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**2025**

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In addition to Financial Statements, Pohjolan Voima publishes Annual Report 2025 which includes a description of Pohjolan Voima and its operations as well as more detailed information about sustainability work.

Photos: Akifoto

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# Corporate Governance Statement 2025

## 1 Corporate Governance

Pohjolan Voima Oyj and its subsidiaries form the Pohjolan Voima Group. The registered office of the Group's parent company, Pohjolan Voima Oyj, is Helsinki, Finland. Pohjolan Voima Oyj is a public limited liability company. Under its Articles of Association, the company acquires energy for its shareholders and engages in other related activities. The company may also own shares and assets as are required or necessary for carrying on its business.

According to the Articles of Association, Pohjolan Voima supplies energy to its shareholders at cost price (the Mankala principle), i.e. Pohjolan Voima delivers the energy it has produced or acquired to its shareholders in proportion to their ownership of each series of shares. Each shareholder of the series of shares in question is responsible for the annual variable and fixed costs defined in more detail in the Articles of Association. The parent company's administration costs are covered by charging them as part of the fixed annual costs in a manner specified in more detail in the corporate documents.

According to the Articles of Association, the liability of each shareholder for the annual costs is always limited to the amount corresponding to the proportion of their shareholdings in all the shares in the series in question, and the failure of any other shareholder to satisfy the responsibilities of the shareholder for costs in proportion to the shareholder's shareholding shall not increase any non-defaulting shareholder's liability. The shareholders are responsible for the costs defined in Clause 4 of the Articles of Association.

Pohjolan Voima Oyj's General Meeting issues directives to the Board of Directors on the composition of the Boards of Directors of the subsidiaries and, if necessary, certain decisions by the subsidiaries specified in the corporate documents. The parent company's Board of Directors and the Corporate Executive Team discuss the main principles of the Group's operations. The parent company participates in the management and supervision of its subsidiaries and affiliated companies through its representatives

appointed to the governing bodies of these companies. The Group's subsidiaries and affiliated companies have their own governing bodies.

Pohjolan Voima's governance is based on legislation and its corporate documents. As an unlisted public limited liability company, Pohjolan Voima is under no obligation to comply with the Corporate Governance Code. According to the Securities Markets Act, the issuer of a security subject to public trading must provide a corporate governance statement in its annual report or separately.

## 2 General Meetings

The General Meeting is the company's highest decision-making body. The Annual General Meeting of Shareholders decides on statutory matters, elects the members of the Board of Directors, in accordance with the procedure specified in the corporate documents, confirms the fees of Board members and names an auditor. Furthermore, the Annual General Meeting issues binding directives to the Board of Directors regarding the elections of the ordinary and deputy members of the Boards of the subsidiaries. If necessary, the Annual General Meeting also issues binding directives to the Board on major investments of the subsidiaries and the other matters specified in the Articles of Association.

The Annual General Meeting must be held annually by the end of June. An invitation to the Annual General Meeting will be sent to the shareholders at the earliest four weeks and at latest two weeks before the meeting.

Pohjolan Voima's shareholders approved in the Annual General Meeting on 25 March 2025 the financial statements of Pohjolan Voima Oyj for 2024, discharged the members of the Board of Directors and the President and CEO from liability, as well as elected ordinary and deputy Board members for the new term. In addition, the Annual General Meeting resolved on the dividend distribution, return of the reserve for invested unrestricted equity of Pohjolan Voima Oyj's C share series, the approval of a directed share issue related

to Porin Prosessivoima Oy's electric boiler investment, and an amendment to the Articles of Association concerning the appointment of the assurance provider for sustainability reporting.

One Extraordinary General Meeting was held in 2025 On 18 November 2024, Pohjolan Voima Oyj's Extraordinary General Meeting decided on the binding instruction to set Laanilan Voima Oy into liquidation and on the reduction of the parent company's share capital, acquisition of shares in series G5, and amendment in the Articles of Association. The Extraordinary General Meeting resolved to appoint Wilhelm Wolff as an ordinary member of the Board of Directors in place of Esa Kaikkonen, who was appointed as Wolff's deputy member. The Extraordinary General Meeting also resolved not to implement the Annual General Meeting's decision to amend the Articles of Association regarding the appointment of the assurance provider for sustainability reporting, as due to the European Commission's so called Omnibus initiative, Pohjolan Voima currently has no need to appoint a sustainability reporting assurance provider.

## 3 Board of Directors

### Composition of the Board of Directors

The members of the Board of Directors are elected annually at the General Meeting of Shareholders. According to the Articles of Association, the Board consists of a minimum of five and a maximum of 13 ordinary members. Personal deputies for the Board members may be named.

In the Annual General Meeting on 25 March 2025 nine Board members and their personal deputy members were elected. The elected Board members with their consent were CFO Tapio Korpeinen, Group Treasurer Kaarlo Höysniemi, Group General Counsel Jukka Hakkila, VP Finance & Control Maija Ruska, Managing Director Anders Renvall, CEO Esa Kaikkonen, President and CEO Rami Vuola, CEO Jussi Lehto and Managing Director Roger Holm. As of 9 December 2025, on EVP Strategy and Investments Wilhelm Wolff was elected to succeed Esa Kaikkonen.

From 1 January to 25 March 2025, the Board consisted of Tapio Korpeinen (chair), Pasi Kyckling, Jukka Hakkila, Maija Ruska, Anders Renvall, Esa Kaikkonen, Rami Vuola, Heikki Liukas and Kirsi Hautala.

In its organising meeting, the Board elected Tapio Korpeinen as the chair and Kaarlo Höysniemi as the vice chair, Tiina Nyström, General Counsel, Executive Vice President, was elected as the secretary.

All of the Board members are independent of the company. The Board members do not own any shares of the company.

The procedure for the election and organisation of the Board is specified in detail in the corporate documents. The chair of the Board is named by the company's largest shareholder and the vice chair by the second largest shareholder. The President and CEO is not a member of the Board of Directors.

### Duties of the Board of Directors

The Board is responsible for the oversight and control of the company and the appropriate arrangement of the company's administration and operations. Furthermore, the Board must ensure that the company's accounting and financial controls are properly arranged. The Board controls that Pohjolan Voima's affairs are managed according to the Articles of Association and the decisions of the General Meeting of Shareholders.

The Board of Directors' Charter defines its main duties and operating principles in more detail.

In order to perform its duties, the Board does the following, for example:

- › Appoints the President and CEO, the substitute to the President and CEO and the members of the Executive Group
- › Supervises the executive management of Pohjolan Voima
- › Decides on the Group's strategy
- › Decides on the Group's financing
- › Decides on the Group's budget and action plan

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- › Decides on remuneration system principles and approves the employment contract and other benefits of the President and CEO, unless it has authorised the Chairman of the Board or the Remuneration and Nomination Committee to make these decisions
- › Appoints task force and workgroup members
- › Approves policies and other guidelines which create the basis for the management system and internal control, as well as set limits and guide and monitor operations of the subsidiaries
- › Approves the charters of committees, and task forces and workgroups that the Articles of Association stipulates to be nominated
- › Supervises the Group's risk management
- › Compiles the Report of the Board of Directors and approves the financial statements
- › Approves interim reports
- › Supervises the operations of the subsidiaries
- › Approves the charge for the fixed costs for each series of shares and other basis for shareholder invoicing
- › Summons the general meeting
- › Approves investments, acquisitions and property transactions in accordance with the corporate documents, unless the President and CEO has been authorised to make these decisions
- › Resolves upon the taking of credits and the giving of guarantees or other securities

The Board compiles an annual assessment of its own performance.

The Annual General Meeting makes decisions on the remuneration of Board and Committee members, as well as on their basis. In 2025, the remuneration paid to ordinary and deputy Board members totalled €413,200. At the Annual General Meeting held on 25 March 2025, it was resolved to discontinue the remuneration of deputy board members.

The Board of Directors convened 11 times in 2025. On average, 98 per cent of the members were present at the meetings.

## Committees of the Board of Directors

To ensure that the issues within the responsibility of the Board of Directors are handled as efficiently

as possible, the Board has appointed an Audit and Finance Committee and a Remuneration and Nomination Committee, each assisting and reporting to the Board of Directors. The Board of Directors appoints at least three members to the Committees annually from among its members, appoints the chairs of the committees and approves their charters.

## Remuneration and Nomination Committee

The Remuneration and Nomination Committee deals with matters concerning nomination and remuneration in general, the remuneration systems for the Corporate Executive Team and employees, and the committee may deal with proposals to be submitted to the Annual General Meeting regarding the nomination and remuneration of the members of the Board.

After the 2025 Annual General Meeting, the Board nominated Tapio Korpeinen as the chair of the Remuneration and Nomination Committee and Kaarlo Höysniemi and Anders Renvall as the other members of the committee. The Remuneration and Nomination Committee convened four times in 2025. The attendance rate at the meetings was 92 per cent.

## Audit and Finance Committee

The Audit and Finance Committee provides assistance to the Board in processing and preparing the finance, financial reporting, control, and audit. In addition, the committee prepares a recommendation for the election of the auditor and monitors the independence of the auditor.

After the 2025 Annual General Meeting, the Board nominated Maija Ruska as the chair of the Audit and Financing Committee, and Rami Vuola and Jukka Hakkila as the other members of the committee.

In 2025, the committee convened 11 times, of which one was a joint meeting with the Audit and Finance Committee of Teollisuuden Voima Oyj. The attendance percentage at the meetings was 100 per cent.

In addition to the Committees of the Board of Directors, the Board can name task forces or workgroups to assist the Board and senior management. The Board confirms the duties and operating principles of task forces and workgroups.

## 4 President and CEO

The Board nominates the President and CEO. According to the Limited Liability Companies Act, the CEO is responsible for the day-to-day management in accordance with the instructions and regulations issued by the Board of Directors. The CEO is responsible for ensuring that the company's accounting is in compliance with the law and that the financial management is organised in a reliable manner. The CEO gives the Board and its members sufficient information for the performance of the Board's duties and implements the Board's decisions.

Pohjolan Voima Oyj's current President and CEO is Ilkka Tykkyläinen. Tiina Nyström has been appointed as the substitute for the President and CEO.

## 5 Corporate Executive Team

The Corporate Executive Team assists the President and CEO in operational management. Members of the Corporate Executive Team report directly to the President and CEO. In 2025, the Corporate Executive Team consisted of the President and CEO, Minna Laakso, Riitta Larnimaa, Tiina Nyström, Jani Pulli, Kaj Råttis and Jarmo Tervo.

## 6 Remuneration

The Remuneration and Nomination Committee approves the company's remuneration systems. Incentive bonuses of the Corporate Executive Team are based on a long-term remuneration system and the criteria determined in it. The incentive scheme does not include shares or any derivatives.

The members of the Board of Directors, the President and CEO or other members of the company's management do not own the company's shares.

## 7 Related party administration

Pohjolan Voima maintains a list of related parties. The purpose of the list is to help identify transactions with a party that is considered a related party of Pohjolan Voima Oyj. The company monitors annually the related parties and assesses possible changes to its related parties. The company's related party acquirement process ensures that relevant information is included in the financial statements.

The Board of Directors always decides on the possible transactions with the management of Pohjolan Voima Oyj and its related parties.

## 8 Internal control

The Board of Directors and the management are responsible for the organisation and adequacy of the company's internal control. The purpose of internal control is to ensure the efficiency and effectivity of the operations, the reliability of information, as well as compliance with the regulations and operating principles. Pohjolan Voima's governance and internal control system are based on the corporate documents as well as company policies approved by the Board of Directors, such as the Code of Conduct and other company guidelines.

## 9 Financial control and reporting

The objective of internal control related to the financial reporting process is to ensure that the management has reliable, up-to-date information to help in decision-making and that the financial statements and interim reports are prepared in compliance with laws and regulations.

Pohjolan Voima Oyj complies with the International Financial Reporting Standards (IFRS) that have been approved for the EU and the requirements set for companies that have listed a bond to public trading.

In accordance with its approved charter, the Audit and Finance Committee is responsible for assisting the Board of Directors in monitoring the financial status of the company, the Group and its parts, in monitoring and evaluating the financial reporting system, accounting and financial management, in monitoring and evaluating the appropriateness of the internal control and risk management system, in monitoring and evaluating the appropriate organisation of the internal audit and the financial audit process, and the implementation of changes in accounting practices.

Group Finance is responsible for reporting interim reports and statutory financial statements for Pohjolan Voima Oyj and its Group companies, as well as monthly reports, profit estimates and analyses. Named business controllers review the companies' financial status and prepare monthly internal company-level

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reports. The companies' financial reporting is regularly monitored by the Boards of the companies.

In general, shared systems are used for reporting. A service provider handles the financial administration, accounting and ledger processes in compliance with described subprocesses, agreed principles, agreed roles and responsibilities and defined controls. Development of the financial reporting processes and control systems is a continuous activity.

The separate financial statements of the parent company and other Group companies follow Finnish accounting practice. Adjustments to the income statements and balance sheets reported by individual Group companies are made in Group accounting in order to comply with the accounting policies of the Group (IFRS). Consistency is ensured by reconciliation. A quarterly report on the parent company's financial development is submitted to the Board of Directors. The consolidated IFRS financial statements are reported to the Board twice a year.

The decision-making order for expenses, investments and financial commitments is determined in the corporate documents, and approval rights are determined in stages for the different organisational levels in the policy approved by the Board. Most significant decisions are submitted separately to the Board of the individual Group company and to the Board of the parent company for approval.

## 10 Risk management

Risk management is a continuous process of analysing and managing threats and opportunities faced by the company in its efforts to achieve its goals, and to ensure the continuity of the business. The key principles of risk management are defined in the Pohjolan Voima Group Risk Management Policy. Subsidiaries and Group functions are responsible for their own risk management and associated reporting. The management reporting on the comprehensive risk circumstances to the Board is linked to the strategy and long-term planning process. The Board of Directors oversees the reporting on risk exposures, risk management activities and results related to the company's strategy and operations.

## 11 Internal audit

The operating principles of Pohjolan Voima internal audit have been defined in the audit charter approved by the Board of Directors. Internal audit assists the company in achieving its objectives by providing a systematic approach to evaluate and improve governance processes, risk management and internal control. In addition, internal audit manages the reporting procedure for suspected misconduct according to a specified procedure. Internal audit service is provided by BDO Oy. The CFO acts as the contact person for the external service provider. Internal audit reports its plan and findings to the Audit and Finance Committee.

## 12 Insider administration

Pohjolan Voima Oy follows the EU's Market Abuse Regulation, Finland's Securities Market Act, the guidelines and regulations of authorities and the Guidelines for Insiders of Listed Companies issued by Nasdaq Helsinki Ltd. The Board of Directors has approved of a policy that sets responsible persons for the actions of insider administration and the guidelines for the insider administration, and for persons involved in insider projects as well as management and their closely associated persons.

As an issuer of bonds, Pohjolan Voima Oy, in accordance with the Market Abuse Regulation, maintains project specific insider lists on persons who work for the company on the basis of an employment contract or other contract and, either regularly or irregularly, receive insider information directly or indirectly related to the issuer. Rules for the processing of insider information have been prepared and Group General Council is responsible for maintaining and updating them. Creating and maintaining the insider lists is the responsibility of the Company's legal affairs department.

