedish authorities who have the national oversight of nuclear power plants. Spent fuel and radioactive waste is safely and responsibly managed, including ensuring adequate storage capacity.

DNSH Protection and restoration of biodiversity and ecosystems

Fortum's biodiversity management is an integral part of the environmental management system covering all operations. Biodiversity management, defined in the Biodiversity Manual, ensures compliance with biodiversity-related requirements set by local regulations and that necessary steps are taken whenever feasible to avoid, mitigate, or address potential impacts. The Biodiversity Manual requires that special consideration is given for sites that are close to protected areas or threatened habitats or where any known population of a threatened or protected species might be affected. Fortum's approach to biodiversity is reported in more detail in section [2.5 Biodiversity and ecosystems](#).

Minimum Safeguards

Fortum follows and respects internationally recognised human rights, which are included in the key human rights treaties. Respect for human rights is expressed in Fortum's Code of Conduct and Supplier Code of Conduct. The UN Guiding Principles on Business and Human Rights are taken into account in own operations and in supply chain management. Fortum's approach to human rights due diligence is based on the UN Guiding Principles on Business and Human Rights and follows the six steps outlined in the OECD Guidelines for Multinational Enterprises.

Zero tolerance for corruption and bribery is highlighted in Fortum's Code of Conduct and Supplier Code of Conduct. In addition, separate instructions and guidelines have been created to address various topics, including but not limited to anti-bribery, compliance management, safeguarding company assets, conflict of interest, anti-money laundering, economic sanctions and competition law. See section 4 Business conduct.

Fortum has implemented due diligence processes for environment, taxation, anti-corruption and bribery, as well as fair competition. Requirements for human rights, labour rights, environment, anti-corruption and fair competition are included in Fortum's procurement processes. Group-level commitments, policies, instructions and guidelines apply to all of Fortum's activities in all operating countries. For more information on sustainability due diligence, see [1.5.4 Statement on sustainability due diligence](#). Fortum (or senior management) has not been found to have violated labour law, human rights, or competition laws. Fortum has also not been found guilty of tax evasion, corruption or bribery.

2.7.3 EU Taxonomy KPIs

The following tables present the proportions of aligned, eligible (not aligned) and non-eligible activities of turnover, operating expenses, and capital expenditure under the EU Taxonomy Regulation for the Fortum Group.

Turnover KPI

EUR million	2024	2023	
A.1 Environmentally sustainable activities (Taxonomy-aligned)	2,869	49%	2,915
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)	42	1%	457
A. Total Taxonomy-eligible activities	2,911	50%	3,372
B. Taxonomy-non-eligible activities	2,889	50%	3,339
Total (A+B)	5,800	100%	6,711
			100%

Operating expenses KPI

EUR million	2024	2023	
A.1 Environmentally sustainable activities (Taxonomy-aligned)	-181	75%	-124
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)	-10	4%	-47
A. Total Taxonomy-eligible activities	-191	79%	-171
B. Taxonomy-non-eligible activities	-51	21%	-51
Total (A+B)	-242	100%	-222
			100%

Capital expenditure KPI

EUR million	2024	2023	
A.1 Environmentally sustainable activities (Taxonomy-aligned)	386	74%	424
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)	11	2%	82
A. Total Taxonomy-eligible activities	397	76%	506
B. Taxonomy-non-eligible activities	128	24%	160
Total (A+B)	525	100%	667
			100%

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Changes in reporting from 2023

Fortum concluded the sale of its recycling and waste business on 29 November 2024. The EU Taxonomy KPIs in 2024 include the recycling and waste business from 1 January 2024 to 29 November 2024. The most significant economic activities for recycling and waste are 'Treatment of hazardous waste' (PPC 2.2) and 'Sorting and material recovery of non-hazardous waste' (CE 2.7).

As required by the Environmental Delegated Act, the alignment of Circular Economy (CE) and Pollution Prevention and Control (PPC) related economic activities was assessed in 2024. Consequently, in 2024 Fortum has reclassified the following eligible activities to aligned activities in the EU Taxonomy KPI tables: 'Treatment of hazardous waste' (PPC 2.2), 'Sorting and material recovery of non-hazardous waste' (CE 2.7), 'Demolition and wrecking of buildings and other structures' (CE 3.3), 'Remediation of contaminated sites and areas' (PPC 2.4), 'Provision of IT/OT data-driven solutions' (CE 4.1), and 'Depollution and dismantling of end-of-life products' (CE 2.6).

Aligned economic activities (A.1)

In terms of turnover, 49% (2023: 43%), in terms of operating expenses, 75% (2023: 56%), and in terms of capital expenditure, 74% (2023: 64%), of Fortum's economic activities are Taxonomy-aligned (A.1).

The most significant aligned activities are electricity generation from hydropower with an installed capacity of 4.7 GW (50% of total capacity) (2023: 4.7 GW, 50% of total capacity) and electricity generation from nuclear energy with an installed capacity of 3.2 GW (35% of total capacity) (2023: 3.2 GW, 35% of total capacity). As explained above, treatment of hazardous waste and sorting and material recovery of non-hazardous waste are reclassified in 2024 from eligible (not aligned) to aligned economic activities, which increased the aligned economic activities.

Eligible (not aligned) economic activities (A.2)

In terms of turnover, 1% (2023: 7%), in terms of operating expenses, 4% (2023: 21%), and in terms of capital expenditure, 2% (2023: 12%), of Fortum's economic activities are Taxonomy-eligible (not aligned) (A.2). As explained above, treatment of hazardous waste and sorting and material recovery of non-hazardous waste are reclassified in 2024 from eligible (not aligned) to aligned economic activities, which decreased eligible (not aligned) economic activities.

Non-eligible economic activities (B)

A non-eligible economic activity does not correspond to any economic activity description provided in the EU Taxonomy Regulation. Fortum's non-eligible activities include electricity retail (Consumer Solutions segment), electricity and commodities trading, coal-based power and heat generation, engineering services related to non-renewable assets, as well as administrative overheads.

Fortum's Green Financing linked to EU Taxonomy alignment

In 2024, Fortum established a Green Finance Framework, which allows Fortum to raise capital via green bonds and loans to finance and refinance taxonomy-aligned renewable energy and energy-efficiency projects, and/or nuclear power projects. As required by the EU Taxonomy Regulation, an adjusted turnover KPI is disclosed in 2024. The turnover KPI adjusted for sales from Taxonomy-aligned assets that have been refinanced under Fortum's Green Finance Framework is 49%. No adjustment has been made to the capital expenditure KPI, as refinancing is allocated to an existing asset base as opposed to new capital expenditure.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Economic activities	Code	Turnover KPI		Turnover EUR million	Proportion of Turnover 2024	Substantial contribution criteria				DNSH criteria ("Does Not Significantly Harm")				Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2.) turnover 2023	Category enabling activity	Category transitional activity							
		Climate change mitigation	Climate change adaptation			Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution											
A. Taxonomy-eligible activities																								
A.1 Environmentally sustainable activities (Taxonomy-aligned)																								
Manufacture of batteries ¹⁾	CCM3.4	6	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E						
Electricity generation from wind power	CCM4.3	58	1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%							
Electricity generation from hydropower	CCM4.5	1,170	20%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	20%							
District heating/cooling distribution	CCM4.15	124	2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2%							
Production of heat/cool using waste heat	CCM4.25	25	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1%							
Construction and safe operation of new nuclear power plants	CCM4.27	124	2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2%	T						
Electricity generation from nuclear energy in existing installations	CCM4.28	980	17%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	18%	T						
Treatment of hazardous waste ¹⁾	PPC2.2	211	4%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	0%							
Sorting and material recovery of non-hazardous waste ¹⁾	CE2.7	115	2%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	0%							
Other ²⁾		56	1%							Y	Y	Y	Y	Y	Y	Y	0%							
A.1 Total		2,869	49%	43%	0%	0%	4%	2%	0%								43%							
Of which enabling		6	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%	E						
Of which transitional		1,105	19%	19%						Y	Y	Y	Y	Y	Y	Y	21%	T						
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																								
Electricity generation from hydropower	CCM4.5	7	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1%							
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM4.30	12	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%	T						
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM4.31	9	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%	T						
Other ³⁾		14	0%														5%							
A.2 Total		42	1%	1%	0%	0%	0%	0%	0%								7%							
A. Total Taxonomy-eligible activities		2,911	50%	44%	0%	0%	4%	2%	0%								50%							
B. Taxonomy-non-eligible activities		2,889	50%																					
Total (A+B)		5,800	100%																					

Y – Taxonomy-eligible and Taxonomy-aligned activity with the relevant objective, EL – Taxonomy-eligible activity for the relevant objective, N/EL – Taxonomy-non-eligible activity for the relevant objective

1) Comparatives are presented in Other in Taxonomy-eligible activities 2023.

2) Includes economic activities CCM4.11, CCM4.20, CCM4.24, PPC2.4, CE 2.6, CE3.3.

3) Includes economic activities CCM3.10, CCM4.1, CCM4.20, CCM4.25, CCM4.3, CCM5.10, PPC2.2, CE4.1.

The proportion of turnover for activities contributing substantially to several objectives is presented in the following table:

	Proportion of turnover / Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	1%	0%
CCA		
WTR		
CE		
PPC		
BIO		

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Operating expenses KPI

Economic activities	Code	OpEx EUR million	Proportion of OpEx 2024	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")						Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) OpEx 2023	Category enabling activity	Category transitional activity
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of batteries ¹⁾	CCM3.4	-2	1%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E		
Electricity generation from wind power	CCM4.3	-5	2%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%			
Electricity generation from hydropower	CCM4.5	-69	29%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	30%			
District heating/cooling distribution	CCM4.15	-18	7%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	8%			
Production of heat/cool using waste heat	CCM4.25	-3	1%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%			
Construction and safe operation of new nuclear power plants	CCM4.27	0	0%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	T		
Electricity generation from nuclear energy in existing installations	CCM4.28	-45	19%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	17%	T		
Treatment of hazardous waste ¹⁾	PPC2.2	-29	12%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	0%			
Sorting and material recovery of non-hazardous waste ¹⁾	CE2.7	-6	2%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	0%			
Other ²⁾		-4	2%							Y	Y	Y	Y	Y	Y	1%			
A.1 Total		-181	75%	60%	0%	0%	12%	2%	0%							56%			
Of which enabling		-2	1%	1%						Y	Y	Y	Y	Y	Y	0%	E		
Of which transitional		-45	19%	19%						Y	Y	Y	Y	Y	Y	17%	T		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
Electricity generation from hydropower	CCM4.5	0	0%	EL	N/EL	N/EL	N/EL	N/EL								0%			
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM4.30	-1	0%	EL	N/EL	N/EL	N/EL	N/EL								0%	T		
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM4.31	-1	0%	EL	N/EL	N/EL	N/EL	N/EL								0%	T		
Other ³⁾		-8	3%													21%			
A.2 Total		-10	4%	1%	0%	0%	0%	0%	0%							21%			
A. Total Taxonomy-eligible activities		-191	79%	61%	0%	0%	12%	2%	0%							77%			
B. Taxonomy-non-eligible activities		-51	21%																
Total (A+B)		-242	100%																

Y – Taxonomy-eligible and Taxonomy-aligned activity with the relevant objective, EL – Taxonomy-eligible activity for the relevant objective, N/EL – Taxonomy-non-eligible activity for the relevant objective

1) Comparatives are presented in Other in Taxonomy-eligible activities 2023.

2) Includes economic activities CCM4.11, CCM4.20, CCM4.24, PPC2.4, CE 2.6, CE3.3.

3) Includes economic activities CCM3.10, CCM4.1, CCM4.20, CCM4.25, CCM4.3, CCM5.10, PPC2.2, CE4.1.

