Inside information: Fortum and Google partner to drive sustainable growth for Finland - sign nuclear Power Purchase Agreement

FORTUM CORPORATION INSIDE INFORMATION 9 SEPTEMBER AT 10:00 EEST

- A 22-year life extension Power Purchase Agreement (PPA) provides economic certainty for the lifetime extension and power upgrade of the plant through 2050 by contracting for up to 50% of Loviisa nuclear power plant's capacity.
- The PPA is expected to increase Fortum's Group comparable return on net assets (RONA) by approximately 1.4 percentage points over time once 50% of the plant's generation capacity is contracted.
- The partners have established a Memorandum of Understanding (MoU) on the development of new nuclear, renewable capacities and flexibility solutions, and energy portfolio management services.
- Google has announced EUR 13 billion investments in Finland over the next two years (2027–2028), including data center and other supporting infrastructure investments and partnerships in Hamina, Muhos, Vaala, and Kajaani.

Fortum and Google have entered a strategic partnership in Finland. At the centre of the partnership is a multi-decade PPA that gives Fortum the long-term revenue certainty it needs to continue operating the Loviisa nuclear power plant until the end of its operating licenses in 2050. Without the lifetime extension investment program, the plant – which currently employs approximately 580 people and provides 10% of Finland's electricity – could not continue operations beyond 2030. Keeping this fossil-free energy asset online for decades to come will help stabilize electricity prices and support long-term resilience of Finland's grid.

In addition, the companies have signed an MoU that will support both companies' growth in Finland and bring additional energy supply to benefit Finland's grid and the households and businesses it serves. The companies look forward to further deepening their collaboration by exploring development of new nuclear, renewable energy and flexibility capacity solutions that support Google's approach to meet their growth with additional low-carbon electricity. Parties have structured the agreement to ensure that as demand for AI services grows additional low-carbon energy will be deployed to help safeguard long-term power supply for Finnish consumers and businesses.

Moreover, the collaboration between the two companies will advance new research and development (R&D) and engineering career pathways, positioning Finland at the cutting-edge of new energy technology and innovation.

Today, Google announced plans to invest EUR 13 billion in Finland over the next two years (2027–2028), including data center and other supporting infrastructure investments and partnerships in Hamina, Muhos, Vaala, and Kajaani. Google is making significant long-term energy investments to power its growing operations while supporting Finland's decarbonised, resilient energy future.

"We are proud to have called Finland home for the past 15 years, and as we grow our footprint in the country, it's critical that we work with local energy partners, such as Fortum, to understand what the grid needs and invest in energy solutions that deliver long-term resilience and affordability for all electricity customers," says **Aris Karcanias**, Director of Energy, EMEA at Google.

"By supporting the lifetime extension of the Loviisa plant, which is located close to our data centre in Hamina where we first put down our roots in Finland, we're doing our part to keep a critical energy source on the grid, mitigating system impacts from meaningful capacity going offline in the south of the country. As we work with Fortum and other partners to bring new renewable capacity and flexible solutions to the Finnish grid alongside our growth, we hope to develop a blueprint for responsible integration of AI into European energy systems."

Power purchase agreement (PPA)

Fortum and Google's power purchase agreement covers the lifetime extension period of the Loviisa nuclear power plant. The PPA will start in 2028 with a smaller capacity and will reach 50% of the Loviisa nuclear power plant's capacity in 2030–2049.

Fortum has an ongoing, approximately EUR 1 billion investment programme in Loviisa with the aim of extending the lifetime of the power plant until 2050. To date, approximately 80% of the projects and EUR 700 million of the capital expenditure required to keep the power plant operational through 2050 are still pending investment decisions.

The PPA with Google will provide the revenue certainty to continue the investments associated with 100% of the lifetime extension of Loviisa. Furthermore, the agreement is expected to enable a new 10 MW power increase of the plant, in addition to the already planned 38 MW uprate which is expected to be live in 2028.

"Finland has a unique opportunity to turn its decarbonised, reliable electricity system and robust industrial infrastructure into a foundation for the next wave of sustainable industrial growth. Long-term partnerships like the one between Fortum and Google are essential to making that happen, especially in today's uncertain market environment characterized by low visibility and highly volatile electricity prices. They provide the visibility needed to invest in new low-carbon power generation capacity, strengthen energy security and support new digital and industrial infrastructure that create jobs, innovation and prosperity for Finland. Furthermore, our collaboration with Google provides a strong foundation for the continued development and reliable operation of our Loviisa power plant for decades to come," says Fortum's President and CEO **Markus Rauramo**.