## 13 Disclosure policy for investors

The Board of Directors of the parent company has adopted a Disclosure Policy for Investors. The duty to disclose information consist of a regular and continuous duty to disclose information. The

company's communication objective is to provide, without undue delay, correct and relevant information to the investors and other market players on the company's operations, operating environment, strategy, goals, and financial situation. Stock exchange releases issued by Pohjolan Voima Oy are approved by the company's President and CEO or persons authorised by him.

## 14 Auditing and auditor

The principal task of statutory audit is to verify that the financial statements give true and fair view on the Group's results and financial position. The Annual General Meeting annually appoints one auditor. The auditor must be an audit firm approved by the Finnish Chambers of Commerce.

The Annual General Meeting 2025 elected PricewaterhouseCoopers Oy, authorised public accountants, as the Company's auditor. Pasi Karppinen, Authorised Public Accountant, has acted as a principal auditor.

In 2025, the auditor received €233,000 as auditing fees and €19,000 as other fees.

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## Operating environment

The price of electricity remained fairly moderate and more stable throughout the year as a result of higher production capacity and a significant rise in electric boiler consumption. In 2025, Finland had the cheapest electricity in Europe, while electricity price fluctuations eased compared with the previous year. Wind and solar power generation capacity will continue to increase as electricity consumption increases, increasing the need for electricity storage solutions and demand response to balance the electrical power system.

In Finland, the Government continued to implement its programme. The Government programme contains several items that are important in terms of Pohjolan Voima's business operations. The Government is promoting the clean transition, and the security of supply for electricity is considered more important than before. The Government is calling for more weather-independent base load power and regulating power needed to balance the electrical power system.

The Government continued the comprehensive reform of the Nuclear Energy Act, the investigation of capacity mechanisms and the promotion of carbon capture, storage and use. The Government completed the national energy and climate strategy, and submitted it to Parliament in the form of a government statement. The Government aims to restore the right to deduct interest on energy projects that are essential for infrastructure, such as nuclear power projects. Pumped-storage plants have been included in the permit process priority procedure. The long-planned regional government reform was completed and entered into force at the beginning of 2026.

In the EU, legislative work following the 2024 elections began after the Commission published its work programme in February 2025. The Commission is concerned about the competitiveness of businesses and seeks to simplify legislation. One important area in the streamlining of legislation was sustainability, where the scope of the Corporate Sustainability Reporting Directive (CSRD) was decreased, for example. The EU reached a consensus on its 2040

climate target, which is a reduction in emissions by 90% from the level of 1990 by 2040.

In 2025, electricity consumption in Finland was 85 TWh (83 TWh in 2024). Finnish electricity production totalled 79 (80) TWh, while net imports into Finland amounted to 6 (3) TWh. Imported electricity accounted for almost 7% (4%) of Finnish electricity consumption. In 2025, electricity consumption in Finland increased by 3% year-on-year. Industrial electricity consumption increased by 2.6%, and consumption in other sectors increased slightly from last year. Price volatility in the electricity market continued.

Nord Pool Spot trade amounted to 1,037 TWh (1,036 TWh). In 2025, the annual average system price was €39.70 (€36.06) per MWh, while the annual average of the Finnish area price was €40.48 (€45.57) per MWh. The increased electric boiler capacity has curbed the number of negative prices. The price of EUA emission allowances decreased from last year, varying between €60 and €85.

Teollisuuden Voima Oyj's (TVO) third plant unit (OL3) can currently produce electricity at full capacity only if it is supported by a system protection mechanism that automatically eliminates electricity consumption or increases production in the event of an incident which suddenly interrupts production at OL3. In November 2025, the Market Court overturned a decision issued by the Energy Authority in 2024 on the basis for determining protection system fees and returned the matter to the Energy Authority for reconsideration. According to the Market Court, Fingrid's responsibility for ensuring the reliability of the electrical power system has meant in practice that Fingrid must implement an arrangement corresponding to system protection, which has been misinterpreted as an additional service requested by TVO.

## Pohjolan Voima's heat and power production

In 2025, Pohjolan Voima's total electricity supply was 16.5 (16.4) TWh. The Group's own electricity production accounted for 16.1 (16.1) TWh, of which the parent

## Electricity supply (GWh)

	2021	2022	2023	2024	2025
Nuclear power	8,186	9,336	14,361	13,559	13,584
Hydropower	2,056	1,663	1,806	1,824	1,955
CHP	1,471	1,235	870	670	552
Electricity purchases	646	671	580	331	405
Total	12,360	12,906	17,617	16,384	16,498

company's supplies to its shareholders were 15.8 (15.7) TWh. The subsidiaries supplied 0.3 (0.3) TWh to their other shareholders. Purchases from the Nordic electricity markets were 0.4 (0.3) TWh, and sales amounted to 0.3 (0.2) TWh. Heat deliveries were 2.4 (2.5) TWh.

Nuclear power made up 82.3% (82.8%) of the electricity supply. Teollisuuden Voima's Olkiluoto nuclear power plant generated 23.4 (23.3) TWh of electricity, of which Pohjolan Voima obtained 13.6 (13.6) TWh in accordance with its shareholding. The capacity factors of the Olkiluoto 1 and 2 plant units were 96.2% and 71.2% respectively (89.2% and 84.9%), and that of the OL3 plant unit was 75.5% (70.4%). The production volumes of the Olkiluoto nuclear power plant were affected by the annual outages of the units and a rotor fault in Olkiluoto 2.

Hydropower accounted for 2.0 (1.8) TWh, or 11.9% (11.1%) of the electricity supply. Hydropower production exceeded that of an average year. A total of 0.6 (0.7) TWh of electricity was produced by combined heat and power (CHP) plants. Their share of the total supply was 3.3% (4.1%).

In 2025, approximately 99.7% of the electricity and 91.4% of the heat produced by Pohjolan Voima was carbon neutral. Carbon neutral production includes hydropower, wood fuels and nuclear power.

## Key events in 2025

Pohjolan Voima's PUHTI pumped storage power plant project in the Kemijärvi area progressed. The project focused on the environmental impact assessment (EIA). In the spring, an EIA programme including a plan on how to investigate the potential impact of the

project on the environment was submitted to the local Centre for Economic Development, Transport and the Environment. In addition, the preparation of land use planning at Askanaava in Kemijärvi was started.

On 25 March 2025, Pohjolan Voima Oyj's Annual General Meeting decided that a €6.8 million reserve for invested unrestricted equity allocated to series C would be returned to the owners of share series C.

Pohjolan Voima's subsidiary Porin Prosessivoima Oy started the investment in a 60 MW electric steam boiler. The electric boiler will ensure and enhance energy production. It will also reduce the need to use fuel, thus reducing the power plant's emissions. The total investment amounts to €10.5 million. In connection with the investment, the company carried out a directed share issue of €2.1 million, which was approved by Pohjolan Voima's Annual General Meeting.

In May 2025, Pohjolan Voima Oyj acquired all the shares in share series C from the shareholders in accordance with a decision made by the Extraordinary General Meeting on 18 November 2024. The shares were acquired because the series in question no longer contains any energy production. The company's share capital decreased by €2.0 million in connection with the acquisition. The acquired shares were cancelled during the reporting period.

Final takeover of TVO's Olkiluoto 3 plant unit (OL3) took place on 19 June 2025. The final takeover of OL3 was based on the fulfilment of the terms pursuant to the Plant Contract.

On 9 December 2025, Pohjolan Voima Oyj's Extraordinary General Meeting decided to reduce the parent company's share capital by €0.3 million, to acquire and cancel shares in share series G5, and to amend

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the Articles of Association. A hearing of creditors in connection with the reduction of restricted equity was in progress at the end of the financial period and will be completed during 2026. The Extraordinary General Meeting also decided to issue binding instructions to the Board of Directors to place Laanilan Voima Oy in liquidation. In addition, the Extraordinary General Meeting decided that the decision of the Annual General Meeting of 21 March 2025 to amend the Articles of Association regarding the appointment of the assurance provider for sustainability reporting would not be implemented, and that no entry on the appointment of the assurance provider for sustainability reporting would be made in the Articles of Association.

## Result from operations and financing

Pohjolan Voima operates on an "at-cost" basis. The shareholders pay the fixed costs in accordance with their ownership share, irrespective of whether they have used their capacity or energy share, as well as variable costs according to the energy supplied. As a result of this operating principle, presenting any financial key indicators is not necessary to understand the company's business, financial status or result.

Consolidated turnover from continuing operations was €834.3 (€834.2) million. The consolidated result for the financial period was €24.5 (30.4) million. The result for the financial year was affected by the positive results of the associated companies and joint ventures.

Pohjolan Voima distributed dividends totalling €10.85 million from the proceeds accrued from the sale of Fingrid Oyj's shares in 2011 to the eligible share series A and C. The dividends were paid in April 2025.

The targets and risks of Pohjolan Voima's financing operations have been defined in a financing policy approved by the parent company's Board of Directors. The financial risks of Pohjolan Voima's business operations are related to liquidity, market and credit risks. Financial risk management is covered in Note 3 to the consolidated financial statements, Financial risk management.

The Group's liquidity is good. On 31 December 2025, cash and cash equivalents totalled €29 (€64) million, and the Group had an unused binding credit facility agreement of €350 (€350) million. The credit facility agreement will expire in June 2029. In accordance with

the terms of the credit facility agreement, the credit limit will decrease from €350 million to €291 million on 29 June 2028. For short-term funding, the Group had a domestic commercial paper programme of €300 (€300) million, of which €84 (€85) million had been used.

The Group's interest-bearing debts amounted to €1,156 million (€1,168) (excluding accrued interest). There were no liabilities involving an exchange rate risk, and the Group's loan agreements do not include any financial covenants. At the end of the year, the Group's equity ratio was 44.5% (44.5%).

## Investments

Investments of Pohjolan Voima Group, excluding financial investments and the purchase of emission allowances, totalled €18.4 (€21.6) million.

PVO-Vesivoima Oy's investments amounted to €9.1 million, with the overhaul of the second turbine at the Melo power plant and the ultracapacitor investment at the Kierikki power plant being completed. Ongoing investments included the overhaul of the first turbine in Melo and a feasibility study of a pumped storage power plant project at Kemijärvi. The most significant of Porin Prosessivoima Oy's investments was the turbine revision at €6.6 million.

## Research and development

Research and development expenditure during the financial period totalled €128 thousand (2024: €43 thousand and 2023: €115 thousand).

## Personnel

The average number of persons employed by the Group was 44 (2024: 40 and 2023: 40). The Group's salaries and fees for the financial period totalled €4.7 million (2024: €4.5 million and 2023: €4.4 million). The average age of the Group's permanent employees was 48 (47) years, and the turnover rate was 3.8% (3.9%).

The average number of employees working for the parent company was 28 (2024: 25 and 2023: 26). Salaries and fees for the financial period totalled €3.4 million (2024: €3.3 million and 2023: €3.3 million).

## Sustainability

Sustainability is an intrinsic part of Pohjolan Voima's strategy. Our strategy slogan "We create

decisive power to strengthen competitiveness and contribute to a better tomorrow" reflects our sense of responsibility. In accordance with the strategic theme "Competitive and sustainable production on market terms", the aim is to be a responsible operator and to reconcile delivery reliability, cost-effectiveness and environmental impact in production. Environmental impact is understood in broad terms as also covering climate issues and biodiversity.

Pohjolan Voima is committed to compliance with all laws and regulations applicable to its operations. The Group's operating principles include principles on human rights, labour rules and anti-corruption. Pohjolan Voima expects its partners to comply with the same principles.

Pohjolan Voima has selected four of the UN Sustainable Development Goals to promote: Affordable and Clean Energy, Decent Work and Economic Growth, Life on Land, and Partnership for the Goals. An annually updated sustainability programme to ensure compliance with the UN Sustainable Development Goals has been prepared. A sustainability programme prepared for 2024–2027 was implemented in 2025. It is based on a double materiality analysis carried out in 2023.

The main development areas in 2025 were the implementation of the measures included in the biodiversity programme, the development of sustainability reporting, the determination of new emissions reduction targets, ensuring sustainability in the value chain and developing interaction with stakeholders. 75% of the measures defined in the biodiversity programme for 2025 were realised.

Pohjolan Voima aimed to increase the share of carbon neutral electricity production to 99% and heat production to 85% by 2025. In 2025, 99.7% (99.5%) of the electricity and 91.4% (88.6%) of the heat production was carbon neutral. The increase in the carbon neutrality of electricity production in recent years is due to the commissioning of the OL3 nuclear power plant unit and the reduction of fossil fuels. The good carbon neutrality of heat production is the result of an increase in the share of wood-based fuels and a reduction in the use of peat and other fossil fuels. The annual fluctuations in the carbon neutrality of heat production have been caused by fluctuations in the

availability of fuel. During the spring of 2026, Pohjolan Voima will announce its new targets related to clean energy and climate. Pohjolan Voima investigated and concluded in 2025 that a commitment to the Science Based Targets (SBT) initiative would not be entirely applicable to Pohjolan Voima, which means that the targets will not be in line with the SBT. As a result, sustainability metrics were removed from Pohjolan Voima's financing agreements in late 2025, as they would have required setting a SBT target path from 2026 onwards.

Pohjolan Voima was previously preparing to publish reports in accordance with the Corporate Sustainability Reporting Directive starting from 2025. The adoption of the EU's Omnibus initiative on sustainability reporting means that the CSRD is not binding on Pohjolan Voima, and the sustainability report or annual report therefore do not comply with the CSRD.

For more information about Pohjolan Voima's sustainability targets and the related measures, please visit the company's website at [www.pohjolanvoima.fi](http://www.pohjolanvoima.fi).

## Reporting according to the EU taxonomy

Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment, i.e. the EU taxonomy, was published in 2020. The aim of the taxonomy is to increase sustainable investments and direct capital flows towards technologies and businesses that are considered sustainable. The Regulation defines six environmental targets. The criteria for climate change mitigation and adaptation were published in a delegated climate regulation on 4 June 2021. A supplementary delegated act on nuclear power and natural gas, related to the climate change mitigation and adaptation criteria, was adopted on 5 July 2022, and based on it, nuclear power and gas were included in the EU Taxonomy as "transitional activities" from 1 January 2023.

Pohjolan Voima is not obliged to report in accordance with the Taxonomy Regulation, but the company has provided information about the taxonomy eligibility of its business operations in the 2021 financial statements and on compliance with the taxonomy in the 2022–2024 annual reports due to the significance of the financing function. Pohjolan Voima

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will publish the 2025 taxonomy report as part of the annual report in the week starting on 16 March. With the introduction of the Omnibus Regulation, taxonomy reporting will not be mandatory for Pohjolan Voima in the future either, but the company will still submit a voluntary report for 2025.

Pohjolan Voima's identified taxonomy-eligible activities focus on the climate change mitigation target. The assessment and the results are based on the information and interpretations of the EU Regulation available at the time of reporting, covering the criteria of "substantial contribution" and "do no significant harm" for the corresponding activities. In addition, compliance with the minimum safeguards has been assessed.

## Environment

Of Pohjolan Voima's production companies, Kaukaan Voima, Kymin Voima, Porin Prosessivoima, PVO-Vesivoima, Rauman Biovoima, Alholmens Kraft and Teollisuuden Voima have ISO 14001 environmental management systems, EES+ energy efficiency management systems or ISO 50001 energy management systems in place. The systems ensure that environmental and energy efficiency targets are met and verify continuous improvement. Some of the systems are certified. In addition, all production companies signed energy efficiency agreements for the 2017–2025 period and for the new 2026–2035 period.