The proportion of operating expenses for activities contributing substantially to several objectives is presented in the following table:

Proportion of OpEx / Total OpEx	
Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	1%
CCA	1%
WTR	
CE	
PPC	
BIO	

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Capital expenditure KPI

Economic activities	Code	CapEx EUR million	Proportion of CapEx 2024	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")						Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) CapEx 2023	Category enabling activity	Category transitional activity
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of batteries ¹⁾	CCM3.4	5	1%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E		
Electricity generation from wind power	CCM4.3	30	6%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	34%			
Electricity generation from hydropower	CCM4.5	129	25%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	16%			
District heating/cooling distribution	CCM4.15	39	7%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	6%			
Production of heat/cool using waste heat	CCM4.25	72	14%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	5%			
Construction and safe operation of new nuclear power plants	CCM4.27	—	0%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	T		
Electricity generation from nuclear energy in existing installations	CCM4.28	54	10%	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3%	T		
Treatment of hazardous waste ¹⁾	PPC2.2	34	7%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	0%			
Sorting and material recovery of non-hazardous waste ¹⁾	CE2.7	12	2%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	0%			
Other ²⁾		12	2%								Y	Y	Y	Y	Y	0%			
A.1 Total		386	74%	65%	0%	0%	7%	2%	0%							64%			
Of which enabling		5	1%	1%							Y	Y	Y	Y	Y	0%	E		
Of which transitional		54	10%	10%							Y	Y	Y	Y	Y	3%	T		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
Electricity generation from hydropower	CCM4.5	3	1%	EL	N/EL	N/EL	N/EL	N/EL								0%			
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM4.30	2	0%	EL	N/EL	N/EL	N/EL	N/EL								0%	T		
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM4.31	—	0%	EL	N/EL	N/EL	N/EL	N/EL								0%	T		
Other ³⁾		6	1%													12%			
A.2 Total		11	2%	2%	0%	0%	0%	0%	0%							12%			
A. Total Taxonomy-eligible activities		397	76%	67%	0%	0%	7%	2%	0%							76%			
B. Taxonomy-non-eligible activities		128	24%																
Total (A+B)		525	100%																

Y – Taxonomy-eligible and Taxonomy-aligned activity with the relevant objective, EL – Taxonomy-eligible activity for the relevant objective, N/EL – Taxonomy-non-eligible activity for the relevant objective

1) Comparatives are presented in Other in Taxonomy-eligible activities 2023.

2) Includes economic activities CCM4.11, CCM4.20, CCM4.24, PPC2.4, CE 2.6, CE3.3.

3) Includes economic activities CCM3.10, CCM4.1, CCM4.20, CCM4.25, CCM4.3, CCM5.10, PPC2.2, CE4.1.

The proportion of capital expenditure for activities contributing substantially to several objectives is presented in the following table:

Proportion of CapEx / Total CapEx	
Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	1%
CCA	0%
WTR	
CE	
PPC	
BIO	

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

2.7.4 Transitional activities (Nuclear and Natural gas)

A transitional activity is an activity that supports the transition to a climate-neutral economy where there is no technologically and economically feasible low-carbon alternative. Fortum's transitional activities are mainly concentrating on electricity generation from new and existing nuclear installations. Fortum does not have non-eligible economic activities related to nuclear or natural gas, hence Template 5 Taxonomy non-eligible economic activities (Complementary Climate Delegated Act, Annex III) is not presented below.

Nuclear-and fossil gas-related activities

Nuclear energy-related activities

The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.

No

The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.

Yes

The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.

Yes

Fossil gas-related activities

The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.

No

The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.

Yes

The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.

Yes

Financials 2024

Operating and financial review

Financial performance and position
Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Aligned economic activities (A.1)

Turnover KPI

Economic activities	Amount and proportion 2024						Amount and proportion 2023							
	Taxonomy-aligned economic activities (denominator)		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)		Taxonomy-aligned economic activities (denominator)		CCM + CCA	Climate change mitigation (CCM)	Climate change adaptation (CCA)	
	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	124	2%	124	2%	—	—	143	2%	143	2%	—	—	—	—
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	980	17%	980	17%	—	—	1,240	18%	1,240	18%	—	—	—	—
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows above in the denominator of the turnover KPI	1,765	30%	1,765	30%	—	—	1,532	23%	1,532	23%	—	—	—	—
Total	2,869	49%	2,869	49%	—	—	2,915	43%	2,915	43%	—	—	—	—

Economic activities	Amount and proportion 2024						Amount and proportion 2023									
	Taxonomy-aligned economic activities (numerator)		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)		Taxonomy-aligned economic activities (numerator)		CCM + CCA	Climate change mitigation (CCM)	Climate change adaptation (CCA)			
	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the turnover KPI	124	4%	124	4%	—	—	143	5%	143	5%	—	—	—	—	—	—
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the turnover KPI	980	34%	980	34%	—	—	1,240	43%	1,240	43%	—	—	—	—	—	—
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows above in the numerator of the turnover KPI	1,765	62%	1,765	62%	—	—	1,532	53%	1,532	53%	—	—	—	—	—	—
Total	2,869	100%	2,869	100%	—	—	2,915	100%	2,915	100%	—	—	—	—	—	—

Operating expenses KPI

Economic activities	Amount and proportion 2024						Amount and proportion 2023									
	Taxonomy-aligned economic activities (denominator)		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)		Taxonomy-aligned economic activities (denominator)		CCM + CCA	Climate change mitigation (CCM)	Climate change adaptation (CCA)			
	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenses KPI	—	—%	—	—%	—	—	—	—%	—	—%	—	—%	—	—%	—	—
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenses KPI	-45	19%	-45	19%	—	—	-38	17%	-38	17%	—	—	—	—	—	—
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows above in the denominator of the operating expenses KPI	-136	56%	-136	56%	—	—	-86	39%	-86	39%	—	—	—	—	—	—
Total	-181	75%	-181	75%	—	—	-124	56%	-124	56%	—	—	—	—	—	—

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Taxonomy-aligned economic activities (numerator)	Amount and proportion 2024						Amount and proportion 2023					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%
Economic activities												
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the operating expenses KPI	—	—%	—	—%	—	—	—	—%	—	—%	—	—
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the operating expenses KPI	-45	25%	-45	25%	—	—	-38	30%	-38	30%	—	—
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows above in the numerator of the operating expenses KPI	-136	75%	-136	75%	—	—	-86	70%	-86	70%	—	—
Total	-181	100%	-181	100%	—	—	-124	100%	-124	100%	—	—
Capital expenditure KPI												
Taxonomy-aligned economic activities (denominator)	Amount and proportion 2024						Amount and proportion 2023					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%
Economic activities												
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure KPI	—	—%	—	—%	—	—	—	—%	—	—%	—	—
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure KPI	54	10%	54	10%	—	—	22	3%	22	3%	—	—
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows above in the denominator of the capital expenditure KPI	333	63%	333	63%	—	—	402	60%	402	60%	—	—
Total	386	74%	386	74%	—	—	424	64%	424	64%	—	—
Taxonomy-aligned economic activities (numerator)												
Taxonomy-aligned economic activities (denominator)	Amount and proportion 2024						Amount and proportion 2023					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%
Economic activities												
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the capital expenditure KPI	—	—%	—	—%	—	—	—	—%	—	—%	—	—
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the capital expenditure KPI	54	14%	54	14%	—	—	22	5%	22	5%	—	—
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows above in the numerator of the capital expenditure KPI	333	86%	333	86%	—	—	402	95%	402	95%	—	—
Total	386	100%	386	100%	—	—	424	100%	424	100%	—	—

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Eligible economic activities (A.2)

Turnover KPI

Taxonomy-eligible but not taxonomy-aligned economic activities

Economic activities	Amount and proportion 2024						Amount and proportion 2023					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	12	—%	12	—%	—	—	13	—%	13	—%	—	—
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	9	—%	9	—%	—	—	12	—%	12	—%	—	—
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows above in the denominator of the turnover KPI	21	—%	21	—%	—	—	432	6%	432	6%	—	—
Total	42	1%	42	1%	—	—	457	7%	457	7%	—	—

Operating expenses KPI

Taxonomy-eligible but not taxonomy-aligned economic activities

Economic activities	Amount and proportion 2024						Amount and proportion 2023					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenses KPI	-1	—%	-1	—%	—	—	—	—%	—	—%	—	—
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenses KPI	-1	—%	-1	—%	—	—	—	—%	—	—%	—	—
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows above in the denominator of the operating expenses KPI	-8	3%	-8	3%	—	—	-46	21%	-46	21%	—	—
Total	-10	4%	-10	4%	—	—	-47	21%	-47	21%	—	—

Capital expenditure KPI

Taxonomy-eligible but not taxonomy-aligned economic activities

Economic activities	Amount and proportion 2024						Amount and proportion 2023					
	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure KPI	2	—%	2	—%	—	—	—	—%	—	—%	—	—
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure KPI	—	—%	—	—%	—	—	—	—%	—	—%	—	—
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows above in the denominator of the capital expenditure KPI	9	2%	9	2%	—	—	82	12%	82	12%	—	—
Total	11	2%	11	2%	—	—	82	12%	82	12%	—	—

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

2.7.5 Capital expenditure plan

Capital expenditure plan refers to significant future capital investments approved by management that aim either to expand Fortum's Taxonomy-aligned economic activities or to upgrade Taxonomy-eligible economic activities to render them Taxonomy-aligned within a period of five years.

Total planned capital expenditure meeting the above definition amounted to EUR 1.1 billion on 31 December 2024 and is expected to be incurred over the next five years, with the exception of the Loviisa lifetime extension for which ten-year capital expenditure is included in the reported capital expenditure plan due to the long-term nature of the investment. Planned capital expenditure on 31 December 2024 mainly include the Loviisa nuclear power plant lifetime extension; the Espoo Clean Heat project, a programme to drive decarbonisation and build sustainable waste heat solutions in the Helsinki metropolitan area; the Czestochowa CHP plant decarbonisation project in Poland; and projects increasing production at existing hydro plants. The majority of the projects included in the capital expenditure plan will be completed during the next four years, but the Loviisa lifetime extension project will continue until 2050. The increase in planned capital expenditure from 2023 is mainly due to the approval of the Czestochowa CHP plant decarbonisation project in Poland in 2024 and the increase in capital expenditure estimates for the Loviisa lifetime extension, partly offset by the decrease in investments in the Pjelax wind project, as planned costs have been realised. The Pjelax project was completed in 2024.

Operating expenses related to the 2024 capital expenditure plan projects are not material (2023: not material).

2.7.6 Definitions, reconciliations and basis of calculation

Turnover

The term 'turnover' used in these EU Taxonomy disclosures refers to sales, the term Fortum uses elsewhere in the annual report. Turnover is based on the sales reported on Fortum's consolidated income statement (Note [6 Segment reporting](#)). Turnover excludes discontinued operations. Breakdown of turnover:

EUR million	2024		2023	
	A.1 Taxonomy- aligned	Total	A.1 Taxonomy- aligned	Total
Power	2,326	4,368	2,729	5,193
Heat	196	527	173	512
Other	347	905	13	1,006
Total	2,869	5,800	2,915	6,711

The decrease in Taxonomy-aligned turnover from 2023 is mainly due to a decrease in the achieved power price for hydro and nuclear power production. The optimisation premium was slightly above the guidance of 6-8 EUR/MWh, at 8.7 EUR/MWh. The spot power price in Fortum's generation price areas declined to 38.4 EUR/MWh compared to 51.3 EUR/MWh in 2023.

The electricity generation from the nuclear and hydropower turnover KPIs includes sales from co-owned assets that are operated under the Mankala model. In the Mankala model, the co-owned power company sells the produced electricity to its shareholders at cost in proportion to their ownership.

