



Fortum set to end the use of coal in its Russia division by the end of 2022

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Fortum has today signed an agreement to sell its Argayash coal-fired combined heat and power plant (CHP) to AO JSC Rusatom Smart utilities (JSC RSU).

Argayash CHP plant has a heat production capacity of 824 MW and power generation capacity of 256 MW. It plays a key role to the local industry and society as it supplies process steam to the local industry and heat to approximately 85,000 residents in the towns of Ozersk and Novogorny in the Chelyabinsk region. The power plant has only had a minor effect on Fortum's EBITDA. The parties have agreed not to disclose the sales price. The transaction is expected to be closed in the third quarter of 2021.

"For Fortum, the sale of the plant is an important step in optimising our asset portfolio as part of Fortum's strategy, which targets carbon neutrality by 2050. This step, together with transition to gas at the Chelyabinsk CHP-2, will allow the Russia Division to discontinue its use of coal by the end of 2022 and reduce annual CO₂ emissions by approximately 2 million tonnes", says **Alexander Chuvaev**, Executive Vice President of Fortum's Russia Division.

"Reliable power supply to key enterprises of the nuclear industry and the citizens of nuclear cities is the main priority for our company. Argayash CHP is critically important for the stable functioning of PA "MAYAK", citizens and the commercial sector of Ozersk and Novogorny. New power plant, for JSU RSU, will benefit from stable socio-economic development and will preserve high standards of work in the field of heat supply to the local citizens and enterprises, laid down earlier by the partners", says **Ksenia Sukhotina**, CEO of JSC Rusatom Smart utilities (JSC RSU).

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Fortum

Fortum is a European energy company with activities in more than 40 countries. We provide our customers with electricity, gas, heating and cooling as well as smart solutions to improve resource efficiency. Together with our subsidiary Uniper, we are the third largest producer of CO₂-free electricity in Europe. Close to 20,000 professionals and a combined balance sheet of approximately EUR 60 billion, we have the scale, competence and resources to grow and to drive the energy transition forward. Fortum's share is listed on Nasdaq Helsinki and Uniper's share on the Frankfurt Stock Exchange. www.fortum.com