Water levels were regulated, and hydropower plants operated in compliance with the permit conditions. In line with its obligations, PVO-Vesivoima stocked the Iijoki and Kemijoki rivers and the adjacent sea area with around 2.9 (3.2) million fry during the reporting period.

PVO-Vesivoima is involved in several cooperation projects related to the development of waterways. The Lohi Iijokeen II (Salmon to Iijoki) project, which was launched in the autumn of 2024, is a continuation of the long history of migratory fish projects in the Iijoki river. In 2025, a continuation of the project until the end of October 2027 was sought. The project measures include the monitoring of migratory salmon fry (smolt) in the Haapakoski rapids, the testing and development of a downstream migration route, the transfer of smolt and anadromous fish, a fry transplanting programme and smolt monitoring studies in 2025

and 2026 (possibly also in 2027) from Livojoki river to Haapakoski rapids.

In December 2020, the Regional State Administrative Agency of Northern Finland granted the water management permits applied for by PVO-Vesivoima and Metsähallitus for the Raasakka power plant and fishways in the regulating dam. Stakeholders appealed the decisions to the Vaasa Administrative Court. The Administrative Court rejected the appeals on 22 January 2024, but also revoked the authorisations for preparation in accordance with the decisions of the Regional State Administrative Agency. The stakeholders requested leave to appeal the Administrative Court decisions from the Supreme Administrative Court. In its decisions of 4 October 2024, the Supreme Administrative Court did not grant leave to appeal, and the authorisation decisions of the Regional State Administrative Agency thus became final. According to the decisions, construction must be started within four years from the date on which the authorisations became legally valid, i.e. by late 2028.

Possible alternative migration solutions for the Raasakka and Isohaara areas were further explored in 2025, with separate feasibility studies commissioned from a consultant. The studies will be completed in early 2026. The hydraulic Fishheart fishway was commissioned at the Raasakka power plant in July 2023, and it will remain in use at least until the end of the 2026 season. Measures to return migratory fish to the old natural riverbed of the Iijoki river at Raasakka continued. In April 2024, the municipality of Ii, PVO-Vesivoima, and the South and North Ii fishery collectives signed an agreement on the development of the old Iijoki riverbed at Raasakka in 2024 and 2025. The agreement is an extension of the initial agreements signed in 2017 and again in 2022. In 2025, PVO-Vesivoima ran more water and arranged migratory fish monitoring at the Uiskari fishway. A modelling project of the old Raasakka riverbed also continued in 2025. It resulted in a realistic picture of the potential of the old Raasakka riverbed as a spawning area for migratory fish and a migration route to the regulating dam.

In March 2017, the Centre for Economic Development, Transport and the Environment for Lapland (the ELY Centre) filed a petition of appeal with the Regional State Administrative Agency for

Northern Finland concerning stocking and fish stock management obligations with regard to the Kemijoki river. In October 2017, the ELY Centre filed a similar petition concerning the Iijoki river. In addition to entirely new requirements, these involve additions to the current obligations. The Regional State Administrative Agency of Northern Finland issued its decision on the applications for amendments to the fish planting obligations for both rivers on 29 July 2024. The decision partly accepted and partly rejected the requests included in the application. PVO-Vesivoima and several other parties appealed the decisions to the Vaasa Administrative Court. During 2025, two written replies were submitted to the Vaasa Administrative Court regarding the replies submitted by other parties.

All the thermal power plants operated by the Group fall within the sphere of the Emissions Trading Act (Päästökauppalaki 1270/2023). Carbon dioxide emissions from combustion during the production of electricity and heat by the subsidiaries and associated companies amounted to 0.1 (0.2) million tonnes. The notes to the financial statements only report the CO<sub>2</sub> emissions of the subsidiaries, which amounted to 0.1 (0.1) million tonnes. Emissions to the air remained at or below the previous year's level. Sulphur dioxide emissions amounted to 0.2 (0.2) thousand tonnes, nitrogen oxide emissions to 1.0 (1.0) thousand tonnes and particle emissions to 0.05 (0.05) thousand tonnes.

BAT conclusions related to the reference document on best available techniques for large combustion plants (LCP BREF) were published on 17 August 2017. Power plants whose main field of activity is energy production had four years to adjust their operations to the conclusions. The transition period is longer for some industrial power plants. Some of Pohjolan Voima's power plants have already renewed their environmental permits, while others will renew them in the coming years under the transition period provisions. However, all power plants are prepared to operate in accordance with the LCP BAT. The emission limits for new environmental permits will be stricter. The revised Industrial Emissions Directive (IED), which entered into force in August 2024, will affect the next round of permit processes for the thermal power plants. The IED will also require earlier implementation of changes to the environmental systems of the power plants.

Pohjolan Voima or its subsidiaries, associated companies or joint ventures are not aware of any environmental liabilities that have not been covered. Pohjolan Voima's more detailed environmental data is published on the company's website at [www.pohjolanvoima.fi](http://www.pohjolanvoima.fi). TVO provides information about environmental matters related to nuclear power production on its website at [www.tvof.fi](http://www.tvof.fi) and in a separate corporate social responsibility report.

## Risk management

Risk management aims to ensure the realisation of the strategy and the achievement of the business goals, as well as to safeguard continuity and disturbance-free operations. Risk management is carried out in line with the Group's risk management policy. The Group applies a decentralised risk management model: each subsidiary's Board of Directors and the parent company's units are responsible for the risks related to their operations, as well as the identification and analysis of these risks. Risks that may compromise the achievement of the objectives are estimated, and measures for their management are defined. The significance of the risks is estimated as the sum of their likelihood and impact.

The consequences and probability of Group-level risks and the significance of these risks are presented in a risk matrix. The Group-level risks are reported to the parent company's Executive Team and Board of Directors in accordance with the annual management schedule.

All Pohjolan Voima companies are covered for risks of damage through measures related to maintenance, occupational health and safety, adequate training provided to the personnel and other necessary measures, as well as through insurance in line with the Group's insurance policy.

## Key risks and uncertainties

The Group's most significant risks are related to the availability of TVO's OL1 and OL2 plant units and the profit-yielding capacity of the OL3 plant unit.

A rotor installed in OL2 in April–May 2025 was the last spare rotor TVO had in stock. The risk of a rotor failure exists, but it is being reduced by limiting the power (to 735 MW) as a result of conservative analyses. The repaired spare part rotor is expected to

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arrive at Olkiluoto in early 2026, and the technically improved new rotor is expected to arrive by the 2027 annual outages. The power limitation will remain in force until the 2027 annual outage.

The availability of OL3 during its first fuel cycles is subject to uncertainties, which are managed by systematic maintenance and monitoring of the plant unit. If OL3 does not reach the intended production level or operating cost structure, if the Finnish national grid limits the capacity level or if operating the unit at full capacity is unprofitable due to the costs to TVO arising from system protection, there is a risk that the production costs will increase from the target level. This risk has been investigated using various scenarios affecting the revenue generation capacity of OL3. The risk has also been examined in terms of the adequacy of the plant supplier's remaining warranty liability, Fingrid Oyj's system protection and the related costs incurred by TVO.

TVO is implementing several risk management measures to ensure the revenue-generating capacity of OL3. Examples include studies on the length of the fuel cycle, careful planning of the annual outages considering the lessons learned from previous annual outages, the securing of spare parts affecting availability, and the utilisation of lessons learned at the Flamanville and Taishan sister plants.

## Share capital and share issues

On 31 December 2025, Pohjolan Voima's share capital was €47.7 (€49.7) million, and the total number of shares was 28,357,287 (30,581,785).

In November 2020, Pohjolan Voima took out a total of €90 million of the shareholder loan commitments that it had received from its shareholders in 2018. The shareholder loans received from shareholders are accompanied by rights of option issued by the company, which entitle the conversion of the shareholder loan receivable into B2 series shares. The granted rights of option entitle the conversion of a maximum of 1,613,347 new B2 shares. The subscription period for the rights of option began on 1 January 2021. No rights of option were exercised during the financial period. In December 2020, Pohjolan Voima received shareholder loan commitments totalling

€238 million, which expired unused on 31 December 2023. In connection with the shareholder loan commitments, rights of option were also issued. The share subscription period of the remaining rights (1A/2020) began on 1 January 2023, and they give entitlement to up to 3,599,472 pieces of new B2 series shares. The subscription period for rights of option 1A/2020 will expire on 1 June 2026. No rights of option were exercised during the financial period.

No share issues were realised during the financial period.

## Related party transactions

Transactions with related party companies are described in more detail in Notes 20 and 33 to the consolidated financial statements and the collateral provided in Note 30.

## Management

The following were elected as ordinary members of the Board of Directors by the Annual General Meeting of 25 March 2025: Tapio Korpeinen, Executive Vice President (UPM-Kymmene Corporation); Kaarlo Höysniemi, Group Treasurer (Stora Enso Oyj); Jukka Hakkilä, Group General Counsel (Kemira Oyj); Anders Renvall, Managing Director (Kymmenvoima Oy); Maija Ruska, VP (UPM Energy Ltd); Esa Kaikkonen, CEO (Metsä Board Corporation); Rami Vuola, President and CEO (EPV Energia Oy); Roger Holm, CEO (Herrfors Group); and Jussi Lehto, CEO (Keravan Energia Oy). Esa Kaikkonen resigned from the Board effective 9 December 2025, and was replaced by Wilhelm Wolff, EVP, Strategy and Investment (Metsä Group), by the Extraordinary General Meeting of 9 December 2025.

At its inaugural meeting, the Board elected Tapio Korpeinen as the chair and Kaarlo Höysniemi as the vice chair. The Board also elected committee members from among its members. The Board of Directors convened 11 (12) times in 2025. The company's President and CEO was Ilkka Tykkyläinen, MSc (Eng.), eMBA.

## Major legal actions pending

The Group had no pending legal actions at the end of the financial period.

## Events after the end of the financial period

There have been no material subsequent events.

## Outlook

During the current financial year, the production of electricity and heat is expected to continue normally, taking the limitation of OL2's power to 735 MW until the 2027 annual outage into account.

## Proposal of the Board of Directors regarding the distribution of profit

On 31 December 2025, the parent company's distributable funds totalled €294,840,869.81, of which the net profit for the financial period amounted to €87,344.16. The Board of Directors proposes to the Annual General Meeting that the profit for the financial period be transferred to the retained earnings account, and that no dividend be distributed.

## Pohjolan Voima Oyj's shareholders

Shareholder	Shareholding, % 31.12.2025	Shareholding, % 31.12.2024
EPV Energy Ltd	4.304	5.031
Helen Ltd	0.588	0.546
Ilmarinen Mutual Pension Insurance Company	-	1.312
Kemira Oyj (incl. Neliapila pension fund)	5.762	5.343
Kokkolan Voima Oy	1.456	1.533
Kymmenvoima Oy	2.861	5.023
Metsä Group (Metsäliitto Cooperative, Metsä Fibre, Metsä Board Corporation)	3.289	3.049
Myllykoski Corporation *	0.597	0.553
Oulu Energy Ltd	0.274	0.805
Outokumpu Corporation	0.110	0.102
Oy Perhönjoki Ab **	1.958	2.089
City of Pori	1.042	1.291
Rautaruukki Corporation	0.103	0.096
Stora Enso Oyj	16.543	16.135
Finnish Power Ltd	1.650	1.465
UPM Energy Ltd *	53.701	49.819
UPM Communication Papers Ltd *	3.963	3.675
Vantaa Energy Ltd	0.218	0.202
Yara Suomi Oy (incl. pension fund)	1.581	1.932

\* The company is part of the UPM-Kymmene Group.

\*\* name change on 1 January 2026, Katternö Kraft Oy Ab

## Key figures (IFRS)

IFRS	2025	2024	2023	2022	2021
Turnover, € million	834	834	840	610	471
Operating result, € million	49	53	86	-16	-20
Net interest-bearing liabilities, € million	766	748	578	586	600
As percentage of turnover, %	92	90	69	96	127
Equity ratio, %	45	44	45	44	41
Total assets, € million	2,249	2,266	2,318	2,242	2,174
Investments, € million	18	22	8	7	7
Average number of personnel	44	40	40	42	54

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# Consolidated financial statements (IFRS)

## Consolidated statement of comprehensive income

1,000 €	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
<b>Continuing operations</b>			
<b>Sales</b>	6	<b>834,252</b>	<b>834,203</b>
Other operating income	7	1,614	1,007
Materials and services	8	-721,827	-716,018
Personnel expenses	9	-5,955	-5,551
Depreciation, amortisation and impairment	10	-32,884	-31,514
Other operating expenses	11, 12	-50,819	-51,103
Share of (loss)/profit of associates and joint ventures <sup>1)</sup>	18	24,498	21,562
<b>Operating profit or loss <sup>1)</sup></b>		<b>48,879</b>	<b>52,586</b>
Finance income	13	21,695	36,028
Finance costs	13	-46,092	-56,782
<b>Finance costs - net</b>		<b>-24,397</b>	<b>-20,754</b>
<b>Profit before income tax <sup>1)</sup></b>		<b>24,482</b>	<b>31,832</b>
Income tax expense	14	18	-2,189
<b>Profit for the year from continuing operations <sup>1)</sup></b>		<b>24,500</b>	<b>29,643</b>
<b>Discontinued operations</b>			
<b>Profit/loss from discontinued operations</b>	<b>23</b>	<b>15</b>	<b>736</b>
<b>Profit for the year <sup>1)</sup></b>		<b>24,515</b>	<b>30,379</b>

1,000 €	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
<b>Other comprehensive income:</b>			
Items, that may be reclassified later to profit or loss			
Share of other comprehensive income of associates			
Changes in the fair value of available-for-sale financial assets	18	852	0
Cash flow hedging	18	-18,741	-6,877
Cost of hedging of interest rate on foreign exchange forwards <sup>1)</sup>	18	8,488	157
Other comprehensive income for the year <sup>1)</sup>		-9,401	-6,720
<b>Total comprehensive income for the year</b>		<b>15,114</b>	<b>23,659</b>
<b>Profit attributable to:</b>			
Owners of the parent <sup>1)</sup>		25,224	30,699
Non-controlling interest		-709	-320
		<b>24,515</b>	<b>30,379</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent		15,823	23,979
Non-controlling interest		-709	-320
		<b>15,114</b>	<b>23,659</b>

<sup>1)</sup> The joint venture Teollisuuden Voima Oyj has changed the accounting method of foreign exchange forwards as of 1 January 2025 and the comparison data is presented with the new accounting method, according to which, the interest rate on foreign exchange forwards is recorded at fair value on the balance sheet and in the equity.