Operating expenses

Operating expenses consist of direct non-capitalised costs that are necessary to ensure the continued and effective functioning of property, plant and equipment. These expenses include repairs and maintenance, building servicing, short-term rentals and similar costs, as well as other direct expenditures relating to the day-to-day servicing of these assets. Operating expenses exclude discontinued operations. Breakdown of operating expenses:

EUR million	2024		2023	
	A.1 Taxonomy- aligned	Total	A.1 Taxonomy- aligned	Total
Repairs and maintenance	-106	-145	-66	-127
Short-term rentals and other property costs	-48	-62	-40	-61
Other	-27	-36	-17	-34
Total	-181	-242	-124	-222

The increase in Taxonomy-aligned operating expenses from 2023 is mainly due to the reclassification of treatment of hazardous waste and sorting and material recovery of non-hazardous waste in 2024 from eligible (not aligned) to aligned economic activities.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Capital expenditure

Capital expenditure consists of additions to property, plant and equipment, intangible assets, right-of-use assets as well as additions through business combinations. Breakdown of capital expenditure:

EUR million	Note	2024		2023	
		A.1 Taxonomy-aligned	Total	A.1 Taxonomy-aligned	Total
Additions to intangible assets	16	1	81	4	92
Additions to property, plant and equipment	17	372	404	417	523
Additions to right-of-use assets	33	13	40	3	27
Additions through business combinations	3	—	—	—	25
Total		386	525	424	667

The decrease in Taxonomy-aligned capital expenditure from 2023 is mainly due to the decrease in capital expenditure in wind generation following the completion of the Pjelax wind farm in 2024.

Basis of calculation

The financial data used for calculating the EU Taxonomy KPIs has been retrieved from Fortum's financial systems and is based on the same data and Group accounting principles as Fortum's consolidated financial statements for the year ending 31 December 2024 (see notes to the consolidated financial statements for details). Appropriate controls have been implemented to eliminate the risk of double counting. Financial data has been allocated to aligned and eligible economic activities as follows:

- The majority of electricity sales has been allocated to aligned and eligible activities based on production volume. The electricity generation from nuclear and hydropower turnover KPIs include sales from co-owned assets that are operated under the Mankala model. In the Mankala model, the co-owned power company sells the produced electricity to its shareholders at cost in proportion to their ownership.
- Other sales and operating expenses data are available in the source systems at the cost centre-level corresponding to individual sites. These cost centres have been allocated to aligned and eligible economic activities.
- Each significant capital expenditure project has been allocated to aligned and eligible economic activities.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

3 Social sustainability

3.1 Introduction

3.1.1 Introduction to social sustainability

Social sustainability at Fortum focuses particularly on own employees, workers in the value chain, and communities around Fortum's sites. The health and safety of employees and value chain workers working at Fortum's sites is a top priority. Fortum also systematically develops its human rights due diligence process to better address potential negative impacts, as well as collaborates with communities and organisations at global, national and local levels through the Corporate Social Responsibility (CSR) programme.

3.1.2 Policies on social matters and respect for human rights

The key policies to address the management of social impacts, risks and opportunities related to own workforce, workers in the value chain and affected communities are the Code of Conduct, the Supplier Code of Conduct and the Sustainability Policy. These policies are approved by the Board of Directors and are accompanied by instructions and guidelines to guide implementation. The policies apply to all employees, businesses and corporate functions in all operating countries, and to all external persons working for Fortum. The Supplier Code of Conduct applies to workers in Fortum's supply chains. The above-mentioned policies are available on Fortum's website.

The Sustainability Policy takes into account the views of affected stakeholders received through regular stakeholder engagement. These stakeholders include customers, personnel, suppliers, local communities and non-governmental organisations (NGOs). See section [1.3.2 Interests and views of stakeholders](#).

The Code of Conduct, the Supplier Code of Conduct and the Sustainability Policy express Fortum's commitment to respect human rights and to act with due diligence to comply with the International Bill of Human Rights, the United Nations Convention on the Rights of the Child, and the fundamental conventions of the International Labour Organisation (ILO). These include international conventions addressing freedom of association, collective bargaining, discrimination and harassment, working time, wages and salaries, health and safety, as well as laws prohibiting forced, compulsory and child labour. Fortum's policies do not explicitly address human trafficking. Fortum has health and safety management systems in place applicable to own employees, non-employee workforces and external contractors' workforces working at Fortum's sites.

Fortum's human rights due diligence approach is aligned with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. Fortum is committed to acting with due care to identify,

mitigate, remediate and monitor actual or potential human rights impacts on its own workforce as well as to its business operations, investments and supply chains within its sphere of influence, taking into account the severity and likelihood of impacts, as well as Fortum's leverage and role in the causality of the impacts. To monitor compliance with the above mentioned instruments, Fortum conducts an annual review that covers changes in the company or assets, impacts, revised processes, and relevant key performance indicators. Fortum assesses sustainability performance when selecting suppliers, contractors and business partners and seeks to collaborate with business partners to mitigate adverse impacts on human rights.

No severe human rights incidents or cases of non-respect of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises related to own employees, value chain workers or affected communities have been identified in Fortum's operations nor have there been any legal disputes related to land rights or free, prior and informed consent of indigenous peoples.

Fortum's key policies and instructions on social matters are presented in the table below. Policies and instructions marked with 'OO' relate to own operations. Those marked with 'VC' aim to address the impacts, risks and opportunities within the value chain, although not all of them are directly binding on the value chain actors.

Document name	Own workforce	Workers in the value chain	Affected communities
Key policies, instructions and manuals			
Code of Conduct (OO, VC)	●	●	●
Supplier Code of Conduct (VC)		●	
Sustainability Policy (OO, VC)	●	●	●
Group Instruction on Fortum Speak-Up procedures (Speak-Up Policy, OO, VC)	●	●	●
People Policy (OO)	●		
Instructions and Minimum Requirements for EHS Management (OO, VC)	●	●	
Other related policies, instructions and manuals			
Group Risk Policy (OO, VC)	●	●	
Group Policy for Privacy (OO)	●		
Sustainability Governance Model (OO)	●	●	
Investment Manual (OO, VC)	●	●	●
Group Manual for Sustainability Assessment (OO, VC)	●	●	●
Human rights due diligence at Fortum (OO, VC)	●	●	●
Group Counterparty Risk Instruction (OO, VC)		●	

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

3.2 Own workforce

3.2.1 Introduction to own workforce

Fortum employs energy sector professionals working mainly in its main operating countries of Finland, Sweden, Norway and Poland. Fortum emphasises an open and trusting corporate culture and highlights systematic, two-way feedback on employee performance and engagement. Employee safety is a top priority.

A breakdown and characteristics of Fortum's employees on 31 December 2024 is presented in the tables below. Number of employees are presented as headcounts.

Number of employees by gender:

Gender	2024
Female	1,678
Male	2,816
Other	1
Not disclosed	1
Total	4,496

Number of employees by country:

Country	2024
Finland	2,209
Sweden	932
Poland	783
Norway	317
Other	255
Total	4,496

Number of employees by contract type and gender:

Contract type	Total	Female	Male	Other	Not disclosed
Number of employees	4,496	1,678	2,816	1	1
Permanent	4,316	1,569	2,745	1	1
Temporary	150	95	55	—	—
Non-guaranteed hours	30	14	16	—	—
Full-time	4,369	1,614	2,753	1	1
Part-time	127	64	63	—	—

Employee turnover for the year ended 31 December 2024:

	2024
Number of employees who left Fortum ¹⁾	428
Average number of employees	5,301
Employee turnover, %²⁾	7.3

1) Includes employees who left Fortum due to voluntary resignation, dismissal, retirement or death. Excludes employees who have left with the divested businesses.

2) Average of monthly turnover (terminations / headcount * 12).

During 2024, Fortum integrated 250 formerly outsourced hydropower maintenance employees in Finland and Sweden. The sale of the recycling and waste business transferred approximately 900 employees in Finland, Sweden, Denmark, and Norway, and the sale of the turbine and generation services transferred approximately 170 employees in Finland, Sweden and Germany, to the new owners of the businesses. Employees of recycling and waste business and turbine and generation services are included in the average number of employees up to the date of disposal.

See Note 6 Segment reporting for number of employees by country and segment. The number of employees in Note 6 excludes non-guaranteed hours, which are included above.

3.2.2 Material impacts, risks and opportunities for own workforce

Fortum has identified the following material, positive and negative impacts related to its own workforce. The short- and medium-term potential impacts are related to health and safety, employment security and wages. For more information on the double materiality assessment process, see 1.4 Double materiality assessment.

IRO reference	Description
Positive impacts	
IRO S1.1	Fortum provides secure employment through permanent, full-time employment and by fostering attractive career and development opportunities for continued competence development. This increases employees' security, stability, job continuity, and peace of mind and fosters commitment to the organisation.
IRO S1.2	All Fortum's employees receive adequate wages and Fortum is committed to ensuring gender equal and adequate pay for all employees in all operating countries.
Positive and negative impact	
IRO S1.3	Safety is considered a material and strategic issue and Fortum strives for excellence in safety culture across all operations . Safety incidents can have a negative impact on employee health and safety. Based on safety incident records, negative impacts on health and safety are more likely limited to employees working at Fortum's power plants (blue-collar workers).

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Safety of own employees and of value chain workers who work at Fortum's sites (contractors' employees) (IRO S2.3) is equally important to Fortum. Therefore, own employees' and contractors' safety metrics are described together in this section. The material positive impacts apply to own employees.

Fortum has not identified material impacts related to non-employees, operations at significant risk of incidents of forced or child labour in own operations, or impacts on own workforce from green transition and decarbonisation efforts.

3.2.3 Policies on own workforce

The key policies to address the management of material impacts related to own workforce are the Code of Conduct, the People Policy and the Sustainability Policy. These policies cover all workforces. Fortum's policy commitment to human rights and due diligence and cases of non-compliance are described above in section [3.1.2 Policies on social matters and respect for human rights](#).

The Code of Conduct and the People Policy outline the commitment to zero tolerance for discrimination, including harassment or unfair treatment on the basis of ethnicity, religion, political opinion, gender, age, national origin, language, sexual orientation, marital status, disability, or any other factor.

The People Policy outlines Fortum's key commitments and values towards employees and thus addresses the material impacts related to employment security and wages. The People Policy states Fortum's commitment to respect employees' freedom of association and the right to collective bargaining; fair, transparent and competitive rewarding; fostering diversity; as well as fair treatment and equal opportunity in recruitment, remuneration, development and career advancement. It also outlines Fortum's ambition to create attractive career and development opportunities where employees feel empowered and engaged.

The Sustainability Policy describes Fortum's commitments and ambition related to its different sustainability topics, including the health and safety of employees and contractors, as well as stakeholder engagement, including employees. The policies are accompanied by instructions, guidelines and training to guide implementation at all organisational levels, as outlined in section [3.1.2 Policies on social matters and respect for human rights](#). The processes to monitor the objectives of the policies is described in section [3.2.5 Taking action and tracking effectiveness of actions on own workforce](#).

Fortum does not have other specific policy commitments related to inclusion or positive action for people from groups at particular risk of vulnerability.

3.2.4 Targets for own workforce

Fortum's targets related to own workforce and performance against targets are presented in the table below.

Measure	Target year	Target value	2024
No severe or fatal injuries ¹⁾	Number of incidents	Annual	0 2
Total Recordable Injury Frequency (TRIF) <1.0 ¹⁾	TRIF	2030	<1.0 4.0
Execution rate for Safety improvement plans	%	2024	60 90
Improve employee engagement clearly above benchmark level ²⁾	Score	2030	7.7 ³⁾ 7.5 ⁴⁾
Commitment to ensure that all employees receive an adequate wage and to not have unreasoned or unexplained gender pay gaps	Proceeding as planned, Yes/No	Annual	N/A Yes

1) Target includes own employees and value chain workers working at Fortum's sites (contractors' employees).