Financial implications for Fortum

The PPA agreement is expected to increase Fortum's Group comparable return on net assets (RONA) by approximately 1.4 percentage points over time once 50% of the plant's generation capacity is contracted. This supports the long-term Group comparable RONA target of 14% set in late autumn 2025 (11.0% last twelve months at the end of Q2 2026). The agreement will be included in Fortum's long-term hedge ratio. It differs economically from Fortum's customary financial hedging as it reflects long-term customer value rather than short-term market pricing.

"Our agreement with Google meets Fortum's long-term return requirements and clearly improves the risk-adjusted return profile of existing nuclear assets, supporting earnings visibility over the contract duration," says Markus Rauramo.

Memorandum of Understanding (MoU) for sustainable growth

As part of today's announcement, Fortum and Google have signed an MoU to advance new power generation and flexible capacity and to explore use of Fortum's energy portfolio management services. Fortum has a renewable pipeline of 8 GW in the Nordic countries in the permitting phase with a strategic target to have 1.2 GW of ready-to-build renewables and to have 2.5 GW of new flexibility services and generation assets in a ready-to-deploy state by the end of 2028. As a first step, Fortum has signed an agreement with Google to optimize a new 94 MW battery storage system, which Google has contracted for, to be located adjacent to

Google's new data center in Kajaani.

"At Fortum, we believe that there is ample potential to increase renewable energy production as well as opportunities for lifetime extensions and capacity increases in nuclear reactors in the Nordics. The next step is to explore how nuclear, renewables, flexibility, such as batteries and pumped hydro, and digital technologies can together meet growing electricity demand in a sustainable and competitive way – supporting the region's industrial renewal and wider decarbonisation," Markus Rauramo concludes.

Fortum has concluded that a successful investment in and long-term economic viability of new nuclear requires strong contracted customer demand, strategic co-investors and partnerships, a solid risk-sharing framework as well as outstanding project execution. Google and Fortum will work together to identify potential business models to improve project competitiveness for new nuclear reactors at Loviisa. In addition, the companies will explore the suitability of Fortum's powered land sites for Google's future data centre needs.

Finally, Fortum will explore how to leverage Google's Cloud, AI and Data Services in support of its operations.

Online investor and analyst call:

A combined online event/teleconference, hosted by the President and CEO Markus Rauramo, will be arranged for the investor community on 9 September at 13:30–14:00 EEST. For the webcast, use the following link http://fortum.events.inderes.com/2026-09-09-investorcall.

To ask questions, please join the teleconference by registering at: http://events.inderes.com/fortum/2026-09-09-investorcall/dial-in.

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Background information

Loviisa Nuclear Power Plant

Fortum's fully owned Loviisa nuclear power plant (NPP) is located on the southeastern coast of Finland, approximately 55 kilometers from Googler's Hamina data center and approximately 100 kilometers from the capital Helsinki. The plant's two pressurized water reactors (PWR) were commissioned in 1977 and 1980 and produce approximately 8 terawatt-hours of electricity annually; with an original lifetime until the end of 2027 and 2030 respectively. With a capacity of 507 MWe each, the availability of the reactors is among the best quartile of PWRs globally. The Loviisa NPP is a major employer in southeastern Finland. In addition to approximately 580 Fortum employees, nearly 100 employees from other companies work at the plant site daily. In 2025, Fortum's investments in the Loviisa NPP amounted to approximately EUR 70 million (2024: EUR ~50 million). Investments related to the continuation of operations and lifetime extension will amount to an estimated EUR 1 billion during 2023–2050. To date, approximately 80% of the projects and EUR 700 million of the capital expenditure required to keep the power plant operational through 2050 are pending investment decisions. Individual investment decisions related to the lifetime extension will be made separately. www.fortum.com/loviisa

Fortum

Fortum is a Nordic energy company. We generate and deliver reliable energy to our customers and the Nordic energy system while at the same time helping industries decarbonise their processes and grow. Our core operations comprise efficient and best-in-class low-carbon power generation, customer services, and heating and cooling. Fortum’s power generation is already 99% from renewable or nuclear sources with one of the lowest specific CO2-emissions in Europe. We are guided by our ambitious SBTi-validated emission reduction targets on our way towards net-zero by 2040. For our ~4,500 employees, we commit to be a safe and inspiring workplace. Fortum's share is listed on Nasdaq Helsinki. www.fortum.com

Google

Google's mission is to organize the world's information and make it universally accessible and useful. Through products and platforms like Search, Maps, Gmail, Android, Google Play, Google Cloud, Chrome and YouTube, Google plays a meaningful role in the daily lives of billions of people and has become one of the most widely-known companies in the world. Google is a subsidiary of Alphabet Inc.