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**Consolidated balance sheet**

1,000 €	Note	31 Dec 2025	31 Dec 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	15	282,979	283,638
Property, plant and equipment	16,17	299,862	315,625
Deferred tax assets	14	331	156
Investments in associated companies and joint ventures	18	1,062,889	1,047,792
Other financial assets	19	680	680
Loans and other receivables	20	386,011	411,258
<b>Non-current assets total</b>		<b>2,032,752</b>	<b>2,059,149</b>
<b>Current assets</b>			
Inventories	22	16,462	20,305
Trade and other receivables	20	170,760	122,961
Cash and cash equivalents	21	29,180	63,619
<b>Current assets total</b>		<b>216,402</b>	<b>206,885</b>
<b>Total assets</b>		<b>2,249,154</b>	<b>2,266,034</b>

1,000 €	Note	31 Dec 2025	31 Dec 2024
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	24	47,694	49,676
Share premium		191,592	191,592
Reserve for invested non-restricted equity		294,725	301,520
Revaluation reserve <sup>1)</sup>		-4,039	5,362
Subordinated shareholders loans (hybrid equity)		90,347	90,347
Retained earnings <sup>1)</sup>		342,243	331,253
<b>Total</b>		<b>962,562</b>	<b>969,750</b>
<b>Non-controlling interests</b>		<b>39,012</b>	<b>37,621</b>
<b>Total equity</b>		<b>1,001,574</b>	<b>1,007,371</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions	25	3,416	4,092
Borrowings	26	975,474	1,065,804
Other non-current liabilities	26	1,229	2,309
<b>Non-current liabilities total</b>		<b>980,119</b>	<b>1,072,205</b>
<b>Current liabilities</b>			
Borrowings	26	198,344	124,849
Trade and other payables	27	69,117	61,609
<b>Current liabilities total</b>		<b>267,461</b>	<b>186,458</b>
<b>Total liabilities</b>		<b>1,247,580</b>	<b>1,258,663</b>
<b>Total equity and liabilities</b>		<b>2,249,154</b>	<b>2,266,034</b>

<sup>1)</sup> The joint venture Teollisuuden Voima Oyj has changed the accounting method of foreign exchange forwards as of 1 January 2025 and the comparison data is presented with the new accounting method, according to which, the interest rate on foreign exchange forwards is recorded at fair value on the balance sheet and in the equity.

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**Consolidated statement of cash flows**

1,000 €	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
<b>Cash flows from operating activities</b>			
Profit for the year <sup>1)</sup>		24,515	30,379
Adjustments to the profit for the year <sup>1)</sup>	5	31,979	32,821
Change in net working capital	5	-33,031	29,905
Interest paid and other financial expenses		-50,120	-46,053
Interest received		20,544	38,869
Income tax paid		-72	-416
<b>Net cash generated from operating activities</b>		<b>-6,185</b>	<b>85,505</b>
<b>Cash flows from investing activities</b>			
Purchases of intangible assets and property, plant and equipment (PPE)	15, 16	-15,951	-21,294
Proceeds from sales of intangible assets and PPE	15, 16, 26	1,485	10,516
Proceeds from the dissolved subsidiary	24	877	0
Loan repayments	20, 26	21,000	11,000
Proceeds from disposal of other financial assets		0	15
<b>Net cash used in investing activities</b>		<b>7,411</b>	<b>237</b>

1,000 €	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
<b>Cash flows from financing activities</b>			
Acquisition and annulment of own shares	24	-1,983	-17,559
Equity refunds paid	24	-6,795	-14,256
Interest paid of subordinated shareholders loans (hybrid equity)	24	-3,118	-4,521
Proceeds from borrowings	26	12,000	299,904
Repayments of borrowings	26	-14,200	-277,000
Lease repayments	26	-10,319	-9,624
Proceeds of current liabilities	26	220,393	211,722
Repayments of current liabilities	26	-220,794	-259,848
Dividends paid	24	-10,850	-21,050
<b>Net cash used in financing activities</b>		<b>-35,666</b>	<b>-92,232</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>-34,439</b>	<b>-6,490</b>
<b>Cash and cash equivalents at the beginning of year</b>		<b>63,619</b>	<b>70,109</b>
Change in cash and cash equivalents		-34,439	-6,490
<b>Cash and cash equivalents at the end of year</b>	<b>21</b>	<b>29,180</b>	<b>63,619</b>

Cash flow from discontinued operations is disclosed in Note 23.

<sup>1)</sup> The joint venture Teollisuuden Voima Oyj has changed the accounting method of foreign exchange forwards as of 1 January 2025 and the comparison data is presented with the new accounting method, according to which, the interest rate on foreign exchange forwards is recorded at fair value on the balance sheet and in the equity.

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Consolidated statement of changes in equity

1,000 €	Note	Share capital	Share premium	Revaluation reserve	Reserve for invested non-restricted equity	Subordinated shareholders loans (hybrid equity)	Retained earnings	Equity attributable to owners of the parent	Equity attributable to non-controlling interest	Total equity
<b>Balance at 1 Jan 2024</b>		54,962	203,865	11,797	311,176	90,347	326,726	998,873	42,541	1,041,414
Restatement (TVO) <sup>1)</sup>				285			-285	0		0
<b>Restated balance at 1 Jan 2024 <sup>1)</sup></b>		54,962	203,865	12,082	311,176	90,347	326,441	998,873	42,541	1,041,414
<b>Comprehensive income</b>										
Profit or loss <sup>1)</sup>							30,699	30,699	-320	30,379
Other comprehensive income:										
Cash flow hedges				-6,877				-6,877		-6,877
Cost of hedging of interest rate on foreign exchange forwards <sup>1)</sup>				157				157		157
<b>Total other comprehensive income for the year <sup>1)</sup></b>		0	0	-6,720	0	0	0	-6,720	0	-6,720
<b>Total comprehensive income for the year <sup>1)</sup></b>		0	0	-6,720	0	0	30,699	23,979	-320	23,659
Interest paid of subordinated shareholders loans (hybrid equity)	24						-4,837	-4,837		-4,837
Dividend distribution	24						-21,050	-21,050		-21,050
Refund of equity	24					-9,656		-9,656	-4,600	-14,256
Acquisition and annulment of own shares	24	-5,286	-12,273					-17,559		-17,559
<b>Transactions with owners total</b>		-5,286	-12,273	0	-9,656	0	-25,887	-53,102	-4,600	-57,702
<b>Restated balance at 31 Dec 2024 <sup>1)</sup></b>		49,676	191,592	5,362	301,520	90,347	331,253	969,750	37,621	1,007,371

  

1,000 €	Note	Share capital	Share premium	Revaluation reserve	Reserve for invested non-restricted equity	Subordinated shareholders loans (hybrid equity)	Retained earnings	Equity attributable to owners of the parent	Equity attributable to non-controlling interest	Total equity
<b>Balance at 1 Jan 2025</b>		49,676	191,592	4,920	301,520	90,347	331,695	969,750	37,621	1,007,371
Restatement (TVO) <sup>1)</sup>				442			-442	0		0
<b>Restated balance at 1 Jan 2025 <sup>1)</sup></b>		49,676	191,592	5,362	301,520	90,347	331,253	969,750	37,621	1,007,371
<b>Comprehensive income</b>										
Profit or loss							25,224	25,224	-709	24,515
Other comprehensive income:										
Changes in the fair value of available-for-sale financial assets				852				852		852
Cash flow hedges				-18,741				-18,741		-18,741
Cost of hedging of interest rate on foreign exchange forwards				8,488				8,488		8,488
<b>Total other comprehensive income for the year</b>		0	0	-9,401	0	0	0	-9,401	0	-9,401
<b>Total comprehensive income for the year</b>		0	0	-9,401	0	0	25,224	15,823	-709	15,114
Interest paid of subordinated shareholders loans (hybrid equity)	24						-3,384	-3,384		-3,384
Dividend distribution	24						-10,850	-10,850		-10,850
Refund of equity	24					-6,795		-6,795		-6,795
Acquisition and annulment of own shares	24	-1,982						-1,982		-1,982
Increase in non-controlling interest	32							0	2,100	2,100
<b>Transactions with owners total</b>		-1,982	0	0	-6,795	0	-14,234	-23,011	2,100	-20,911
<b>Balance at 31 Dec 2025</b>		47,694	191,592	-4,039	294,725	90,347	342,243	962,562	39,012	1,001,574

<sup>1)</sup> The joint venture Teollisuuden Voima Oyj has changed the accounting method of foreign exchange forwards as of 1 January 2025 and the comparison data is presented with the new accounting method, according to which, the interest rate on foreign exchange forwards is recorded at fair value on the balance sheet and in the equity.

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# Notes to the consolidated financial statements

## 1 Notes to the financial statements

### General information

Pohjolan Voima Oyj (PVO) is a Finnish public limited liability company with domicile in Helsinki, Finland. Pohjolan Voima Oyj and its subsidiaries form together the Pohjolan Voima Group.

Pohjolan Voima Group is a privately owned energy group. The production capacity of the Group consists of 18 power plants in 14 different locations. Energy is generated by hydropower, nuclear power and thermal power.

Copies of the consolidated financial statements can be obtained from [www.pohjolanvoima.fi](http://www.pohjolanvoima.fi) or from PVO's head offices, Mikonkatu 7, 00100 Helsinki, Finland.

These consolidated financial statements were approved for issue by PVO's Board of Directors on 27 February 2026, however, according to Finnish Limited Liability Companies Act, the shareholders can edit or reject these financial statements at the Annual General Meeting.

### Basis of preparation

The consolidated financial statements of Pohjola Voima Group have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards), as adopted by the European Union. The IAS and IFRS Accounting Standards, as well as and IFRIC and SIC Interpretations valid as at 31 December 2025, have been used in preparation of the financial statements. The consolidated financial statements also comply with the Finnish Accounting Act and Limited Liability Companies Act.

All amounts in the consolidated financial statements are presented in thousands of Euros.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting principles. The areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in section "Critical judgements in applying the entity's accounting policies, and critical estimations and assumptions".

### Cost-price principle

According to the Articles of Association of Pohjolan Voima, the Group supplies electricity and heat at cost price to the shareholders, which means that it delivers the electricity it has produced or procured to its shareholders in proportion to their shareholdings in each series. The operating model of PVO is also called the "Mankala principle".

Each of the shareholders of each series bears their share of the variable and fixed annual costs, as specified in the company's legal documents. Parent company administrative costs are covered by a fixed yearly fee, as defined by the company's legal documents.

In accordance with Pohjolan Voima's Articles of Association, each shareholder's share of the liability for the annual costs will always be limited to the amount corresponding to the proportion of its shareholding to all shares belonging to the same series, and another shareholder's failure will not increase the shareholder's liability based on shareholding. The shareholders are liable for costs specified in the Articles of Association paragraph 4.

## Consolidation

### Subsidiaries

The consolidated financial statements include Pohjolan Voima Oyj and all its subsidiaries. Subsidiaries are those entities over which the Group has control. The Group has control over an entity if it has power over the entity; it is exposed or has rights to variable returns from its involvement with the entity and has the ability to use its power to affect the amount of its returns from the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with the policies adopted by the Group.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired, is recorded as goodwill. If this is less than the fair value of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances, distributions of profit, and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless they relate to an impairment.

### Associated companies and joint arrangements

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Joint arrangements are either joint operations or joint ventures. A joint venture is a contractual joint arrangement whereby the Group, together with one or more parties, has undertaken an economic activity that is subject to joint control and whereby The Group, with other parties, has rights to the net assets of the joint arrangement. All joint arrangements in the Group are joint ventures.

Investments in associates and joint ventures are accounted for using the equity method of accounting and are initially recognised at cost. The Group's share of its associates' and joint ventures' post-acquisition profits or losses is recognised in the statement of comprehensive income, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. The Group's investment in associates and joint ventures includes goodwill identified at acquisition, net of any accumulated impairment losses. When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture. Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the

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Group's interest in the associates or joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

### Non-controlling interests

The profit or loss for the period attributable to owners of the parent and non-controlling interest is disclosed in the statement of comprehensive income. Non-controlling interests are identified separately from the equity of the owners of the parent company in the statement of changes in equity.

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid, and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income, in respect of that entity, are accounted for as if the Group had directly disposed of the related assets or liabilities. This means that any amounts previously recognised in other comprehensive income are recognised as part of the gain or loss on sale.

### Foreign currency translation

The functional and presentation currency of the parent company and all of the subsidiaries, associates, and joint ventures is the euro. The consolidated financial statements are presented in euros.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated at the closing rate at the date of that balance sheet. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses relating to operations are included on the relevant line items above operating income. Foreign exchange gains and losses that relate to borrowings, and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or cost'. Translation differences on non-monetary financial assets and liabilities held at cost are translated using the exchange rates prevailing at the dates of the transactions. There are no non-monetary financial assets or liabilities held at fair value denominated in foreign currencies.

### Revenue recognition

The Group's energy operations are based on cost price. Revenues are based on the consideration received for delivered energy or provided services. All revenues are presented net of value-added taxes. Revenues are recognised, as follows:

### Energy revenues and other revenues

Revenue on sales of energy is divided into variable and fixed charge. Revenue on sales of energy concerning variable charge is recognised at the time of delivery. Revenue is recognised based on the delivered quantities. Both the variable and fixed charge is invoiced and recognised in turnover monthly, and are paid retrospectively on the 24th of next month. Service revenue mainly consists of administration service revenues. Revenue for

services is recognised in the financial period when services have been rendered, and when the control of the service transfers to a customer.

### Other income

Revenue from activities outside the normal operations is reported in Other income. This includes recurring items such as rental income and non-recurring items such as gains on sale of property, plant and equipment. Rental income is recognised on a straight-line basis over the period of the lease agreement. The gain on sale of property, plant and equipment is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

### Research and development costs

Research and development costs are expensed as incurred and included in other operating expenses, except when the development costs are expected to generate probable future economic benefits. In this case the costs are recorded as intangible assets and amortised over their useful lives. There are no development costs currently in the consolidated financial statements that fulfil the criteria for recognition as an intangible asset.

### Interest income and dividends

Interest income is recognised using the effective interest method. Dividends are recorded when the right to receive payment is established.

### Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, unless they are directly attributable to construction of a power plant, in which case they are capitalised as a part of the cost of the asset.

### Income taxes

Pohjolan Voima delivers electricity and heating to its shareholders at cost price. The shareholders are delivered a proportionate share of the energy generated or procured by Pohjolan Voima, according to their proportionate ownership in the various series of shares. Based on the cost-based pricing the Group does not principally pay any taxes on its energy related operations, therefore the Group does not generally recognise any deferred tax assets or liabilities on these operations. Deferred tax may arise in energy related operations if the invoicing of the costs incurred does not match with the period when the costs are incurred. Income taxes and deferred taxes are recognised, on the other hand, on the services provided by the Group.

The tax expense for the period comprises current tax, relating to the current period and any adjustments made to taxes for the previous financial period, and deferred taxes. The current income tax charge is calculated on the basis of the tax laws enacted. The taxes for the current period are adjusted if necessary by the taxes related to the previous period.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill or from the undistributed profits of the subsidiaries if it is not probable that the temporary difference will reverse in the foreseeable future. The most significant temporary differences for the Group arise from the depreciation of property, plant and equipment, losses carried forward and the fair valuation of assets at acquisition.

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Deferred income tax is determined using tax rates that have been enacted by the balance sheet date. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised.

### Intangible assets

Intangible assets are carried at historical cost, less government grants received, accumulated amortisation, and impairment. Historical cost includes all costs directly attributable to the acquisition of the intangible asset. Intangible assets with a finite useful life are amortised using the straight-line method over the following estimated useful lives:

Computer software	3–10 years
Other intangible assets	5–10 years

No amortisation is recorded for goodwill and other intangible assets with infinite useful lives, instead these assets are tested annually for impairment. Intangible assets having infinite useful lives are water rights that have an infinite useful life based on the Water Act, and certain utilisation rights for transmission roads and land based on the Act on the Redemption of Immoveable Property and Special Rights.