2) Industry benchmark for 'Energy and Utilities' sector.

3) Industry benchmark value 2024.

4) Excludes the recycling and waste business divested in November 2024.

The targets address the material impacts and reflect the objectives of the Code of Conduct.

Safety is top priority for Fortum. Fortum has set targets for both the prevention of accidents in the long-term, as well as to continuously improve safety culture through annual action-based targets.

To further foster employment security and dialogue with employees, Fortum has identified the employee experience, which is expressed by employee engagement, as one of the strategic targets at Group level. The employee engagement target is measured through an employee survey. The target value is based on the industry benchmark result and is revised on an annual basis.

Targets have been set by taking into account employee feedback from the employee survey and Fortum's performance against the targets. Areas of improvement based on performance have been identified and addressed in the action plans related to the targets.

Performance against the targets is described in more detail below.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

3.2.5 Taking action and tracking effectiveness of actions on own workforce

To manage and enhance the material impacts related to own workforce, Fortum has taken the actions described below. The overall responsibility to facilitate own workforce-related actions is with the People function. The Safety and Security function is responsible for the development of safety-related processes. Each function has a responsibility to follow the processes.

Actions

Gender equality and adequate wages: Competitive remuneration is essential for attracting and retaining talented people. The key objective of remuneration is to encourage and recognise high performance and behaviour that is in line with Fortum's values and leadership principles, and that enables successful implementation of Fortum's strategy.

Ensure fair remuneration through job classification system: To ensure equal and fair pay, Fortum has a harmonised job classification system in all operating countries that defines the basis for setting the base salary for different roles.

Conduct annual wage reviews: Fortum conducts an annual salary benchmarking to ensure compensation remains competitive in comparison to the market. This comprehensive analysis is carried out to align pay structures with industry standards and to attract and retain talent. Fortum also conducts an annual wage review against minimum wages and wages determined in the collective bargaining agreements to monitor and track that all employees are being paid an adequate wage. All Fortum employees are paid an adequate wage in line with applicable benchmarks.

Develop methodology to assess gender pay gap: During 2025 Fortum will further develop methodology to assess gender pay gap and has acquired a pay equity analysis tool to be able to identify unjustified disparities in pay.

Fostering engagement

Promote employee engagement: Fortum promotes employee engagement by supporting efficient adoption of the Employee Voice feedback process across the organisation. Particular focus is on continuous development and feedback loops. Key phases are monitoring results, understanding received feedback and experiences, and setting action plans to further improve the identified engagement drivers, such as strategy, recognition and belief, as well as supporting drivers, e.g., health, wellbeing, diversity and inclusion. The effectiveness of actions is tracked twice a year with the Employee Voice survey engagement score. See [3.2.6 Engaging with own workforce on impacts](#).

Actions

Health and safety: Safety is developed systematically in all operations. Safety of own employees and of contractors' employees is equally important, therefore, own employees' and contractors' safety management and metrics are described together.

Ensure governance and compliance: The Sustainability Policy, the Minimum Requirements for EHS (environment, health and safety) Management, and more detailed EHS manuals steer safety work. Fortum regularly updates the requirements and assesses the business units' compliance with the requirements. A certified ISO 45001 occupational health and safety management system covers 100% of Fortum's production sites. Internal audits and external audits by independent auditors are regularly conducted at power plants to improve operations.

Actively manage risks: Fortum has an occupational risk management system covering all levels, from strategic risks and business planning to daily work. A risk management plan is drafted on the basis of a risk assessment. Assessments and plans are made in collaboration with those working at the sites, and they are updated at agreed intervals, as well as when conditions change.

Report incidents and share learnings: Incidents and the findings of investigations are reported in the incident management system. Learnings are shared with the organisation.

Implement safety improvement plans: Each business unit has defined relevant action points in specified target areas: health and wellbeing, contractor management, learnings and skills, and leadership. In addition, all units have a common target: the completion rate of the Safety and Security Leadership programme. The results are calculated at Group level. The overall execution rate for safety improvement plans in 2024 was 90%, which exceeded the set target of 60%.

Educate personnel: Fortum invites its employees to be actively involved in creating the joint safety culture. Fortum's Safety Culture Programme was launched in 2022. The programme includes trainings, webinars and workshops for all organisational levels. The programme continued in 2024 as the Safety and Security Leadership Programme. Over 550 persons completed the Management Safety and Security Leadership Programme, exceeding the targeted 460 persons.

Support and measure wellbeing: Fortum measures its employees' perceptions on health and wellbeing as well as Fortum's efforts to support them in mental, physical and social wellbeing through an employee survey carried out twice a year. November 2024 health and wellbeing score was 7.9 (excluding recycling and waste business employees), at par with the energy and utility sector peer benchmark.

Monitor contractors' safety management and performance: Safety management and performance monitoring is part of the selection of contractors, contract requirements, induction, on-site supervision and post-evaluation of contractors. The process to report safety risks, near misses and incidents, as well as feedback on safety performance is agreed with contractors.

Follow-up safety key performance indicators: The effectiveness of actions is tracked on a monthly, quarterly and annual basis through safety key performance indicators outlined in the table below. Fortum's safety performance improved in 2024, reflected in TRIF value, but reaching the target level requires continuous work on safety culture and learning from incidents and near-misses. In 2024, two severe injuries occurred. Contractor's employee in Wrocław (Heating and Cooling, Poland), fell from a height of approximately four metres resulting in foot and spine fractures. The corrective actions presented by the investigators focused on the control of contractors and the risk assessments in different design phases. The responsible persons were defined, and the implementation of corrective actions will be followed. Another severe injury happened to a contractor in Karäsen hydropower plant (Hydro generation, Sweden). During lifting work, the contractor's hand was squeezed, which led to amputation of a finger. As a corrective measure, the requirements of the lifting plans will be updated.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Health and safety metrics

Health and safety metrics related to own workforce and value chain workers (contractors' employees) working at Fortum's sites are presented in the table below:

As indicated	2024
Workers covered by health & safety management system, own workforce, %¹⁾	100
Severe accidents, number⁶⁾	2
of which fatalities, employees ²⁾	0
of which fatalities, contractors ²⁾	0
Total Recordable Injuries (TRI), employees and contractors, number	55
Employees ³⁾	22
Contractors' employees ³⁾	33
Total Recordable Injury Frequency (TRIF), injuries per million working hours, employees and contractors	4.0
Employees ³⁾	2.3
Contractors' employees ³⁾	7.7
Lost Time Injuries (LTI), number⁶⁾	37
Employees	10
Contractors' employees	27
Lost Time Injury Frequency (LTIF), injuries per million working hours, employees and contractors⁶⁾	2.7
Employees	1.0
Contractors' employees	6.3
Occupational diseases, number⁴⁾	0
Days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health, number⁵⁾	69

- 1) The percentage of people in own workforce who are covered by the health and safety management system based on legal requirements and/or recognised standards or guidelines.
- 2) The number of fatalities as a result of work-related injuries and work-related ill health.
- 3) The number and rate of recordable work-related accidents.
- 4) Includes cases outlined in the ILO List of Occupational Diseases, own employees.
- 5) The number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health, own employees.
- 6) Voluntarily disclosed information.

Reporting principles

In incident reporting, Fortum follows the principles of the United States Occupational Safety and Health Administration (OSHA) and ILO's practices on recording and notification of occupational accidents and diseases.

The following definitions are used for health- and safety-related metrics:

- Fatality is a work-related accident that leads to death as a result of injuries incurred within one year from the day of the accident.
- Severe accident is an accident with severe and life-threatening injuries that potentially could lead to fatal or permanent disability.
- Total Recordable Injuries (TRI) is the sum of lost-time injuries (LTI), restricted workday cases (RWC) and medical treatment cases (MTC).
- Restricted Workday Case (RWC) is a work-related accident that has led to a situation whereby a person cannot perform his or her normal work duties during the working day or shift following the day of the accident, but he or she can be directed to other appropriate work duties.
- Medical Treatment Case (MTC) is a work-related accident that has required treatment measures by a doctor or other medical personnel but has not led to absence from normal work duties, excluding the day or shift of the accident.
- Total Recordable Injury Frequency (TRIF) is the number of total recordable injuries per million working hours.
- Lost-Time Injury (LTI) is a work-related accident that results in a person being unable to work on any day after the day of occurrence of the accident, including fatalities. Any day includes rest days, weekend days, leave days and public holidays.
- Lost-Time Injury Frequency (LTIF) is the number of accidents that result in a person being unable to work on any day after the day of occurrence of the accident, including fatalities, per million working hours.
- Occupational disease is a disease that has resulted from an exposure over a period of time to risk factors arising from work activity. Occupational diseases are listed in the ILO List of Occupational Diseases.
- Number of lost days is the sum of calendar days lost as a result of the recordable injury or illness, not including the day on which the injury or illness occurred. The counting stops after 180 days. In case of fatalities and permanent disability injuries, 180 days is automatically calculated.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

3.2.6 Engaging with own workforce on impacts

Fortum has several ways to engage and hear employee feedback on impacts. The overall responsibility to facilitate engagement-related supportive processes with own workforce is with the People function. Engagement is managed through business and corporate function management teams, supported by the People function.

Fortum uses a real-time and flexible feedback tool, Employee Voice, to engage with employees on impacts and opportunities related to them. The survey is conducted at Group level twice a year and addresses topics such as engagement and employee satisfaction, health and wellbeing, strategy, rewarding, diversity, equity and inclusion. The survey also gathers employees' perceptions related to discrimination and inclusiveness, regardless of background, with the aim of assessing experiences of employees that may be particularly vulnerable. The survey allows managers and employees to see the anonymous results, and the results are communicated to employees at company and team level. Actions to be taken based on employee feedback are agreed and followed-up together in the teams. Each manager is accountable for driving the actions in their own team. The results of the survey are monitored at the team, function, and company level to monitor the effectiveness of actions taken and to identify needs for support.

Fortum also engages with employees through the Fortum European Council (FEC). Fortum does not have a global framework agreement, but the FEC constitutes as Fortum's Europe-level cooperation function in which personnel and the FLT representatives meet. The goals of the FEC are to develop a dialogue between the Group management and employee representatives on company strategy and the status of various activities, enhance information exchange within the Group, improve corporate activities and decision-making, as well as increase the understanding of different cultures, work policies, and the importance of personnel motivation and wellbeing. The FEC meets twice a year.

Safety-related matters are discussed regularly with employees and value chain workers working at Fortum's sites. To engage with employees on health- and safety-related issues and to develop the safety culture further, Fortum has occupational safety committees or similar bodies in place, representing all personnel groups. They regularly address issues related to occupational safety and workplace wellbeing. As part of the Safety and Security Leadership Programme, Fortum engages employees through trainings, webinars and workshops at all organisation levels. Safety is discussed with contractors and their employees regularly through safety walks and meetings. Safety-related engagement is managed by the Safety and Security function.

In addition, Fortum has several other ways to engage with its employees and other stakeholders. See section [1.3.2 Interests and views of stakeholders](#).

3.2.7 Remediating negative impacts on own workforce and grievance mechanisms

If human rights violations are discovered in Fortum's operations, an investigation is initiated together with the relevant business or function to understand the root causes and to prevent similar violations from occurring. Corrective action is taken to prevent any broader impact and, if possible, to remediate any damage.