### Emission allowances

Carbon dioxide (CO<sub>2</sub>) emission allowances are included in the intangible assets. Emission allowances are recognised at cost, whether received free of charge or acquired from a third party. Emission allowances received free of charge are, in other words, recorded at zero. A short-term liability is recognised to cover the obligation to return emission allowances. To the extent that the Group already holds allowances to meet the obligation, the liability is measured at the carrying amount of those allowances. Any shortfall of allowances held over the obligation is valued at the current market value of allowances. Emission allowances and the related liability are derecognised when they are returned to cover the obligation or when they are sold. Emission allowances are not amortised. The cost of the provision is recognised in the statement of comprehensive income within materials and services. Gains from sales of emission rights are presented in Other income.

### Property, plant and equipment

Property, plant and equipment are stated at historical cost, less government grants received, less accumulated depreciation, and any accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Borrowing costs directly attributable to the acquisition or construction of assets that necessarily take a substantial amount of time to get ready for their intended use are capitalised as part of the cost of the related asset. Additionally, the cost of an item of property, plant and equipment includes the discounted estimated cost of its dismantlement, removal, or restoration.

Land and water areas are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives. The costs for dismantling a power plant are depreciated over the estimated useful life of the specific power plant.

Depreciation is calculated using the straight-line method based on the estimated useful lives, as follows:

Hydropower plant buildings, structures and machinery	40–80 years
Co-generation (electricity and heating) power plant buildings, structures and machinery	4–35 years
Transmission network	10–45 years
Other buildings and structures	10–25 years
Other machinery and equipment	3–20 years
Other tangible assets	3–40 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, to reflect the changes in estimated future economic benefits associated with the assets.

If the asset consists of different components, which have different estimated useful lives, each component is recognised as a separate asset. Replaced components are capitalised, and any possible remaining carrying value of the replaced component is derecognised. In other cases, subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the item can be measured reliably.

Annual repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. Power plant modernisation and improvements are recognised in the asset's carrying amount or recognised as a separate asset, as appropriate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other operating income or other operating expenses in the statement of comprehensive income.

Depreciation on assets classified as held for sale, according to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations," is ceased.

### Government Grants

Grants from the government are recognised at their fair value, where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions. Government grants relating to the purchase of property, plant and equipment are deducted from the acquisition cost of the asset and are recognised as income by reducing the depreciation charge of the asset they relate to. Government grants relating to costs are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate. These grants are presented in other operating income.

### Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of inventory comprises raw materials and other direct costs. Inventories are always stated at cost, as the energy generation operations are conducted based on cost price, and therefore, the cost of inventory is always equal to its net realisable value.

### Leases

#### Leases-Group as lessee

The Group leases various offices, warehouses, retail stores, equipment, and vehicles. Rental contracts are typically made for fixed periods of less than 12 months to 50 years. Leases are recognised as a right-of-use

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asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Further, some agreements include asset retirement obligation, which is recorded in property, plant and equipment as well as in provisions.

Lease liabilities are measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate, which is a rate the lessee would pay by borrowing the corresponding balance for equal period and with equal collaterals. Right-of-use assets are measured an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. The Group allocates the consideration in the contract to each lease component and will separate non-lease components if these are identifiable.

Right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability, adjusted mainly for lease payments made at or before the commencement date. The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the lease term or the end of the useful life of the right-of-use asset.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The lease term applied corresponds to the non-cancellable period, except in cases where the Group is reasonably certain to exercise renewal option of prolonging the contract. The lease liabilities are measured at amortised cost.

The Group has decided to use the exemption not to apply the new guidance to leases with a terms less than twelve months or to leases for which the underlying asset value is of low value. Asset retirement obligations included in the leasing agreements have been considered in the implementation.

Payments associated with short-term leases of equipment and vehicles, and all leases of low-value assets, are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

### Impairment of non-financial assets

The individual assets' carrying values are reviewed at each closing date to determine whether there is any indication of impairment. If there is an indication of impairment, the asset is tested for impairment. Goodwill, assets that have an indefinite useful life, and intangible assets in progress are not subject to amortisation and are tested annually for impairment, regardless of whether there is an indication of impairment or not. Impairment for assets, excluding goodwill, is assessed at the cash-generating unit (CGU) level, which is the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or Groups of assets. Goodwill is tested for impairment at the level at which it is monitored by management, which may be an individual CGU or Groups of CGUs, but is not tested at a level higher than an operating segment.

An asset's recoverable amount is the higher of a cash-generating unit's fair value, less costs to sell, and its value in use. Value in use is the estimated discounted future cash flows expected to be provided by the asset or Group of assets. The discount rates used are pre-tax and reflect current market assessments of the time value of money and specific risks relating to the relevant asset or Group of assets.

Where the carrying value of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment is recognised immediately in the statement of comprehensive income. Impairment arising from a goodwill impairment test is allocated first to goodwill, and any excess thereafter rateably over the other assets in the CGU. Assets other than goodwill that suffered an impairment charge are reviewed for possible reversal of the impairment if the estimates used in the calculation of the recoverable amount have changed. A reversal of an impairment loss shall not exceed the carrying amount (net of amortisation or depreciation) that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment losses on goodwill are never reversed.

### Financial assets and financial liabilities

Purchases and sales of financial assets and liabilities are recognised on the trade-date at fair value. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred, and the Group has transferred substantially all risks and rewards of ownership.

The Group classifies its financial assets in the following categories according to IFRS 9: assets measured at fair value through profit or loss, at fair value through other comprehensive income, and at amortised cost. The classification is determined at initial recognition based on the objective of the Group's business model. The Group does not currently have any financial assets measured at fair value through other comprehensive income.

### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading or initially designated in this category. Derivatives are categorised as held for trading unless they are designated as hedges. All derivatives held by the Group are classified as financial assets at fair value through profit or loss, as hedge accounting is not applied by the Group. Derivatives in this category are classified as current assets, if expected to be settled within 12 months; otherwise, they are classified as non-current. When the derivatives have a negative value, they are classified as financial liabilities held for trading. Liabilities in this category are classified as current liabilities, if expected to be settled within 12 months; otherwise, they are classified as non-current. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income in the period in which they arise.

### Amortised cost

Amortised cost included non-current loan and other receivable, as well as current trade and other receivables. Loans and receivables are subsequently carried at amortised cost using the effective interest method and included in current assets and non-current assets; in the latter for maturities greater than 12 months after the end of the reporting period. Trade receivables are recorded at cost, which corresponds to their fair value. Loans granted, which have a maturity date, are measured at amortised cost using the effective interest method.

### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term, highly liquid investments with original maturities of three months or less.

### Impairment of financial assets

According to the impairment model, the impairment of financial assets must be determined using a model based on expected credit losses. From the Group's perspective, the impairment model applies to trade receivables and the earlier recognition of their credit losses.

According to the IFRS 9 standard, the Group applies a simplified provision matrix to recognise the credit risks in trade receivables, on the basis of which a deductible item is recognised for all trade receivables based on the expected credit losses over the entire period of validity. The Group's annual credit losses have been very minor and the expected credit losses, according to the model, do not have a significant impact. Regarding financial instruments measured at amortised cost, the Group performs active monitoring and recognises impairment in profit or loss in accordance with the criteria.

The Group estimates on each closing date whether objective evidence exists of the impairment of an individual financial asset or a group thereof. If the fair value of the financial assets has fallen substantially below their acquisition cost on the closing date, this is considered as evidence of impairment of the financial assets. Evidence of impairment may include, for example, the counterparty's substantial financial difficulties, failure to

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pay interest or instalments, probability of bankruptcy or other financial recognition, or observable information indicating determinable reduction of the estimated deferred cash flows, such as changes in the delay of payments and the counterparty's deteriorated financial situation correlating with the failure to pay.

The Group has shareholder loan receivables from Teollisuuden Voima Oyj, a joint venture of the Group. The management has assessed the impairment risk regarding the loans on the basis of the possible financial difficulties or outstanding interest payments from the counterparty and considered that such does not exist. On the basis of these findings the management considers that no impairment risk exists.

### **Financial liabilities**

Financial liabilities are classified into the following categories in accordance with the IFRS 9 standard: liabilities measured at fair value through profit or loss, at fair value through other comprehensive income and as at amortised cost.

Financial liabilities are recognised initially at fair value, net of transaction costs incurred. Financial liabilities are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some of or all the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some of or all the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Derivative instruments are recognised as financial liabilities at fair value through profit or loss. These are recognised similarly as financial assets at fair value through profit or loss. They are included in non-current liabilities unless the liability is settled within 12 months of the end of the reporting period.

### **Derivative instruments**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is hedge accounted as determined in IFRS 9. The Group has not applied for hedge accounting and has recognised the gains and losses resulted from fair value measurement through the income statement in finance income or cost.

Other companies in the Group have derivative instruments that do not fulfil the hedge accounting criteria according to IFRS Accounting Standards. Examples of these instruments are interest rate swap agreements, which have been used to exchange floating rate borrowings into fixed rate borrowings. Derivatives are recorded at fair value in the assets or liabilities. Changes in the fair values of foreign currency forwards and interest rate derivative instruments are recorded through profit and loss within finance income and costs. Derivatives are classified as current or non-current assets or liabilities depending on their maturity date.

### **Employee benefits**

Pension arrangements are classified as defined benefit plans or defined contribution plans. Defined benefit plans are plans that are not defined contribution plans. The Group does not have any defined benefit plans. Pensions for the personnel in the Group have been arranged through an external pension insurance company. The Finnish (TyEL) pension system as well as the voluntary pension insurances are recognised as defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current

and prior periods. Payments made to the defined contribution plans are recognised as expenses in the period in which they were incurred.

### **Provisions and contingent liabilities**

Provisions for environmental restoration, asset retirement obligations, and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision, due to passage of time, is recognised as interest expense. Where some or all the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received. Provisions are not recognised for operating costs.

A contingent liability is disclosed when there is a possible obligation that arises from external events and whose existence is only confirmed by one or more doubtful future events, or when there is an obligation that is not recognised as a liability or provision because it is not probable that an outflow of resources will be required or the amount of the obligation cannot be reliably estimated. Contingent liabilities are disclosed in the notes to the financial statements.

### **Environmental provisions**

Environmental provisions are recognised, based on current interpretation of environmental laws and regulations, when it is probable that a present obligation has arisen, and the amount of such liability can be reliably estimated. Environmental expenditures resulting from the remediation of an existing condition caused by past operations, and which do contribute to current or future revenues, are expensed as incurred.

### **Accrued expenses related to the handling of ashes**

Group companies may have, in temporary storage, ashes generated from the power plant operations, which are subject to waste tax. These ashes may have an alternative utilisation, an alternative utilisation is being sought, or there is no alternative utilisation, which will result in the ashes being transported to a waste disposal site. Financial statements include an accrued expense representing the best estimate for the costs of the handling of the ashes held in temporary storage at the end of the reporting period.

### **Asset retirement obligations**

An asset retirement obligation is recognised either when there is a contractual or a legal obligation and the obligation amount and timing can be reliably estimated. The asset retirement obligation is recognised as part of the cost of an item of property and plant when the asset is put in service or when contamination occurs. The costs are depreciated over the remainder of the asset's useful life.

### **Share Capital**

Pohjolan Voima has 9 different series of shares. Each series of shares entitle their owner to the energy generated by a specific subsidiary, associate, or joint venture. Each shareholder is entitled to the proportionate share of the energy according to their proportionate ownership of a specific series of shares.

Proceeds received at the inception of the Company and subsequent issue of share capital have been recorded in the share capital, share premium account and after 1 September 2006 also in the reserve for invested non-restricted equity.

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### Subordinated shareholder loans (hybrid equity)

Subordinated shareholder loans (hybrid equity) are treated as equity. Subordinated shareholder loans (hybrid equity) are initially recognised at fair value, including related transaction costs. There is no maturity date for the subordinated shareholder loans (hybrid equity), but the borrower is entitled to repay the loan in one or several installments. The Board of Directors of the borrower has the right to decide not to pay interest during any current interest period. Unpaid interest does not accumulate to the following interest periods.

The interest of the subordinated shareholder loans (hybrid equity) is recognised in liabilities when the obligation to pay interest is incurred. Interest expenses are recognised in the retained earnings and are not recognised in profit or loss.

### Option rights

In connection with the subordinated shareholder loans raised in November 2020, option rights have been also issued, which entitle to convert the shareholder loan receivable into series B2 shares. The option rights issued entitle to a maximum of 1,613,347 new B2 shares. The subscription price of a new B2 share is €56 and the subscription price can only be paid by setting of the total principal of the shareholder loan receivable that the shareholder has from the Company against the total subscription price of all new B2 shares. The share subscription period started on 1 January 2021 and will last until the repayment of the subordinated shareholder loans. Subscription can be made once a year.

Pohjolan Voima received subordinated shareholder loan commitments totalling €238 million in December 2020, which lapsed according to the commitment, at the end of the financial year terms. In connection with the shareholder loan commitments option rights were also subscribed, out of which the subscription period of the option rights 1A/2020 started on 1 January 2023 and the options entitle to a maximum of 3,599,475 new B2 shares with the subscription price of €0.01. The subscription period will last to 1 June 2026.

According to IAS 32 the Company has not recorded any entries in the equity as no subscriptions to shares have been made.

### Earnings per share

Earnings per share are not presented as the Group operates at cost price. The ordinary shares of Pohjolan Voima Oyj are not traded in a public market.

### Assets held for sale and discontinued operations

Assets are classified as assets held for sale and stated at the lower of, carrying amount and fair value less costs to sell, if their carrying amount is recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. Assets are not depreciated.

A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale and:

1. Represents either a separate major line of business or a geographical area of operations
2. Is a part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or
3. Is a subsidiary acquired exclusively with a view to resale, and the disposal involves loss of control.

Profit from discontinued operations is presented as a single amount on the face of the statement of comprehensive income. Assets held for sale, disposal groups, any cumulative income or expense recognised in other comprehensive income relating to a non-current asset classified as held for sale, as well liabilities relating to disposal groups, are presented separately in the face of the consolidated balance sheet.

### Segment reporting

The Group has four reportable segments: hydropower, thermal power, nuclear power, and other operations. The chief operation decision maker is the Board of Directors.

### Accounting principles relating to the joint venture Teollisuuden Voima Oyj

Teollisuuden Voima Oyj (TVO), a joint venture of the Group, is consolidated using the equity method, see *Associates companies and joint arrangements* under the Notes to the Financial statements. Below is a description of how the accounting principles applied by TVO are affect Pohjolan Voima's consolidated financial statements.

### Derivative instruments

TVO uses derivative instruments to hedge the foreign currency exchange rate risk in fuel purchases, as well as the foreign currency risk and interest rate risk in borrowings denominated in foreign currencies. Items covered by hedge accounting in accordance with the IFRS 9 standard include instruments used for hedging against the currency risk of uranium supply contracts of TVO (forwards exchange contracts, currency swaps) and some of the interest rate swaps used for hedging against the fluctuation of interest cash flows in the loan agreements of TVO. TVO shall document, both at the beginning of and after the hedging, its estimate of whether the derivative financial instruments used for hedging transactions are efficient. Derivative financial instruments included in hedge accounting are divided into non-current and current assets and liabilities based on the maturity of the hedged instrument. TVO applies both cash flow and fair value hedge accounting.

With the adoption of the IFRS 9 standard, the assessment of hedge effectiveness is based on future orientation. The ineffectiveness of TVO's hedging relationship is expected to continue being very minor. IFRS 9 defines three hedge effectiveness requirements for the application of hedge accounting. The first requirement requires a financial connection between the hedged item and hedging instrument. It must be expectable, that the changes in the value of the hedging instrument and hedged item are opposite due to the instrument or risk used as the shared basis. Secondly, the standard requires that changes in value due to the financial relationship are not dominated by the impact of credit risk. Thirdly, the hedging rate of the hedging relationship must equal the hedging rate resulting from the amount of the hedging instrument that the organisation actually uses for hedging that amount of the hedged item. IFRS 9 requires the same hedging rate that is actually used in risk management.

Hedge accounting applied by TVO affects Pohjolan Voima's other comprehensive income.

### Assets and liabilities relating to nuclear waste management

The treatment of the nuclear waste management liability has a material effect on the profit and loss of Teollisuuden Voima Oyj. The nuclear waste management liability, based on the Nuclear Energy Act, is covered by a contribution to the Finnish State Nuclear Waste Management Fund. The liability covers all the future expenditure for the handling of the existing nuclear waste, including the decommissioning of the nuclear power plants, the disposal of the spent fuel and a risk marginal. The amount of payments is determined by assuming that the decommissioning would start at the beginning of the year following the assessment year. The research relating to the disposal, as well as the actual disposal of TVO's spent fuel, are carried out by Posiva Oy, which charges from TVO the costs arising from these activities, including the acquisition cost of property, plant and equipment.

In the consolidated financial statements of TVO, the share of the funds in the Finnish State Nuclear Waste Management Fund is presented as part of non-current assets according to IFRIC 5. The nuclear waste management liability is presented in provisions within non-current liabilities. The fair value of the nuclear waste management liability is calculated by discounting the cash flows based on the planned estimated future activity and the estimated expenditure relating to, it taking into account actions already taken.

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The initial present value of the provision for decommissioning of the nuclear power plant is included in the capitalised investment cost of the power plant. The initial present value is adjusted according to subsequent planned future changes. The amount recognised relating to decommissioning of the plant is depreciated over the estimated useful life of the power plant.

The provision for spent nuclear fuel covers the future disposal cost of fuel used by the end of each reporting period. The costs for the disposal of the spent nuclear fuel is recognised during the operating time of the plant based on fuel usage. The impact of any changes to the plan will be recognised immediately in the income statement based on fuel used by the end of reporting period.

The timing factor when discounting the nuclear waste management liability is recognised by recording the interest expense in the statement of comprehensive income.

### Implementation of interpretations and amendments to new and revised IFRS standards

In preparing these financial statements, the Group has followed the same accounting policies as in the annual financial statements for 2024. The Group has applied following new standards, amendments and interpretations from 1 January 2025 on:

- › IAS 21 The Effects of Changes in Foreign Exchange Rates – assessment of the spot exchange rate in cases the currency exchangeability

The Group adopts the following published standards, interpretations, and changes to existing standards and interpretations in its 2026 financial statements or later. Based on initial assessment, the Group estimates that these have no impact on the consolidated financial statements, unless separately below stated.

- › IFRS 18 Presentation and Disclosure in Financial Statements – new standard that will replace IAS 1. It will change in the structure of the statement of profit or loss, disclosures for management-defined performance measures that are reported outside an entity's financial statements, as well as enhanced principles on aggregation and disaggregation. The standard shall be adopted in financial statements on 1 January 2027 or later and it will change the structure of the Group's statement of profit or loss. The Group will adopt the standard on 1 January 2027 and the standard will change the Group's income statement and operating profit reporting. The share of results of associates and joint ventures, as well as certain finance income, will be reclassified to the Investments category. In addition, there may be minor changes to the presentation of the cash flow statement. The standard does not affect the recognition and measurement principles applied to the Group's financial statement items.
- › IFRS 19 Subsidiaries without Public Accountability: Disclosures – new voluntary standard for disclosing subsidiaries' consolidated or standalone financial statements
- › IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (amendments) – weather dependent energy sources and power purchase agreements (PPA) when adopting IFRS 9
- › Annual Improvements Volume 11 – changes in IFRS 7, IFRS 9, IFRS 10, and IAS 7 standards
- › IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (amendments)\* – amendments clarify the criteria for the recognition and derecognition of financial assets and liabilities in the balance sheet. The amendments also clarify the guidance for assessing whether the cash flow characteristics test for financial assets is met and introduce new disclosure requirements, particularly related to ESG objectives.
- › IAS 21 the Effects of Changes in Foreign Exchange Rates (amendment)\* – translation into a hyperinflationary presentation currency.
- › Amendments to the illustrative examples of IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 \* – examples on presenting uncertainties in the financial statements.

\* Standard, interpretation or amendment is not yet endorsed by EU.

## 2 Critical judgements in applying the entity's accounting policies and critical estimations and assumptions

The Group management makes judgements in the preparation of the financial statements relating to the selection and application of the accounting principles. These decisions relate specifically to those areas where the effective IFRS-standards allow alternative methods of recording, valuation, or presentation.

The estimates and assumptions made by management in the preparation of the consolidated financial statements are based on the best knowledge at hand at year end. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable, under the circumstances. Actual results and the detailed background information are followed by management together with the business units using both internal and external sources of information. Changes to the estimates and assumptions are recognised in the financial period in which changes occur, and all the future financial periods.

### Impairment testing

Impairment testing is carried out annually for goodwill and for intangible assets with indefinite useful lives. Impairment testing for other assets is performed when there is an indication that the asset might be impaired. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations are based on estimated future cash flows received from the use of the asset or the sale of the asset.

Pohjola Voima operations are based on the cost-price method ('Mankala principle'). According to the company's legal documents, the shareholders of the Company are invoiced a price for the energy received, which covers fixed and variable expenses of the operations. When testing if the assets are impaired based on the value-in-use, the discounted cash flows, correspond, except for a few exceptions, to the recoverable amount and therefore usually there is no impairment recorded.

### Assets relating to Teollisuuden Voima Oyj

Teollisuuden Voima Oyj is consolidated as a joint venture using the equity method in Pohjolan Voima's consolidated financial statements. Due to the materiality of Pohjolan Voima's ownership share, the Group management has assessed the valuation of TVO in the consolidated balance sheet and has not seen any indication on impairment.

### Environmental provision

Operations of the Group are regulated by a number of laws and regulations. The Group is in compliance with all existing environmental regulations. The Group has recorded, customary for the industry, provisions for environment protection expenses to cover its legal obligations.

Environmental provisions are based on management's best estimate of landscaping costs. Environmental provisions consist of Asset Retirement Obligations of landfills, which relate to ash storage in the thermal power business. The Group recognises a provision on estimated landscaping costs. The cost estimate is annually reviewed.

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## 3 Financial risk management

The financial risk management in Pohjolan Voima Group is carried out centrally by the parent company treasury department under policies approved by the Board of Directors. The Group's activities expose it to a variety of financial risks: liquidity risk, market risk and credit risk.

The objective of the financing function is to ensure the existence of sufficient funds for operative decision making and to promote the low cost of electricity through its decisions.

Derivatives are entered into only for hedging purposes. Pohjolan Voima does not apply hedge accounting under IFRS.

### Liquidity and refinancing risks

Liquidity and refinancing risks relate to the impact on the company's profit and loss and cash flows, if the company is unable to secure sufficient funding for its operations. In addition to sufficient liquid funds and committed credit facilities, Pohjolan Voima Group seeks to reduce refinancing risk by diversifying the maturity of its loans as well as sources for its funding.

In accordance with Pohjolan Voima Group's financing policy, the maturity of long-term debt and refinancing is agreed so that a maximum of 1/3 of the outstanding debt will fall due within the next 12 months. This principle is not applied on the loans granted by the State Nuclear Waste Management Fund.

Liquidity risk is significantly reduced by the fact that Pohjolan Voima Group invoices shareholders in accordance with the Articles of Association, the monthly fixed and variable costs.

Free liquidity is invested prudently and productively in instruments with a duration of up to 12 months. The objective is to diversify investments and these are chosen so that a secondary market liquidity is also ensured in adverse conditions and so that most of the investments can be realised at a low cost.

Pohjolan Voima Group mainly uses the domestic commercial paper programs amounting to €300 million in order to ensure short-term financing. As at 31 December 2025 €84 (€85) million out of the commercial paper program was in use.

In addition to liquid assets, Pohjolan Voima Group's liquidity is secured by €350 million (€350) revolving credit facilities. The revolving credit facility will mature in June 2029. The amount of the Facility will be reduced to €291 million in June 2028, according to the terms of the facility agreement. The facility was fully undrawn as at 31 December 2025 (as well as per 31 December 2024).

Pohjolan Voima Group's financial arrangements do not include any financial covenants.

The following table presents a maturity analysis on loan agreements. The figures are cash based and interest flows are based on the interest rates prevailing at the closing date. Differences between the balance sheet items and the debt amounts below arise from the transaction costs that have been accrued according to the effective interest method in the balance sheet. Transaction costs for loan arrangements are not included in the cash flows as these have been paid at the time of the signing of the agreements.

### Undiscounted cash flows of financial liabilities 2025

1,000 €	2026	2027	2028	2029	2030-	Total	Balance sheet
Loans from financial institutions <sup>1</sup>	-77,400	-107,400	-127,400	-153,600		-465,800	-465,800
Finance costs <sup>2</sup>	-12,621	-11,585	-7,546	-924		-32,676	
Bonds					-150,000	-150,000	-149,923
Finance costs	-7,126	-7,126	-7,126	-7,126	-14,252	-42,756	
Loan from the State Nuclear Waste Management Fund (TVO) <sup>3</sup>					-350,000	-350,000	-350,000
Finance costs	-14,648	-14,648	-14,648	-14,648	-14,648	-73,240	
Lease liabilities	-19,870	-8,785	-8,512	-8,551	-64,126	-109,844	-106,693
Finance costs	-2,851	-2,319	-2,082	-1,858	-3,797	-12,907	
Commercial papers	-83,121					-83,121	-83,121
Finance costs	-879					-879	
Interest rate derivatives	134	231	67	239	829	1,500	4,450
Shareholder loan interests	-2,859					-2,859	
Total	-221,241	-151,632	-167,247	-186,468	-595,994	-1,322,582	

<sup>1</sup> Repayments to be made in 2026 are included in current liabilities.

<sup>2</sup> In addition to interest expenses, finance costs also include a commitment fee.

<sup>3</sup> The loan from the State Nuclear Waste Management Fund does not have an actual date of maturity, and therefore it is presented as a loan with a loan term of over 5 years. According to the section 52 of the Nuclear Energy Act Teollisuuden Voima Oyj is entitled to borrow from State Nuclear Waste Management Fund against securing guarantees the amount which can be a maximum of 60 per cent of the latest confirmed TVO's share in the Fund. TVO has borrowed this amount from the Fund and has granted a loan with the corresponding amount to Pohjolan Voima. The loan is renewed with three years intervals, next time in March 2026 and the State Nuclear Waste Management Fund is entitled to ask securing collateral for the loan.

### Undiscounted cash flows of financial liabilities 2024

1,000 €	2025	2026	2027	2028	2029-	Total	Balance sheet
Loans from financial institutions <sup>1</sup>	-2,000	-86,000	-160,000	-220,000		-468,000	-468,000
Finance costs <sup>2</sup>	-17,064	-15,670	-13,046	-3,230	-271	-49,281	
Bonds					-150,000	-150,000	-149,911
Finance costs	-7,126	-7,126	-7,126	-7,126	-21,378	-49,882	
Loan from the State Nuclear Waste Management Fund (TVO) <sup>3</sup>					-350,000	-350,000	-350,000
Finance costs	-15,477	-19,353	-19,353	-19,353	-19,353	-92,889	
Lease liabilities	-16,851	-19,048	-7,953	-7,687	-68,236	-119,775	-116,410
Finance costs	-4,194	-3,546	-2,909	-2,615	-6,429	-19,693	
Commercial papers	-83,522					-83,522	-83,522
Finance costs	-1,478					-1,478	
Interest rate derivatives	1,692	750	738	229	942	4,351	2,712
Shareholder loan interests	-3,399					-3,399	
Total	-149,419	-149,994	-209,649	-259,781	-614,724	-1,383,568	

<sup>1</sup> Repayments to be made in 2025 are included in current liabilities.

<sup>2</sup> In addition to interest expenses, finance costs also include a commitment fee.

<sup>3</sup> The loan from the State Nuclear Waste Management Fund does not have an actual date of maturity, and therefore it is presented as a loan with a loan term of over 5 years. According to the section 52 of the Nuclear Energy Act Teollisuuden Voima Oyj is entitled to borrow from State Nuclear Waste Management Fund against securing guarantees the amount which can be a maximum of 60 per cent of the latest confirmed TVO's share in the Fund. TVO has borrowed this amount from the Fund and has granted a loan with the corresponding amount to Pohjolan Voima. The loan is renewed with three years intervals, next time in March 2026 and the State Nuclear Waste Management Fund is entitled to ask securing collateral for the loan.

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## Market risk

### Interest Rate Risk

Changes in interest rates and margins on the interest-bearing receivables and liabilities create an interest rate risk. The objective of the interest rate risk management in Pohjolan Voima is to protect the Group against the increase of interest expenses caused by the increase in the reference interest rates. In accordance with the financing policy of the Group, the interest rate risk is monitored by means of duration of the loan portfolio for each series of shares. The monitoring based on the share series level is based on the fact that ownership of subsidiaries is based on share series and decision making for the interest risk hedging is made on a company level. The duration of the loan portfolios of the parent company and subsidiaries is set at the level where the electricity price sensitivity to changes in interest rates is on an acceptable level considering the individual risk-bearing capacity of each series of shares. Interest derivatives are used in the management of the duration.

Variable rate borrowings amounted to 87% (87%) of the Group's total borrowings. Interest rate swaps currently in place cover approximately 29% (27%) of the variable loan principal outstanding. The fixed interest rates of the interest rate swaps range between 0.22% and 3.29% (0.22% and 3.29%).

As per 31 December 2025 the increase or decrease of one percentage point in the interest rate would affect the result of the year by approximately +€3,06/-€3,09 (+€3,31/-€3,30 in 2024) million. The impact includes in addition to the change of interest expense and income, the change in the fair value of interest hedging instruments. The simulation calculates the effect of one percentage point change for all liabilities with variable interest rates, as well as for interest income and expenses of receivables from the next interest fixing date until the end of the financial year. The financing structure is assumed to be unchanged and the short-term loans maturing during the financial year are assumed to be prolonged until the end of the year by using the new interest rate.

### Currency Risk

Both short-term and long-term loans are mainly denominated in euros. Other than the euro-denominated borrowings are hedged latest at the time when the loan is drawn. All Pohjolan Voima Group's loans were euro-denominated in 2025 and 2024.

### Credit risk

Credit or counterparty risk arises from the possibility that a customer or a financial counterparty does not fulfil its commitments. Commercial trade receivables, investments and receivables based on derivative financial instruments expose the company to credit risk. When counterparty banks are selected, only banks with high credit ratings qualify. Derivative financial agreements are entered into only with leading banks and financial institutions. All counterparties are monitored for their payment behaviour and credit worthiness. Pohjolan Voima did not recognise impairment Euros on trade receivables during the reporting period (2024: €32 thousand). Pohjolan Voima sells electricity and heat to its shareholders. Pohjolan Voima operates based on cost price according to its Articles of Association (Mankala principle), which decreases the credit risk related to the trade receivables significantly. There are no significant trade receivables past due in the Group.