Fortum provides internal and external reporting channel for the reporting of any suspected misconduct relating to labour conditions or human rights violations. Employees are encouraged to report any misconduct to their manager or through the reporting channel. The process for handling reports and the protection of whistleblowers is described in section [4.4 Reporting, misconduct and protection of whistleblowers](#).

3.3 Workers in the value chain

3.3.1 Introduction to workers in the value chain

Workers in the value chain include employees of suppliers of goods and services, excluding energy purchased for retail, as well as value chain workers that work at Fortum's sites (contractors' employees). Fortum's supply chain is global. Potential suppliers are screened for sustainability risks and management practices, and they are expected to follow the Supplier Code of Conduct, committing them to respecting human and labour rights. For Fortum, the safety of contractors' employees is a key priority.

3.3.2 Material impacts, risks and opportunities for workers in the value chain

Fortum has identified the following material negative impacts in its upstream value chain. The short-term potential impacts are related to working conditions at suppliers' manufacturing sites, human rights, and the health and safety of contractors' employees working at Fortum's sites. Fortum has not identified material impacts on downstream value chain workers. For more information on the double materiality assessment process and a basis of understanding of the value chain impacts, see [1.4 Double materiality assessment](#).

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

IRO reference	Description
Negative impacts	
IRO S2.1	Excessive working hours, inadequate wages, insufficient health and safety practices, gender inequality and limited right to collective bargaining in supply chains violate value chain workers' rights at work and have a negative impact on their quality of life, health and wellbeing. Fortum may be linked to these impacts through its supply chains. The probability of the negative impact varies between product categories and manufacturing countries. The potential impacts are most relevant to upstream value chain workers working in the manufacturing of equipment, materials and chemicals globally, and particularly in high-risk countries. Hindering of the right to bargain collectively and excessive working hours are widespread and structural issues in some high-risk countries. Fortum has limited visibility to vulnerable groups, such as migrant workers in the supply chain.
IRO S2.2	Use of forced, involuntary, or child labour violates human rights and children's rights. A potential risk of forced labour has been identified especially in solar components manufacturing. Use of child labour is possible in supply chains in high-risk countries; therefore, Fortum may be linked to it through its supply chains.
IRO S2.3	Safety incidents have a negative impact on health and safety of contractors' employees who work at Fortum's sites.

The management of material impacts is described in the following sections. Fortum considers the safety of contractors' workers equally important as the safety of its own employees and thus management of health and safety of contractors' workers working at Fortum's sites is disclosed in [3.2 Own workforce](#), sections [3.2.4 – 3.2.6](#).

3.3.3 Policies on workers in the value chain

The key policies to address the management of material impacts related to workers in the value chain are the Code of Conduct, the Supplier Code of Conduct and the Sustainability Policy. The policies cover suppliers and their workers, as well as sub-contractors and sub-suppliers. Fortum's policy commitment to human rights and due diligence, and cases of non-compliance are described in section [3.1.2 Policies on social matters and respect for human rights](#). The policies are available on Fortum's website.

The Supplier Code of Conduct outlines the requirements for Fortum's suppliers. The Supplier Code of Conduct is based on the ten principles of the UN Global Compact, aligned with the UN Guiding Principles of Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and it addresses the ILO fundamental rights at work, as well as internationally proclaimed human rights that are expressed in, e.g., the International Bill of Human Rights. The Supplier Code of Conduct addresses the material impacts related to value chain workers, including working hours, adequate wages, health and safety, non-discrimination, freedom of association and collective bargaining. The Supplier Code of

Conduct specifically addresses the prohibition of any form of forced labour and child labour. The policy does not specifically address human trafficking. These policies are accompanied by instructions, manuals and training to support implementation, as outlined in section [3.1.2 Policies on social matters and respect for human rights](#). The Supplier Code of Conduct, procurement process and audit findings are described in section [4.5 Management of relationships with suppliers](#).

3.3.4 Targets for workers in the value chain

Fortum's targets related to workers in the value chain and performance against the targets are presented in the table below.

Measure	Target year	Target value	2024
Supplier qualification rate ¹⁾	%	Annual	85
Enhance supply chain due diligence by developing supplier evaluation and supply chain data management	Proceeding as planned, Yes/No	2026	N/A

1) Spend from qualified suppliers divided by total procurement spend in scope of qualification process. Recycling and waste business is included until the date of disposal.

Supplier qualification is a systematic process for evaluating suppliers' sustainability practices and monitoring that the minimum internal and external requirements are met when selecting suppliers, as well as to meet the objectives of the Supplier Code of Conduct. Supplier qualification reflects the content of the Supplier Code of Conduct and addresses the material impacts. Rigorous implementation of the qualification process ensures identification of potential risk suppliers and ensures the application of further mitigation measures for high risk-suppliers.

Fortum aims to further develop its supply chain due diligence to address the impacts on value chain workers and to strengthen the implementation of the Supplier Code of Conduct. Actions and performance against the targets are described in more detail in the section below.

Targets have been set by taking into consideration stakeholder views in the double materiality assessment. Value chain workers' views are consolidated through audit reports and external reports of NGOs; e.g., areas of improvement based on performance have been identified and addressed in the action plans related to the targets.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

3.3.5 Taking action and tracking effectiveness of actions on workers in the value chain

Fortum's approach to managing impacts related to value chain workers and to the fulfilment of fundamental human and labour rights is based on thorough risk and impact assessments included in various processes. Fortum assesses, among other things, the country-related human rights risks and pays particular attention to supplier evaluation prior to supplier selection. Fortum manages material impacts in supply chains through its procurement process described in section [4.5 Management of relationships with suppliers](#).

To mitigate material impacts on value chain workers, Fortum has identified several actions, outlined in the table below, to further enhance its practices of supply chain sustainability management. The Procurement function is responsible for procurement and supply chain sustainability management-related processes, with support from the Corporate Sustainability function.

Actions

Develop supply chain evaluation and data management system: Fortum will further develop supply chain evaluation and data management systems by the end of 2026. This will enable Fortum to gain better visibility and control over the supplier base, collaboration and dialogue with suppliers, as well as support continuous improvement of sustainability performance. The target to enhance supply chain due diligence is proceeding according to plan. In 2024, Fortum defined the development needs related to supply chain data and mapped potential solutions for data management.

Develop sustainability criteria: Fortum will also further develop sustainability criteria to address the relevant sustainability impacts or risks in different procurement categories. In 2024, Fortum conducted an assessment of the sustainability risks of 14 metals and minerals as well their relevance to different business areas. Metals and minerals generally involve significant sustainability risks in their supply chain. Fortum continues to work on how to address those in procurement processes.

Implement and monitor supplier qualification: To meet the target on supplier qualification rate, Fortum will continue implementation of the supplier qualification process and monitor it through regular key performance indicators.

3.3.6 Engaging with value chain workers on impacts

Fortum assesses the impacts on value chain workers through external sources, such as NGO studies or research reports, audit reports and stakeholder surveys. Reports to the anonymous reporting channel are also taken into account. Direct engagement with value chain workers is through supplier audits. When seeking to understand value chain workers' perspectives through external studies and reports, the engagement is with their credible proxies having insight into their situation. Operational responsibility for supplier audits and being aware of other sources that provide relevant information on working conditions in the relevant supply chains is with the Corporate Sustainability function.

Fortum conducts sustainability audits at suppliers' facilities. In the audits, a sample of employees is interviewed by an independent, third-party auditor, and their views are consolidated in an audit report submitted to Fortum. The working conditions of vulnerable groups, such as migrant workers, dispatched employees and female employees is part of audit procedures. Audit procedures are described in more detail in section [4.5 Management of relationships with suppliers](#).

3.3.7 Remediating negative impacts on workers in the value chain and grievance mechanisms

If any violations related to human rights are discovered in Fortum's product or service supply chains, the case is investigated together with the relevant supplier. Corrective measures are agreed in collaboration with the supplier, and implementation and effectiveness of the agreed measures is monitored, e.g., through audits.

When non-compliances are found through a sustainability audit, the supplier makes a corrective action plan, and its implementation and effectiveness is monitored on a case-by-case basis.

Fortum has internal and external reporting channel for the reporting of any suspected misconduct relating to labour conditions or human rights violations. The channels are described in the Code of Conduct and the Supplier Code of Conduct and are accessible on Fortum's internal and external websites. Fortum's suppliers are expected to report any suspected violation of the Supplier Code to their Fortum contact person via the local reporting channel, if available, or the SpeakUp channel. Fortum does not have a system in place to track if the channel is made available to value chain workers and if they trust using them. The process of handling reports and protection of whistleblowers is described in section [4.4 Reporting misconduct and protection of whistleblowers](#).

3.4 Affected communities

3.4.1 Introduction to affected communities

Affected communities include communities living or working around Fortum's sites in Fortum's operating countries, including sites that Fortum has operations through joint ventures or associated companies. Fortum aims for meaningful engagement with local stakeholders and inhabitants to understand their concerns and to address impacts, if possible.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

3.4.2 Material impacts, risks and opportunities for affected communities

Fortum has identified the following material positive and negative impacts related to affected communities. The potential material negative impact relates to a minority-owned joint venture company (Fortum's value chain actor) that owns wind farms impacting areas of indigenous peoples in Sweden and Norway. Fortum provides services, including stakeholder engagement, to the plants, but does not have control over the company's activities. The positive impact applies both to the communities and inhabitants located and living around Fortum's plants. The impacts may also affect inhabitants in the wider area, e.g., the areas of commuting or animal grazing. Medium-term impacts are related to existing sites, as well as to sites under development. For more information on the double materiality assessment process, see [1.4 Double materiality assessment](#).

IRO reference	Description
Positive impact	
IRO S3.1	Fortum has positive socio-economic impacts on local communities around its sites through the provision of employment and indirect employment opportunities through purchases of products and services. In addition, land leasing and taxes provide income for local communities. Socio-economic impacts can apply to a wider area, e.g., the area of commuting to work.
Negative impact	
IRO S3.2	Activities in Fortum's value chain, including the provision of services to wind power plants have potential impacts on traditional land use modes, customary practices, and modes of livelihood , e.g. traditionally practised reindeer herding of indigenous peoples . The impact is linked to Fortum's strategy to decarbonise industries and society.

3.4.3 Policies on affected communities

The key policy to address the management of material impacts related to affected communities is the Sustainability Policy. In the Sustainability Policy, Fortum commits to acting with due diligence and aims to prevent, mitigate, and remediate any actual and potential impacts related to material sustainability topics; as well as to transparent communication, active dialogue and collaboration with local communities. Fortum also aims to make the journey towards its target to net-zero in a just manner, seeking to understand, and taking into account the impacts on local communities, among others. Fortum considers local communities to include indigenous communities, although policies do not specifically mention indigenous peoples.

The Code of Conduct acknowledges that Fortum's operations may have direct or indirect human rights impacts on local communities, among others. Therefore, Fortum takes measures to act in accordance with the UN Guiding Principles on Business and Human Rights. The policy commitment to human rights due diligence and cases of non-compliance are described in section [3.1.2 Policies on social matters and respect for human rights](#).

Fortum's policies cover all operations, including those related to the material impacts on affected communities.

3.4.4 Targets for affected communities

Fortum aims for meaningful engagement with local communities to ensure an understanding of impacts on local inhabitants and to be able to take the impacts into account and to mitigate them in operations, where possible. Fortum currently has not set any time-bound targets related to affected communities as it does not have control over the activities of the joint venture company related to the material negative impacts. Fortum, however, measures the effectiveness of actions and engagement as described in the following sections.