Pohjolan Voima supplies electricity and heat only to its shareholders who according to the Articles of Association are obliged to pay variable and fixed costs of the energy delivered. Accounts receivable relating to energy delivery has not faced any credit losses in the past and no impairment is expected. Other accounts receivable are immaterial and credit losses on them are extraordinary. Loan receivables are shareholder loans granted to the joint venture Teollisuuden Voima Oyj, and on the basis of the assessment made by the Group do not carry any impairment risk.

## Capital risk management

Capital is defined as the equity attributable to the owners of the parent company consisting of share capital, share premium, reserve for invested non-restricted equity, revaluation reserve, retained earnings and equity loans, as well as the equity attributable to the non-controlling interest. There are no external capital requirements it needs to adhere to.

Sufficient equity-based financing in the Group enables use of diversified financing types from different sources. There is a moderate variation of the equity to assets ratio of the Group depending on the investment cycles. Shareholders of each series of shares according to their proportionate ownership are responsible for the equity share of the investments.

Pohjolan Voima follows the equity on assets ratio, which is presented below.

	2025	2024
Equity on assets ratio (%) (IFRS, Group) *	45	44
* Equity on assets ratio %	= 100 x	Shareholders' equity Balance sheet total

## 4 Segment information

The Group has four reportable segments: hydropower, thermal power, nuclear power and other operations.

The electricity of the hydropower segment is produced at eight hydropower plants owned by PVO-Vesivoima Oy. In addition, the shareholdings in Tornionlaakson Voima Oy, Länsi-Suomen Voima Oy and Voimalohi Oy belong to the hydropower segment.

The electricity and heat of the thermal power segment is produced at the power plants of Kaukaan Voima Oy, Kymin Voima Oy, Porin Prosessivoima Oy and Rauman Biovoima Oy. In addition, the shareholdings in the associate Oy Alholmens Kraft Ab and Laanilan Voima Oy, that is in liquidation, belong to the thermal power segment.

The nuclear power segment includes the share in the joint venture Teollisuuden Voima Oyj which produces electricity at three nuclear power plant units, Olkiluoto 1, Olkiluoto 2 and Olkiluoto 3.

The other operations cover the Group functions of the parent company Pohjolan Voima Oyj as well as the service companies PVO Power Management Oy and PVO Power Services Oy.

The Group discloses sales, depreciation, amortisation and impairment, finance income and costs, the profit or loss for the year, and assets and liabilities by business segments, which the chief operation decision maker follows. Group's liabilities are allocated to segments based on the usage of segment's assets in order to allocate financial costs to various production types. The Group company that has withdrawn the liability bears the legal responsibility on the liabilities.

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Income statement	Hydropower	Thermal power	Nuclear power	Other	Total	Discontinued operations
Sales, external	24,190	183,021	568,317	58,724	834,252	
Sales, inter-segment	9,850	88,767		57,662	156,279	
Elimination					-156,279	
<b>Sales total</b>	<b>34,040</b>	<b>271,788</b>	<b>568,317</b>	<b>116,386</b>	<b>834,252</b>	<b>0</b>
Depreciation, amortisation and impairment	-5,377	-26,914		-593	-32,884	
Share of (loss)/profit of associates and joint ventures	-214	-155	24,867		24,498	
<b>Operating profit or loss</b>	<b>2,503</b>	<b>-647</b>	<b>24,867</b>	<b>22,156</b>	<b>48,879</b>	<b>-26</b>
Finance income and costs	-3,380	-3,299	-22,539	4,821	-24,397	44
Income taxes		-155		173	18	-3
<b>Profit/loss for the year from continuing and discontinued operations</b>	<b>-877</b>	<b>-4,101</b>	<b>2,328</b>	<b>27,150</b>	<b>24,500</b>	<b>15</b>

Balance sheet	Hydropower	Thermal power	Nuclear power	Other	Total
<b>Assets</b>					
<b>Non-current assets</b>	<b>433,040</b>	<b>204,235</b>	<b>1,388,014</b>	<b>6,510</b>	<b>2,031,799</b>
Other non-current assets					5,749
<b>Non-current assets total</b>					<b>2,037,548</b>
<b>Current assets</b>	<b>12,237</b>	<b>69,935</b>	<b>0</b>	<b>143,169</b>	<b>225,341</b>
Elimination					-13,735
<b>Current assets total</b>					<b>211,606</b>
<b>Total assets</b>	<b>445,277</b>	<b>274,170</b>	<b>1,388,014</b>	<b>149,679</b>	<b>2,249,154</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Non-current liabilities	70,241	98,327	782,581	27,741	978,890
Other non-current liabilities					1,229
<b>Non-current liabilities total</b>					<b>980,119</b>
<b>Current liabilities</b>					
Current liabilities	80,623	41,798	11,980	146,795	281,196
Elimination					-13,735
<b>Current liabilities total</b>					<b>267,461</b>
<b>Total liabilities</b>	<b>150,864</b>	<b>140,125</b>	<b>794,561</b>	<b>174,536</b>	<b>1,247,580</b>

2024

Income statement	Hydropower	Thermal power	Nuclear power	Other	Total	Discontinued operations
Sales, external	27,629	183,524	564,453	58,597	834,203	
Sales, inter-segment	9,389	90,226		60,318	159,933	
Elimination					-159,933	
<b>Sales total</b>	<b>37,018</b>	<b>273,750</b>	<b>564,453</b>	<b>118,915</b>	<b>834,203</b>	<b>0</b>
Depreciation, amortisation and impairment	-5,297	-25,604		-613	-31,514	
Share of (loss)/profit of associates and joint ventures	-118	-190	21,870		21,562	
<b>Operating profit or loss</b>	<b>4,849</b>	<b>1,155</b>	<b>21,870</b>	<b>24,712</b>	<b>52,586</b>	<b>665</b>
Finance income and costs	-3,606	-3,569	-13,838	259	-20,754	246
Income taxes		-15		-2,174	-2,189	-175
<b>Profit/loss for the year from continuing and discontinued operations</b>	<b>1,243</b>	<b>-2,429</b>	<b>8,032</b>	<b>22,797</b>	<b>29,643</b>	<b>736</b>

Balance sheet	Hydropower	Thermal power	Nuclear power	Other	Total
<b>Assets</b>					
<b>Non-current assets</b>	<b>429,469</b>	<b>224,349</b>	<b>1,372,789</b>	<b>27,582</b>	<b>2,054,189</b>
Other non-current assets					4,960
<b>Non-current assets total</b>					<b>2,059,149</b>
<b>Current assets</b>	<b>14,208</b>	<b>75,461</b>	<b>0</b>	<b>133,595</b>	<b>223,264</b>
Elimination					-16,441
Other current assets					62
<b>Current assets total</b>					<b>206,885</b>
<b>Total assets</b>	<b>443,677</b>	<b>299,810</b>	<b>1,372,789</b>	<b>161,177</b>	<b>2,266,034</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Non-current liabilities	145,313	113,972	782,581	28,030	1,069,896
Other non-current liabilities					2,309
<b>Non-current liabilities total</b>					<b>1,072,205</b>
<b>Current liabilities</b>					
Current liabilities	3,074	42,133	15,477	142,215	202,899
Elimination					-16,441
<b>Current liabilities total</b>					<b>186,458</b>
<b>Total liabilities</b>	<b>148,387</b>	<b>156,105</b>	<b>798,058</b>	<b>170,245</b>	<b>1,258,663</b>

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**5 Notes to the statement of cash flows**

Adjustments to profit or loss for the year (1,000 €)	2025	2024
Depreciation, amortisation and impairment	32,883	31,514
Increase/decrease in fair value of derivatives	-990	5,280
Income taxes	-15	2,365
Gains (+) or losses (-) from disposal of non-current assets	-76	-3
Finance costs - net	25,343	15,227
Share of (loss)/profit of associates and joint ventures	-24,498	-21,562
Other adjustments	-668	0
Total	31,979	32,821

Change in net working capital	2025	2024
Increase (-) or decrease (+) in non-interest-bearing receivables	-43,328	38,012
Increase (-) or decrease (+) in inventories	3,843	-6,035
Increase (+) or decrease (-) in current non-interest-bearing liabilities	6,463	-2,119
Change in provisions	-9	47
Total	-33,031	29,905

**6 Sales**

1,000 €	2025	2024
Sales of electricity produced	677,225	665,454
Sales of heat produced	137,277	133,369
Sales of purchased electricity	15,492	22,578
Other sales	4,258	12,803
Total	834,252	834,203

Electricity delivered to shareholders (GWh)		
Electricity produced	16,092	16,053
Heat produced	2,443	2,477
Purchased electricity	405	331

PVO's electricity purchases are determined by the electricity required by the shareholders. In 2025, Pohjolan Voima Group's total electricity purchases from continuing operations were 16.5 (16.4) TWh. The Group's electricity generation accounted for 16.1 (16.1) TWh, of which the parent company delivered to its shareholders 15.8 (15.7) TWh. Subsidiaries supplied 0.3 (0.3) TWh to other owners. Purchases from continuing operations from the Nordic electricity market were 0.4 (0.3) TWh and sales were 0.3 (0.2) TWh. Heat deliveries were 2.4 (2.5) TWh.

Other sales consist primarily of sales of emission allowances as well as management services.

**7 Other operating income**

1,000 €	2025	2024
Rental income	538	651
Gain on sale of property, plant and equipment	76	20
Grants received	21	56
Insurance compensation	700	0
Other income	279	280
Total	1,614	1,007

**8 Materials and services**

1,000 €	2025	2024
Fuels	87,413	96,028
Change in inventories	3,401	-6,044
Materials and services	1,737	1,659
Emissions allowances - carbon dioxide	271	366
Energy purchased; Nordic electricity market	40,385	49,802
Energy purchased; Associates and Joint ventures	576,003	563,402
Energy purchased; other	7,264	5,604
External services	5,352	5,202
Total	721,827	716,018

Purchases of fuel consist of peat and biofuel purchases, which are used for electricity and heat production.

Energy purchases from associates and joint ventures include purchases according to the ownership share in Teollisuuden Voima Oyj and Oy Alholmens Kraft Ab.

**9 Personnel expenses**

**Personnel-related expenses**

1,000 €	2025	2024
Wages and salaries	4,655	4,501
Pension expenses - defined contribution	895	839
Other personnel expenses	404	211
Total	5,955	5,551

**Average number of personnel**

	2025	2024
Salaried employees	44	40
Wage-earners	0	0
Total	44	40

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**10 Depreciation, amortisation and impairment**

1,000 €	2025	2024
Amortisation of intangible assets		
Intangible rights	91	90
Other intangible assets	600	426
Total	691	516
Depreciation of property, plant and equipment		
Land and water areas	421	333
Buildings and constructions	4,693	4,597
Machinery and equipment	25,372	24,352
Other tangible assets	1,661	1,716
Total	32,147	30,998
Impairments	46	0
Total	46	0
Depreciation, amortisation and impairment total	32,884	31,514

Depreciation include the effect of IFRS 16 implementation on asset retirement obligations.

**11 Other operating expenses**

1,000 €	2025	2024
Repair, servicing and maintenance services	11,534	12,622
Real estate taxes	6,305	6,398
Rents	129	104
Operation services	15,053	15,250
Other expenses	17,798	16,730
Total	50,819	51,103

**Auditor's fees (PricewaterhouseCoopers Oy, Authorised Public Accountants)**

1,000 €	2025	2024
Audit fees	233	305
Other engagements referred to in Section 1.1.2 of the Auditing Act	1	-
Other services	18	37
Total	252	342

**12 Research & development**

Research and development recognised as an expense during the period totalled €128 (€43) thousand in 2025.

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**13 Finance income and costs**

1,000 €	2025	2024
Interest income on loans and receivables	20,705	36,028
Derivative financial instruments (hedge accounting is not applied)		
Fair value gains	990	-
Finance income total	21,695	36,028
Interest expense on liabilities at amortised costs	44,300	49,643
Derivative financial instruments (hedge accounting is not applied)		
Fair value losses	-	5,280
Other finance cost	1,792	1,859
Finance costs total	46,092	56,782
Total finance income and costs	-24,397	-20,754

**14 Income tax**

Pohjolan Voima delivers electricity and heating to its shareholders at cost price. According to the cost-based pricing the Group does not pay any taxes on its energy related operations, therefore the Group does not recognise any deferred tax assets or liabilities on these operations. However, in the parent company there are tax losses carried forward from the uninvoiced costs relating to OL3 that have been incurred during the project period. As the electricity production started in the test production phase Pohjolan Voima started to invoice the costs incurred from the shareholders. Simultaneously deferred tax asset was recorded in the parent company as the tax losses carried forward can be utilised in the coming years. There are no other tax losses carried forward in the Group.

Income tax	2025	2024
1,000 €		
Change in deferred tax liability	175	-2,174
Current tax expense	-158	-15
Total	18	-2,189

**Income tax reconciliation**

Differences between income taxes recognised in the consolidated income statement and the tax rate in Finland as presented in the following table:

1,000 €	2025	2024
Result before income tax	24,482	31,832
Tax based on Finnish tax rate 20%	-4,896	-6,366
Tax-free income	175	0
Change in the utilisation of deferred tax assets	175	-2,174
Share of profits and losses of associates and joint ventures	4,739	4,318
Non-deductible expenses	-157	-15
Unrecognised deferred taxes due to cost price principle	-18	2,049
Income taxes recognised in consolidated income statement	18	-2,189

**Deferred tax asset**

1,000 €	2025	2024
Deferred tax asset	331	156

Deferred tax asset is recorded of parent company's tax losses carried forward that totalled 31 December 2025 €1.7 (€0.8) million.

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**15 Intangible assets**

1,000 €	Emission allowances - carbon dioxide	Intangible rights	Other intangible assets	Total
Cost or valuation at 1.1.2025	635	281,927	14,505	297,066
Additions	271			271
Disposals	-635			-635
Reclassifications		396		396
At 31.12.2025	270	282,323	14,505	297,098
Accumulated amortisation and impairment 1.1.2025	0	1,904	11,524	13,428
Amortisation and impairment, for the period		91	600	691
Accumulated amortisation and impairment 31.12.2025	0	1,994	12,124	14,119
Closing net book amount 31.12.2025	270	280,329	2,380	282,979
Closing net book amount 31.12.2024	635	280,023	2,980	283,638

The intangible assets include the right to produce hydropower totalling €265 million and the compensation amounting to €14.4 million paid in 2013, 2014 and 2015 for the water area usage permanent right. The right to produce hydropower and the water area usage permanent right are intangible assets with indefinite useful lives. Impairment testing for these assets is performed annually.

**Impairment testing**

In impairment testing discounted cash flows are analysed and the analysis is supplemented by comparing the valuation calculations to other market data. The testing has been done by using value in use method. Testing unit is hydropower segment. The calculation model includes estimate of 50 years and the terminal value. The price of electricity is obtained from quotations of derivatives for the first four years and after that the estimate is based on the market forecasts of various service providers. The discount rate applied is 6.42% and weighted average capital cost has been used in the discount rate calculation. Impairment test has not resulted in any need for impairment, because the future generated cash flows exceed the carrying value of the right to produce hydropower and the water area usage permanent right.