3.4.5 Taking action and tracking effectiveness of actions on affected communities

Actions to mitigate potential negative impacts and to promote positive impacts on affected communities are described in the table below. An understanding of appropriate measures is sought through engagement with the local community. The actions are managed and resourced by the relevant business function, e.g. asset management of existing sites, or site development when planning and developing a new plant. The effectiveness of actions is measured by direct feedback from local stakeholders as part of stakeholder engagement, community events and through feedback form provided to local stakeholders. Feedback received varies from positive feedback related to benefits to the community, and concerns for example about noise or changes on landscape.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Actions

Mitigate adverse impact during project development: Fortum takes action to prevent and mitigate adverse impacts on affected communities during new site development. In the early phases of site planning, Fortum uses a screening tool to identify whether the land is located in reindeer herding area or has religious or other specific importance to indigenous peoples, and adjusts plans accordingly, where possible. Requirements set by authorities during permit process are followed.

Mitigate adverse impact during plant operations: Where possible, site operations are scheduled so that the impact on local residents and, e.g., on reindeer herding is minimised.

Support local communities through land lease and taxes: Land lease and taxes create income for local communities and municipalities. Lands are leased for wind and solar power production from several local landowners. The lease period typically covers the full technical lifetime of the power plant and can be longer to anticipate a possible lifetime extension, giving local residents a stable income for years.

Support economy through contractor network: Fortum's plants provide employment opportunities directly and indirectly through the use of wide contractor network.

Promote positive socio-economic impact through community contribution fund: To promote positive socio-economic impacts, wind power plants have local community contribution funds in place. These funds aim to share the benefits with local communities who organise the sharing of funds for purposes decided by the community itself.

Promote positive impacts through Corporate Social Responsibility (CSR) programme: Fortum collaborates with communities and organisations at global, national and local levels through the CSR programme. Fortum follows the impacts of the CSR collaboration on an annual basis. In 2024, Fortum, e.g., involved nearly 150 local sports clubs along the rivers with Fortum's hydropower plants to river clean-up events. The initiative provides young people an opportunity to positively contribute to a cleaner environment while raising money for their sports club.

3.4.6 Engaging with affected communities on impacts

Stakeholder consultation is part of the formal permit process in new site development in which Fortum systematically gathers stakeholders' views through public meetings and written feedback. The feedback is taken into consideration in planning. In addition to the formal consultation, Fortum actively seeks to enter into direct dialogue with relevant stakeholder groups, such as municipalities, local associations and indigenous communities. In case of impacts on indigenous peoples, Fortum seeks to ensure the indigenous community's right to free, prior, and informed consent with regard to their culture, traditions and land use by timely and direct engagement with the community. Fortum seeks to agree on mitigation measures and compensation directly with the local community. Operational responsibility for engagement is with the relevant business.

As part of its service agreements, Fortum carries out stakeholder engagement with affected communities potentially impacted by the joint venture wind farms in accordance with the instructions given by the joint venture's management. Through engagement, Fortum seeks to provide transparent, timely information and to gain an understanding of local communities' and residents' perceptions of the activities, potentially vulnerable groups, and the actual or potential impacts on them. Fortum engages directly with the residents or legitimate representatives of the affected community. Stakeholders may directly reach out to asset manager of the site and Fortum also provides an opportunity to annual meetings, should the community wish to have such.

Other means of stakeholder engagement are described in section [1.3.2 Interests and views of stakeholders](#).

3.4.7 Remediating negative impacts on affected communities

The remediation of negative impacts has been agreed with indigenous communities impacted by the joint venture wind farms. The effectiveness of actions is measured by feedback received from the locals.

Fortum has internal and external reporting channel for the reporting of any suspected misconduct, or to raise concerns. The channel is available to local communities via Fortum's website. Fortum has no system in place to monitor if communities trust the channel. The process of handling reports and protection of whistleblowers is described in section [4.4 Reporting misconduct and protection of whistleblowers](#).

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

4 Business conduct

4.1 Introduction to business conduct

Fortum promotes transparent and compliant corporate culture through its values, the Code of Conduct and the implementation of these through, e.g., communication and training. This section outlines practices to address compliance management, whistleblower protection and supplier relationship management.

4.2 Material impacts, risks and opportunities for business conduct

Fortum considers ethical business conduct and corporate culture essential for successful business. Although business conduct-related impacts, risks and opportunities did not exceed the defined materiality threshold in the double materiality assessment, the following three impacts are considered to be material following management decision. For more information on the double materiality assessment process, see [1.4 Double materiality assessment](#).

IRO reference	Description
IRO G1.1	Effective compliance management, ethical business conduct, as well as the prevention and detection of corruption and bribery , as they are the basis of ethical corporate culture.
IRO G1.2	Fortum encourages employees and other stakeholders to raise concerns and report any misconduct when necessary and considers the protection of whistleblowers critical to build trust in the channels.
IRO G1.3	Managing relationships with suppliers , as it is essential for the effective management of sustainability- and compliance-related impacts and risks.

The management of material topics is outlined in the following sections.

4.3 Policies on business conduct and corporate culture

Key policies and instructions on business conduct matters are presented in the table below. Policies and instructions marked with 'OO' relate to own operations. Those marked with 'VC' aim to address impacts, risks and opportunities within the value chain, although not all of them are directly binding on Fortum's value chain actors.

Document name	Business conduct	Management of relationships with suppliers	Anti-corruption and bribery
Key policies, instructions and manuals			
Code of Conduct (OO, VC)	●	●	●
Supplier Code of Conduct (VC)	●	●	●
Sustainability Policy (OO, VC)	●	●	●
Group Instruction on Fortum Speak-Up procedures (Speak-Up Policy, OO, VC)	●		●
Business Ethics Instructions (OO, VC)	●	●	●
Other related policies, instructions and manuals			
Group Risk Policy (OO, VC)	●	●	●
Disclosure Policy (OO)	●		
Group Counterparty Risk Instruction (VC)	●	●	●
Sustainability Governance Model (OO)	●		
Procurement Group Instructions and Governance Model (OO, VC)		●	
Investment Manual (OO, VC)	●	●	●
Group Manual for Sustainability Assessment (OO, VC)		●	●
Group Instructions for Corporate Social Responsibility (CSR)		●	
Programme Governance Model (OO)			●
Business Ethics Guidelines for Lobbying (OO)	●		●
Tax Principles (OO)	●		
Accounting Manual (OO)	●		
Fortum Insider Rules (OO)	●		

The key policies to address and express Fortum's commitment to ethical business conduct, zero tolerance of corruption and bribery, compliance with international sanctions, and management of supplier relationships are the Code of Conduct, the Supplier Code of Conduct, the Business Ethics Instructions, the Sustainability Policy, and the SpeakUp Policy. The Code of Conduct and the SpeakUp Policy outline the process for reporting misconduct and for protecting whistleblowers. The policies are approved by the Board of Directors and apply to all employees, businesses and corporate functions in all operating countries, as well as to Fortum's business partners. Fortum's commitment to anti-corruption and anti-bribery is consistent with the United Nations Convention against Corruption.

The Code of Conduct, the Supplier Code of Conduct, the Business Ethics Instructions, and the SpeakUp Policy are available in several languages and accessible to every employee and contractor internally. The Code of Conduct and the Supplier Code of Conduct are publicly available on Fortum's website.

Policies are accompanied by instructions to guide implementation, including mechanisms for identifying, reporting and investigating concerns about unlawful behaviour or behaviour contradicting the Code of Conduct.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Fortum has procedures for investigating business conduct incidents, including incidents of corruption and bribery, in a professional manner. All employees are expected to complete the relevant mandatory training modules related to business conduct as part of induction, and whenever relevant. Business ethics and corporate culture are also promoted through communication.

4.4 Reporting misconduct and protection of whistleblowers

Fortum provides reporting channel for the reporting of suspected misconduct. The anonymous SpeakUp channel is available in several languages for all employees and external stakeholders, including workers in the value chain and affected communities.

Internal and external stakeholders are provided with information on reporting concerns, as well as the process for handling and investigating reported concerns. Fortum raises awareness of the channels through internal communications and mandatory Code of Conduct training and encourages the reporting of all potential non-compliance cases. Although Fortum does not have a system to track if employees or other stakeholders trust using these channels, Fortum describes the process to handle reports transparently in order to build trust in the channel.

Fortum handles all reports with the highest integrity in accordance with EU's Whistleblowing Directive and national legislation. Persons receiving the reports follow the written instructions concerning personal data processing and confidentiality. The Group Compliance Officer assesses the cases and assigns an investigation team. For cases requiring further investigation after the initial assessment, the Compliance & Ethics team prepares an investigation report, including findings, recommendations, and possible corrective actions. If the concern is justified, appropriate measures are taken, which take into account findings from the investigation. Fortum aims for a dialogue with the whistleblower when seeking to solve the case, and the channel supports the dialogue. The identity of the reporter is always protected. Fortum does not tolerate any form of retaliation towards anyone bringing misconduct or possible misconduct to light.

4.5 Management of relationships with suppliers

Fortum is a significant purchaser of goods and services, including goods and services related to operation and maintenance of plants and facilities, fuels, as well as IT solutions and professional services. Procurement's objective is to enable strong business performance and sustainable purchasing processes and to secure the availability of the right materials and services considering the needs and requirements of the businesses. Fortum aims for open and effective collaboration with suppliers, management of social and environmental sustainability, and ensuring ethical business behaviour in the supply chain. Effective management of the supplier relationship is the key action to address the material impacts on value chain workers. See section [3.3.2 Material impacts, risks and opportunities for workers in the value chain](#) for workers in the value chain.

To ensure equal treatment of suppliers, special attention is paid to the training of procurement personnel. In 2024, procurement personnel participated in training on the supply chain sustainability management process and tools. In order to motivate and track the effectiveness of the processes, procurement employees have annual financial performance targets related to supplier management practices, such as conducting supplier sustainability assessments, creating fair competition, and communicating with strategic suppliers.

4.5.1 Processes to manage sustainability in the supply chain

Fortum has the following ongoing processes and actions to manage sustainability in the supply chain:

Actions

Ensure governance: The Supplier Code of Conduct outlines the requirements for suppliers and business partners. The Supplier Code of Conduct is included in purchase agreements with a contract value of EUR 100,000 or more. Fortum reserves the right to monitor whether its suppliers observe the Supplier Code of Conduct by requesting information and conducting on-site audits. Suppliers who fail to observe the Supplier Code of Conduct are expected to take immediate corrective action, and Fortum reserves the right to terminate the relationship with a supplier that cannot demonstrate compliance with the Supplier Code of Conduct.

Evaluate suppliers' social, environmental and governance practices: Supplier qualification is Fortum's process for evaluating suppliers' sustainability practices and monitoring that the minimum internal and external requirements are met when selecting suppliers. In the qualification process, Fortum determines and assesses, among other things, the supplier's possible operations in risk countries, certified management systems and the occupational safety performance of the contractors. Fortum also pays special attention to practices related to anti-corruption, human and labour rights and environment (especially related to GHG emissions, environmental management, licences and certificates). Once completed, the qualification is valid for three years.

Manage compliance risks with suppliers: Fortum has a 'Know Your Counterparty' (KYC) process to assess compliance risks, including legal, reputational, ethical, sustainability and security risks, related to existing and potential suppliers and other counterparties. The KYC process is mandatory when the contract value is EUR 100,000 or more.

Audit suppliers with potential sustainability risks: Fortum assesses the supplier's compliance with the requirements in the Supplier Code of Conduct by conducting audits. The risk-based audits are conducted on-site, and include site inspections, management and employee interviews, and reviews of documents. Fortum uses an external service provider to conduct the audits, especially in risk countries. In low-risk countries, the audits can be conducted by Fortum's own personnel who have received training in auditing. In 2024, Fortum conducted 23 supplier audits, of which eight were conducted by external auditors in China and the rest by internal auditors in EU countries.

Monitor corrective actions: If non-compliances are found in an audit, the supplier makes a plan for corrective actions and Fortum monitors implementation. In cases of severe non-compliance, the cooperation can be continued only if the corrective actions are implemented and verified. In 2024, the majority of non-compliances identified in the audits were related to overtime hours and occupational safety. The findings were communicated to suppliers with request to make a corrective action plan to address them. No severe non-compliances related to freedom of association and employee collective bargaining rights, child labour, forced labour or discrimination were identified.

Monitor fuel supply chain sustainability: In addition to the normal supply chain sustainability management processes, Fortum has a due diligence process to assess the origin and sustainability certification of forest-based biomass. Uranium suppliers are audited for sustainability to verify appropriate environmental, social and human rights management practices at production.

Increase leverage in collaboration with peers: To increase leverage in addressing supply chain sustainability risks, Fortum participates in the Solar Stewardship Initiative (SSI), aiming to improve the transparency and sustainability of supply chains in the solar industry. The SSI consists of an assurance process to verify environmental, social and human rights management practices in solar supply chains and on manufacturing sites.

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

4.5.2 Handling of Supplier Code of Conduct breaches

Fortum has a procedure for handling suspected breaches of the Supplier Code of Conduct. When information is received about a suspected breach of the Supplier Code of Conduct, e.g., through screening tools, the SpeakUp channel, media, or other channels, representatives from Procurement, Legal, Sustainability and the respective business assess the seriousness of the breach, Fortum's contractual position, and the impacts on Fortum's business and reputation. The supplier is asked to provide further information about the possible breach; based on the response, a further investigation or corrective actions are agreed. As a final option, the supplier contract may be terminated.

4.6 Prevention and detection of corruption and bribery

All employees, members of Fortum's corporate bodies, suppliers, and supporting contractors are expected to comply with all relevant laws and regulations to prevent corruption and bribery. The Compliance & Ethics function is a dedicated unit responsible for investigating cases of bribery and corruption, and responding to allegations. Fortum takes the following actions to prevent and detect corruption and bribery.

Actions

Assess compliance risks related to counterparties: Fortum has implemented a 'Know Your Counterparty' process to assess corruption and bribery risks, reputational impact, social and environmental risks, and other compliance risks when collaborating with counterparties. A similar 'Know Your Partner' process assesses these risks when working with strategic partners.

Regularly assess compliance enterprise risks and investigate suspected misconduct: Fortum assesses compliance enterprise risks, including the likelihood and impact of breaching anti-corruption and anti-bribery laws. The investigation process ensures a fair and objective approach. Internal policies require that members of investigating committees are free from conflict of interest. These committees are always separate from the management chain involved in the matter. In every investigation, the Group Compliance Officer, after consulting the General Counsel, considers whether there is a need to report the misconduct to the police or other authorities, considering local legal requirements. Fortum proactively cooperates with police authorities and provides support when requested.

Educate employees: Training on business conduct is provided to all employees, see [4.6.3 Training on business conduct and anti-corruption and anti-bribery](#). If behaviour indicative of corruption is identified within an organisational unit, dedicated training is provided to the unit's decision-makers after the investigation has been completed. Decision-makers include members of the administrative, management and supervisory bodies.

Monitor and report misconduct: Suspected misconduct and measures related to ethical business practices and regulatory compliance are regularly monitored and assessed by the ARC.

4.6.1 Targets for corruption and bribery

Fortum's target related to business conduct and performance against the target is presented in the table below.

Measure	Target year	Target value	2024
No incidents of corruption and bribery	Number of incidents	Annual	0 0

In 2024, there were no confirmed incidents of corruption or bribery.

4.6.2 Metrics for corruption and bribery

Confirmed incidents of corruption and bribery are presented in the table below:

Number or as indicated	2024
Convictions for violation of anti-corruption and anti-bribery laws	0
Amount of fines for violation of anti-corruption and anti-bribery laws, EUR	—
Total number of confirmed incidents	0
Confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	0
Confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	0

4.6.3 Training on business conduct and anti-corruption and anti-bribery

Training is a fundamental part of compliance management. Training on business conduct, anti-corruption and anti-bribery is provided to all employees as part of the mandatory Code of Conduct training, including to employees who are in administrative, management or supervisory bodies of Fortum companies.

Fortum has identified the functions that have a higher risk of corruption and bribery due to the nature of their role. They are employees in procurement and sales, plant managers and investment specialists. Fortum is further developing its training programme to systematically address all relevant functions at risk and to monitor the completion of training. In addition, relevant individuals receive dedicated training based on a need or identified risks.

The completion rate of the Code of Conduct training is presented in the table below. The completion rate includes employees of functions-at-risk. The training is mandatory to all employees, but the completion may be missing from, for example, recently started employees and due to longer absences. In 2024 Fortum introduced an improved process for managing eLearnings and ensuring their completion.

%	2024
Code of Conduct training completion	97

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

5 Content indices

5.1 Material disclosure requirements

The following table lists material disclosure requirements that have guided the preparation of this sustainability statement. The table can be used to navigate and find information in this sustainability statement relating to specific disclosure requirements.

All disclosure requirements in topical standard S4 (Consumers and end-users) have been omitted, as the topic was not identified as material in the double materiality assessment. In addition, the following disclosure requirements for material topics have been omitted as not material: E1-7, E2-6, E3-5, E4-6, E5-4, E5-6, S1-8, S1-9, S1-11, S1-12, S1-13, S1-15, S1-16, G1-5, and G1-6. A disclosure requirement is not considered material if the information is not relevant in terms of its significance to the matter it aims to depict or explain, and/or if it is not considered material to meet the users' decision-making needs.

For more information on the double materiality assessment process and results, see [1.4 Double materiality assessment](#).

Reference	Topic	Section	Additional information
ESRS 2 General disclosures			
BP-1	General basis for preparation of sustainability statements	1.2.1 Basis of preparation 1.2.2 Reporting scope	
BP-2	Disclosures in relation to specific circumstances	1.2.2 Reporting scope 1.2.3 Time horizons 1.2.4 Use of estimates, judgement and forward-looking information 2.2.8 Metrics for climate change	
GOV-1	The role of the administrative, management and supervisory bodies	1.5.1 Role of administrative, management and supervisory bodies	
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	1.3.1 Business model and value chain 1.5.1 Role of administrative, management and supervisory bodies	
GOV-3	Integration of sustainability-related performance in incentive schemes	1.1.4 Fortum's sustainability targets 1.5.2 Sustainability-related performance in incentive schemes	
GOV-4	Statement on due diligence	1.5.4 Statement on sustainability due diligence	
GOV-5	Risk management and internal controls over sustainability reporting	1.5.3 Risk management and internal controls over sustainability reporting	
SMB-1	Strategy, business model and value chain	1.3.1 Business model and value chain	
SMB-2	Interests and views of stakeholders	1.3.2 Interests and views of stakeholders	

Reference	Topic	Section	Additional information
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	1.4.2 Material impacts, risks and opportunities 2.2.2 Material impacts, risks and opportunities for climate change 2.2.4 Resilience analysis 2.3.2 Material impacts, risks and opportunities for pollution 2.4.4 Material impacts, risks and opportunities for water 2.5.2 Material impacts, risks and opportunities for biodiversity 2.6.2 Material impacts, risks and opportunities for resource use and circular economy 3.2.2 Material impacts, risks and opportunities for own workforce 3.3.2 Material impacts, risks and opportunities for workers in the value chain 3.4.2 Material impacts, risks and opportunities for affected communities 4.2 Material impacts, risks and opportunities for business conduct	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	1.4.1 Double materiality assessment process	
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	5.1 Material disclosure requirements 5.2 Data points required by EU law	
E1	Climate change		
ESRS 2, GOV-3	Integration of sustainability-related performance in incentive schemes	1.5.2 Sustainability-related performance in incentive schemes	
E1-1	Transition plan for climate change mitigation	2.2.5 Targets for climate change 2.2.6 Transition plan for climate change mitigation 2.2.7 Actions and resources for climate change 2.7.3 EU Taxonomy KPIs	
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	1.4.2 Material impacts, risks and opportunities 2.2.2 Material impacts, risks and opportunities for climate change 2.2.4 Resilience analysis	
ESRS 2, IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	1.4.1 Double materiality assessment process	
E1-2	Policies related to climate change mitigation and adaptation	2.1.2 Policies on environmental matters 2.2.3 Policies on climate change	
E1-3	Actions and resources in relation to climate change policies	2.2.7 Actions and resources for climate change	
E1-4	Targets related to climate change mitigation and adaptation	2.2.4 Resilience analysis 2.2.5 Targets for climate change 2.2.6 Transition plan for climate change 2.2.8 Metrics for climate change	
E1-5	Energy consumption and mix	2.2.8 Metrics for climate change	

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Reference	Topic	Section	Additional information	Reference	Topic	Section	Additional information
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	2.2.8 Metrics for climate change		E4-5	Impact metrics related to biodiversity and ecosystems change	2.5.7 Metrics for biodiversity	
E1-8	Internal carbon pricing	2.2.8 Metrics for climate change		E5	Resource use and circular economy		
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities		Phased-in, not reported in 2024	ESRS 2, IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	1.4.1 Double materiality assessment process	
E2	Pollution			E5-1	Policies related to resource use and circular economy	2.1.2 Policies on environmental matters 2.6.3 Policies on resource use and circular economy	
ESRS 2, IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	1.4.1 Double materiality assessment process		E5-2	Actions and resources related to resource use and circular economy	2.6.5 Actions and resources for resource use and circular economy	
E2-1	Policies related to pollution	2.1.2 Policies on environmental matters 2.3.3 Policies on pollution		E5-3	Targets related to resource use and circular economy	2.6.4 Targets for resource use and circular economy	
E2-2	Actions and resources related to pollution	2.3.5 Actions and resources for pollution		E5-5	Resource outflows	2.6.6 Metrics for resource use and circular economy	Only waste-related metrics are reported as material
E2-3	Targets related to pollution	2.3.4 Targets for pollution					
E2-4	Pollution of air, water and soil	2.3.6 Metrics for pollution	Only pollution of air related metrics are reported as material				
E2-5	Substances of concern and substances of very high concern	2.3.6 Metrics for pollution					
E3	Water and marine resources						
ESRS 2, IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	1.4.1 Double materiality assessment process					
E3-1	Policies related to water and marine resources	2.1.2 Policies on environmental matters 2.4.3 Policies on water					
E3-2	Actions and resources related to water and marine resources	2.4.5 Actions and resources for water					
E3-3	Targets related to water and marine resources	2.4.4 Targets for water					
E3-4	Water consumption	2.4.6 Metrics for water	Only water-related metrics are reported as material				
E4	Biodiversity and ecosystems						
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	2.5.5 Transition plan for biodiversity					
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	1.4.2 Material impacts, risks and opportunities 2.5.2 Material impacts, risks and opportunities for biodiversity 2.5.7 Metrics for biodiversity					
ESRS 2, IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	1.4.1 Double materiality assessment process 2.5.4 Targets for biodiversity 2.5.7 Metrics for biodiversity					
E4-2	Policies related to biodiversity and ecosystems	2.1.2 Policies on environmental matters 2.5.3 Policies on biodiversity					
E4-3	Actions and resources related to biodiversity and ecosystems	2.5.5 Transition plan for biodiversity 2.5.6 Actions and resources for biodiversity					
E4-4	Targets related to biodiversity and ecosystems	2.5.4 Targets for biodiversity					

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Reference	Topic	Section	Additional information	Reference	Topic	Section	Additional information
S1-7	Characteristics of non-employee workers in the undertaking's own workforce		Phased-in, not reported in 2024	ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	1.3.1 Business model and value chain 1.4.1 Double materiality assessment process 1.4.2 Material impacts, risks and opportunities 3.4.1 Introduction to affected communities 3.4.2 Material impacts, risks and opportunities for affected communities	
S1-10	Adequate wages	3.2.5 Taking action and tracking effectiveness of actions on own workforce		S3-1	Policies related to affected communities	3.1.2 Policies on social matters and respect for human rights 3.4.3 Policies on affected communities 3.4.6 Engaging with affected communities on impacts	
S1-14	Health and safety metrics	3.2.5 Taking action and tracking effectiveness of actions on own workforce		S3-2	Processes for engaging with affected communities about impacts	1.3.2 Interests and views of stakeholders 3.4.5 Taking action and tracking effectiveness of actions on affected communities 3.4.6 Engaging with affected communities on impacts	
S1-17	Incidents, complaints and severe human rights impacts	3.1.2 Policies on social matters and respect for human rights 3.2.3 Policies on own workforce	Only data point 104(a) regarding non-respect of UNGPs and OECD Guidelines is reported as material	S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	3.4.7 Remediating negative impacts on affected communities 4.4 Reporting misconduct and protection of whistleblowers	
S2 Workers in the value chain				S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	3.1.2 Policies on social matters and respect for human rights 3.4.5 Taking action and tracking effectiveness of actions on affected communities 3.4.7 Remediating negative impacts on affected communities	
ESRS 2, SBM-2	Interests and views of stakeholders	1.3.2 Interests and views of stakeholders		S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.4.4 Targets for affected communities	
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	1.3.1 Business model and value chain 1.4.1 Double materiality assessment process 1.4.2 Material impacts, risks and opportunities 3.3.2 Material impacts, risks and opportunities for workers in the value chain		G1 Business conduct			
S2-1	Policies related to value chain workers	3.1.2 Policies on social matters and respect for human rights 3.3.3 Policies on workers in the value chain 3.3.6 Engaging with value chain workers on impacts 3.3.7 Remediating negative impacts on workers in the value chain and grievance mechanisms		ESRS 2, GOV-1	The role of the administrative, supervisory and management bodies	1.5.1 Role of administrative, management and supervisory bodies	
S2-2	Processes for engaging with value chain workers about impacts	3.3.6 Engaging with value chain workers on impacts		ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	1.4.1 Double materiality assessment process	
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	3.3.7 Remediating negative impacts on workers in the value chain and grievance mechanisms 4.4 Reporting misconduct and protection of whistleblowers		G1-1	Corporate culture and Business conduct policies and corporate culture	4.3 Policies on business conduct and corporate culture 4.4 Reporting misconduct and protection of whistleblowers 4.6.3 Training on business conduct and anti-corruption and anti-bribery	Animal welfare not reported as material
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	3.3.5 Taking action and tracking effectiveness of actions on workers in the value chain 3.3.7 Remediating negative impacts on workers in the value chain and grievance mechanisms 4.5 Management of relationships with suppliers		G1-2	Management of relationships with suppliers	4.5 Management of relationships with suppliers	Data point 15 reported as material
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.3.4 Targets for workers in the value chain		G1-3	Prevention and detection of corruption and bribery	4.6 Prevention and detection of corruption and bribery	
S3 Affected communities		1.3.2 Interests and views of stakeholders		G1-4	Confirmed incidents of corruption or bribery	4.6.2 Metrics for corruption and bribery	
ESRS 2, SBM-2	Interests and views of stakeholders						

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

5.2 Data points required by EU law

The following table lists data points that derive from other EU legislation. The table can be used to navigate and find information in this sustainability statement relating to these data points.

Disclosure requirement	Paragraph	Name of disclosure requirement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section
ESRS 2 GOV-1	21 (d)	Board's gender diversity	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		1.5.1 Role of administrative, management and supervisory bodies
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			Delegated Regulation (EU) 2020/1816, Annex II		1.5.1 Role of administrative, management and supervisory bodies
ESRS 2 GOV-4	30	Statement on due diligence	Indicator number 10 Table #3 of Annex 1				1.5.4 Statement on sustainability due diligence
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	Indicators number 4 Table #1 of Annex 1	Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		1.3.1 Business model and value chain
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				Regulation (EU) 2021/119, Article 2(1)	2.2.6 Transition plan for climate change mitigation
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book–Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		2.2.6 Transition plan for climate change mitigation
ESRS E1-4	34	GHG emission reduction targets	Indicator number 4 Table #2 of Annex 1	Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		2.2.4 Resilience analysis 2.2.6 Transition plan for climate change mitigation 2.2.5 Targets for climate change
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				2.2.8 Metrics for climate change
ESRS E1-5	37	Energy consumption and mix	Indicator number 5 Table #1 of Annex 1				2.2.8 Metrics for climate change
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	Indicator number 6 Table #1 of Annex 1				2.2.8 Metrics for climate change
ESRS E1-6	44	Gross Scope 1, 2, 3, and Total GHG emissions	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		2.2.8 Metrics for climate change
ESRS E1-6	53-55	Gross GHG emissions intensity	Indicators number 3 Table #1 of Annex 1	Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		2.2.8 Metrics for climate change
ESRS E1-7	56	GHG removals and carbon credits				Regulation (EU) 2021/119, Article 2(1)	Not material

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Disclosure requirement	Paragraph	Name of disclosure requirement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Phased-in, not reported in 2024
ESRS E1-9	66 (a); 66(c)	Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk		Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Phased-in, not reported in 2024
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Phased-in, not reported in 2024
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			Delegated Regulation (EU) 2020/1818, Annex II		Phased-in, not reported in 2024
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				2.3.6 Metrics for pollution
ESRS E3-1	9	Water and marine resources	Indicator number 7 Table #2 of Annex 1				2.1.2 Policies on environmental matters 2.4.3 Policies on water
ESRS E3-1	13	Dedicated policy	Indicator number 8 Table 2 of Annex 1				2.4.3 Policies on water
ESRS E3-1	14	Sustainable oceans and seas	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E3-4	28 (c)	Total water recycled and reused	Indicator number 6.2 Table #2 of Annex 1				2.4.6 Metrics for water
ESRS E3-4	29	Total water consumption in m ³ per net revenue on own operations	Indicator number 6.1 Table #2 of Annex 1				2.4.6 Metrics for water
ESRS 2- SBM 3 - E4	16 (a) i		Indicator number 7 Table #1 of Annex 1				2.5.2 Material impacts, risks and opportunities for biodiversity
ESRS 2- SBM 3 - E4	16 (b)		Indicator number 10 Table #2 of Annex 1				2.5.2 Material impacts, risks and opportunities for biodiversity
ESRS 2- SBM 3 - E4	16 (c)		Indicator number 14 Table #2 of Annex 1				2.5.2 Material impacts, risks and opportunities for biodiversity
ESRS E4-2	24 (b)	Sustainable land/agriculture practices or policies	Indicator number 11 Table #2 of Annex 1				2.5.3 Policies on biodiversity
ESRS E4-2	24 (c)	Sustainable oceans/seas practices or policies	Indicator number 12 Table #2 of Annex 1				2.5.3 Policies on biodiversity
ESRS E4-2	24 (d)	Policies to address deforestation	Indicator number 15Table #2 of Annex 1				2.5.3 Policies on biodiversity
ESRS E5-5	37 (d)	Non-recycled waste	Indicator number 13 Table #2 of Annex 1				2.6.6 Metrics for resource use and circular economy
ESRS E5-5	39	Hazardous waste and radioactive waste	Indicator number 9 Table #1 of Annex 1				2.6.6 Metrics for resource use and circular economy
ESRS 2- SBM3 - S1	14 (f)	Risk of incidents of forced labour	Indicator number 13 Table #3 of Annex I				3.2.2 Material impacts, risks and opportunities for own workforce
ESRS 2- SBM3 - S1	14 (g)	Risk of incidents of child labour	Indicator number 12 Table #3 of Annex I				3.2.2 Material impacts, risks and opportunities for own workforce

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Disclosure requirement	Paragraph	Name of disclosure requirement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section
ESRS S1-1	20	Human rights policy commitments	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				3.1.2 Policies on social matters and respect for human rights
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II		3.1.2 Policies on social matters and respect for human rights
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	Indicator number 1 Table #3 of Annex I				3.1.2 Policies on social matters and respect for human rights
ESRS S1-1	23	Workplace accident prevention policy or management system	Indicator number 1 Table #3 of Annex I				3.1.2 Policies on social matters and respect for human rights
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	Indicator number 5 Table #3 of Annex I				3.2.7 Remediating negative impacts on own workforce and grievance mechanisms
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		3.2.5 Taking action and tracking effectiveness of actions on own workforce
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	Indicator number 3 Table #3 of Annex I				3.2.5 Taking action and tracking effectiveness of actions on own workforce
ESRS S1-16	97 (a)	Unadjusted gender pay gap	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS S1-16	97 (b)	Excessive CEO pay ratio	Indicator number 8 Table #3 of Annex I				Not material
ESRS S1-17	103 (a)	Incidents of discrimination	Indicator number 7 Table #3 of Annex I				Not material
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		3.1.2 Policies on social matters and respect for human rights
ESRS 2- SBM3 – S2	11 (b)	Significant risk of child labour or forced labour in the value chain	Indicator number 12 and 13 Table #3 of Annex I				3.3.2 Material impacts, risks and opportunities for workers in the value chain
ESRS S2-1	17	Human rights policy commitments	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex I				3.1.2 Policies on social matters and respect for human rights 3.3.3 Policies on workers in the value chain 3.3.6 Engaging with value chain workers on impacts 3.3.7 Remediating negative impacts on workers in the value chain and grievance mechanisms
ESRS S2-1	18	Policies related to value chain workers	Indicator number 11 and 4 Table #3 of Annex I				3.3.3 Policies on workers in the value chain
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		3.1.2 Policies on social matters and respect for human rights 4.5 Management of relationships with suppliers

Financials 2024

Operating and financial review

Financial performance and position

Risk management

Fortum share and shareholders

Sustainability Statement

Consolidated financial statements

Parent company financial statements

Signatures

Auditor's report

Auditor's assurance report of ESEF financial statements

Auditor's limited assurance report of the Sustainability statement

Key figures 2015–2024

Quarterly financial information

ISSB content index

Investor information

Disclosure requirement	Paragraph	Name of disclosure requirement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II		3.3.3 Policies on workers in the value chain
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	Indicator number 14 Table #3 of Annex 1				3.3.7 Remediating negative impacts on workers in the value chain and grievance mechanisms 4.5 Management of relationships with suppliers
ESRS S3-1	16	Human rights policy commitments	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				3.1.2 Policies on social matters and respect for human rights 3.4.3 Policies on affected communities 3.4.6 Engaging with affected communities on impacts 3.4.7 Remediating negative impacts on affected communities
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		3.1.2 Policies on social matters and respect for human rights
ESRS S3-4	36	Human rights issues and incidents	Indicator number 14 Table #3 of Annex 1				3.1.2 Policies on social matters and respect for human rights
ESRS S4-1	16	Policies related to consumers and end-users	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Not material
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S4-4	35	Human rights issues and incidents	Indicator number 14 Table #3 of Annex 1				Not material
ESRS G1-1	10 (b)	United Nations Convention against Corruption	Indicator number 15 Table #3 of Annex 1				4.3 Policies on business conduct and corporate culture
ESRS G1-1	10 (d)	Protection of whistle-blowers	Indicator number 6 Table #3 of Annex 1				4.4 Reporting misconduct and protection of whistleblowers
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		4.6.2 Metrics for corruption and bribery
ESRS G1-4	24 (b)	Standards of anti-corruption and anti-bribery	Indicator number 16 Table #3 of Annex 1				4.6 Prevention and detection of corruption and bribery