In the sensitivity analysis the electricity market price change of +/- 5% would change the value of the tested business by approximately +/- €111 million. The change of the weighted average capital cost of +/- 1,0 percentage point would accordingly affect approximately -€280/+€401 million. None of the presented negative change would result in impairment of the tested assets.

There is no goodwill included within intangible rights and other intangible assets.

1,000 €	Emission allowances - carbon dioxide	Intangible rights	Other intangible assets	Total
Cost or valuation at 1.1.2024	1,802	281,645	13,134	296,580
Additions	635			635
Disposals	-1,802			-1,802
Reclassifications		282	1,371	1,653
At 31.12.2024	635	281,927	14,505	297,066
Accumulated amortisation and impairment 1.1.2024	0	1,814	11,098	12,912
Amortisation and impairment, for the period		90	426	516
Accumulated amortisation and impairment 31.12.2024	0	1,904	11,524	13,428
Closing net book amount 31.12.2024	635	280,023	2,980	283,638
Closing net book amount 31.12.2023	1,802	279,831	2,035	283,668

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**16 Property, plant and equipment**

1,000 €	Land and water areas	Buildings and constructions	Machinery and equipment	Other tangible assets	Prepayments	Total
Cost or valuation at 1.1.2025	44,180	131,410	672,922	69,852	6,033	924,398
Additions	571	70	249		18,396	19,286
Disposals	-375	-112	-97	-281	-2,371	-3,235
Reclassifications	21	445	8,421		-9,283	-396
Cost or valuation 31.12.2025	44,397	131,813	681,496	69,571	12,775	940,052
Accumulated depreciation and impairment 1.1.2025	1,943	78,372	483,937	44,521	0	608,773
Disposals and reclassifications	-260	-92	-97	-281		-729
Depreciation and impairment for the period	421	4,693	25,372	1,661		32,147
Accumulated depreciation and impairment 31.12.2025	2,105	82,973	509,212	45,901	0	640,190
Net book amount 31.12.2025	42,292	48,840	172,284	23,670	12,775	299,862
Net book amount 31.12.2024	42,237	53,038	188,986	25,331	6,033	315,625

1,000 €	Land and water areas	Buildings and constructions	Machinery and equipment	Other tangible assets	Prepayments	Total
Cost or valuation at 1.1.2024	41,644	129,238	655,120	69,733	6,213	901,949
Additions	2,741	146	10,766	119	11,048	24,820
Disposals	-205	-151	-171		-191	-718
Reclassifications		2,177	7,207		-11,037	-1,653
Cost or valuation 31.12.2024	44,180	131,410	672,922	69,852	6,033	924,398
Accumulated depreciation and impairment 1.1.2024	1,637	73,870	459,756	42,805	191	578,259
Disposals and reclassifications	-27	-95	-171		-191	-484
Depreciation and impairment for the period	333	4,597	24,352	1,716		30,998
Accumulated depreciation and impairment 31.12.2024	1,943	78,372	483,937	44,521	0	608,773
Net book amount 31.12.2024	42,237	53,038	188,986	25,331	6,033	315,625
Net book amount 31.12.2023	40,007	55,368	195,365	26,928	6,022	323,690

In 2025 the cost estimate as well as the lifetime of one landfill was revised. In 2024 the cost estimate of one landfill was revised.  
Management has assessed that no indications of impairment exists.

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**Borrowing costs included in the cost of property, plant and equipment:**

1,000 €	Buildings and constructions	Machinery and equipment	Other tangible assets	Total
Cost or valuation at 1.1.2025	460	14,743	111	15,314
Cost or valuation at 31.12.2025	460	14,743	111	15,314
Accumulated depreciation and impairment 1.1.2025	399	10,662	99	11,161
Depreciation and impairment for the period	19	566	4	589
Accumulated depreciation and impairment 31.12.2025	418	11,228	103	11,750
Net book amount 31.12.2025	42	3,514	8	3,564
Net book amount 31.12.2024	61	4,080	12	4,153

1,000 €	Buildings and constructions	Machinery and equipment	Other tangible assets	Total
Cost or valuation at 1.1.2024	460	14,743	111	15,314
Cost or valuation at 31.12.2024	460	14,743	111	15,314
Accumulated depreciation and impairment 1.1.2024	381	10,096	94	10,572
Depreciation and impairment for the period	18	566	5	589
Accumulated depreciation and impairment 31.12.2024	399	10,662	99	11,161
Net book amount 31.12.2024	61	4,080	12	4,153
Net book amount 31.12.2023	79	4,646	17	4,742

The borrowing costs related to the construction of power plants are capitalised as part of the acquisition cost of the asset and depreciated over the useful life of the asset.

**17 Leases**

Right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability adjusted mainly for lease payments made at or before the commencement date. The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the lease term or the end of the useful life of the right-of-use asset.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The lease term applied corresponds to the non-cancellable period except in cases where the Group is reasonably certain to exercise renewal option of prolonging the contract. The lease liabilities are measured at amortised cost.

The Group has decided to use the exemption not to apply the guidance to leases with a term less than twelve months or to leases for which the underlying asset value is of low value.

**Amounts recognised in the statement of profit or loss**

The statement of profit or loss shows the following amounts relating to leases:

**Depreciation charge of right-of-use assets**

1,000 €	2025	2024
Land and water areas	421	333
Buildings	319	324
Machinery and equipment	12,895	11,426
Other tangible assets	112	112
Total	13,747	12,195
Interest expense (included in finance cost)	3,460	4,759
Expense relating to short-term leases	21	1
Expense relating to leases of low-value assets that are not shown above as short-term leases	22	30

The total cash outflow of leases in 2025 was €15,117 (€15,268) thousand.

**Amounts recognised in the balance sheet**

This note provides information for leases where the Group is a lessee.

The balance sheet shows the following amounts relating to leases:

**Right-of-use assets**

1,000 €	2025	2024
Land and water areas	8,464	8,505
Buildings	670	938
Machinery and equipment	74,789	86,554
Other tangible assets	810	923
Total	84,733	96,920
Provisions	1,667	2,090
<b>Lease liabilities</b>		
Current	19,542	16,517
Non-current	87,151	99,893
Total	106,693	116,410

Additions to the right-of-use assets in 2025 were €1,770 (€13,723) thousand and disposals €940 (€397) thousand.

There were no impairments in 2025 and 2024.

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**18 Associates and joint ventures**

**Share of (loss)/profit of associates and joint ventures**

1,000 €	2025	2024
Länsi-Suomen Voima Oy	-70	7
Oy Alholmens Kraft Ab	-155	-190
Teollisuuden Voima Oyj	24,867	21,870
Tornionlaakson Voima Oy	-131	-114
Voimalohi Oy	-13	-11
Total	24,498	21,562

**Investments in associates and joint ventures**

1,000 €	2025	2024
At 1 January	1,047,792	852,017
Additions	0	180,933
Share of profit	24,498	21,562
Other comprehensive income	-9,401	-6,720
At 31 December	1,062,889	1,047,792

Teollisuuden Voima converted in November 2024 shareholder loans of €180.7 million into Reserve for invested non-restricted equity and accordingly €180.7 million of loan receivables were reclassified in shareholdings in Pohjolan Voima.

**Associates and Joint Ventures**

Company, domicile	Interest held %		Book value 1,000 €	
	2025	2024	2025	2024
<b>Associates</b>				
Oy Alholmens Kraft Ab, Pietarsaari	49.90%	49.90%	19,472	19,627
Länsi-Suomen Voima Oy, Harjavalta	19.90%	19.90%	33,705	33,775
Tornionlaakson Voima Oy, Ylitornio	50.00%	50.00%	1,657	1,788
			54,834	55,190
<b>Joint Ventures</b>				
Teollisuuden Voima Oyj, Helsinki	58.50%	58.50%	1,007,841	992,375
Voimalohi Oy, Kemi	50.00%	50.00%	214	227
			1,008,055	992,602
Associates and joint ventures total			1,062,889	1,047,792

Pohjolan Voima accounts for Teollisuuden Voima Oyj as a joint venture in the IFRS consolidated financial statements. Pohjolan Voima Oyj owns 58.50% of the share capital of Teollisuuden Voima Oyj at 31 December 2025 (31 December 2024: 58.50%). Based on the Articles of Association and other company records which dictate the basis for the decision making and governance of the company, as well as Pohjolan Voima Oyj's right to appoint board members, the Group has assessed that Teollisuuden Voima Oyj should be accounted for as a joint venture.

Teollisuuden Voima Oyj has investment commitments totalling €82 (€115) million.

Goodwill on acquisition of Länsi-Suomen Voima Oy is included in the investments in the associates totalling €28 million at 31 December 2025 (31 December 2024: €28 million). Impairment testing of the shareholding is performed annually. Länsi-Suomen Voima Oy owns the hydropower plant located in Harjavalta at Kokemäenjoki. Pohjolan Voima has assessed that the fair value of the investment in the associate exceeds its carrying value at 31 December 2025.

Information on the associated companies and joint ventures of the Group, and their aggregate assets and liabilities, revenues and profit or loss for the year is presented below. All associates and joint ventures are unlisted companies.

1,000 €	Assets	Liabilities	Revenue	Profit/loss (-)
<b>2025</b>				
Oy Alholmens Kraft Ab	50,331	10,549	48,904	53
Länsi-Suomen Voima Oy	36,691	9,003	6,128	-130
Teollisuuden Voima Oyj	8,957,042	6,652,748	926,276	63,833
Tornionlaakson Voima Oy	5,908	750	1,621	-52
Voimalohi Oy	2,307	1,879	5,349	-2
Total	9,052,281	6,674,928	988,279	63,701

1,000 €	Assets	Liabilities	Revenue	Profit/loss (-)
<b>2024</b>				
Oy Alholmens Kraft Ab	56,145	15,960	49,403	-381
Länsi-Suomen Voima Oy	37,502	9,452	5,526	9
Teollisuuden Voima Oyj	9,125,805	6,847,948	897,412	81,364
Tornionlaakson Voima Oy	5,498	1,922	1,647	-45
Voimalohi Oy	2,268	1,814	5,377	-3
Total	9,227,218	6,877,095	959,365	80,944

**Related-party transactions - transactions with associates and joint ventures**

1,000 €	2025	2024
Sales to associates and joint ventures	-783	-4,091
Purchases from associates and joint ventures	582,579	562,225
Receivables from associates and joint ventures	441,347	457,616
Liabilities to associates and joint ventures	389,481	383,281

	2025	2024
Personnel employed by associates and joint ventures in average	1,225	1,153

**Summary of the financial information on joint ventures**

Teollisuuden Voima Oyj is the most significant joint venture of Pohjolan Voima. Teollisuuden Voima Oyj is a public limited company, the shares of which do not have a quoted market price. Teollisuuden Voima is consolidated in the Group's financial statements using the equity method.

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	TVO Group 2025	TVO Group 2024
<b>Summary of the balance sheet</b>		
<b>Current</b>		
Cash and cash equivalents	314,041	313,121
Other current assets	682,448	702,351
Current assets in total	996,489	1,015,472
Financial liabilities (excl. trade payables)	-478,994	-602,132
Other current liabilities (incl. trade payables)	-201,895	-171,293
Current liabilities in total	-680,889	-773,425
<b>Non-current</b>		
Assets	7,960,553	8,110,333
Financial liabilities	-5,971,859	-6,074,523
Non-current liabilities in total	-5,971,859	-6,074,523
<b>Net assets</b>	<b>2,304,294</b>	<b>2,277,857</b>

	2025	2024
<b>Summary of the statement of comprehensive income</b>		
Sales	926,276	897,412
Depreciation	-256,457	-250,570
Finance income	81,830	147,256
Finance costs	-220,662	-227,269
<b>Profit/loss from continuing operations before income tax</b>	<b>63,837</b>	<b>81,364</b>
Income tax expense	-4	0
<b>Profit/loss from continuing operations after income tax</b>	<b>63,833</b>	<b>81,364</b>
Other comprehensive income	-16,071	-11,487
<b>Profit/loss from continuing operations</b>	<b>47,762</b>	<b>69,877</b>

	2025	2024
<b>Summary of the financial information</b>		
Net assets at 1 January	2,277,857	2,251,960
Profit/loss for the year	47,762	69,877
The change and interest of subordinated shareholder loans	-21,325	-43,980
<b>Net assets at the end of the period</b>	<b>2,304,294</b>	<b>2,277,857</b>
Group ownership %	58.50%	58.50%
Group ownership share	1,348,012	1,332,546
Subordinated shareholder loans	-368,141	-368,141
IFRS-entries relating to the valuation	27,970	27,969
<b>Book value</b>	<b>1,007,841</b>	<b>992,375</b>

**19 Other financial assets**

1,000 €	2025	2024
Investments in non-listed securities	680	680
<b>Total</b>	<b>680</b>	<b>680</b>

Other financial assets consist mainly of vacation cottage and golf shares used by personnel totalling €0.7 (€0.7) million.

**20 Loans and other receivables**

**Non-current loans and other receivables**

1,000 €	2025	2024
Loans to associates and joint ventures	379,038	379,038
Derivative financial instruments	5,749	4,960
Other non-current receivables	87	25,884
Interest income accrued for	1,136	1,377
<b>Total</b>	<b>386,011</b>	<b>411,258</b>

Loans to associates and joint ventures include a shareholder loan receivable from Teollisuuden Voima Oyj of €379.0 (€379.0) million. Equity-instrument loans are classified as subordinated loans, as they rank junior to all other debt obligations of the borrower in the event of liquidation or bankruptcy. The loans are unsecured. The loans have no contractual maturity date, and the borrower is entitled to repay the outstanding principal, in whole or in part, at its sole discretion.

The borrower's Board of Directors may decide, at its discretion, not to pay interest for the current interest period. Any suspended interest is non-cumulative and does not accrue to future periods. The interest rate is tied to 6-months Euribor added with a margin of 1%. There is no material credit risk related to the non-current loans and other receivables.

**Trade and other receivables**

1,000 €	2025	2024
Trade receivables	109,202	66,809
Prepayments and accrued income	52,348	54,874
Derivative financial instruments	0	62
Other current receivables	9,210	1,217
<b>Total</b>	<b>170,760</b>	<b>122,961</b>

Carrying values of trade receivables and other receivables approximates their fair value.

**Prepayments and accrued income:**

1,000 €	2025	2024
Prepayments, energy purchases	48,038	49,488
Indirect taxes	715	833
Other	3,595	4,553
<b>Total</b>	<b>52,348</b>	<b>54,874</b>

The Group did not record credit losses (€32 thousand) in 2025 on trade receivables or other receivables. The Group had no material outstanding receivables as per 31 December 2025. Therefore, the aging of trade receivables is not presented.

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■ **21 Short-term deposits, cash and cash equivalents**

**Cash and cash equivalents**

1,000 €	2025	2024
Cash at bank and on hand	29,180	63,619
Total	29,180	63,619

Cash and cash equivalents comprise of cash on hand, bank deposits and other short-term (up to three months) liquid investments.

■ **22 Inventories**

1,000 €	2025	2024
Fuels		
Coal	684	736
Other fuels	15,778	19,469
Prepayments	0	100
Total	16,462	20,305

No inventory impairment was recorded in 2025 (2024: not recorded).

■ **23 Discontinued operations and assets held for sale**

**Discontinued operations**

1,000 €	2025	2024
Income	44	250
Costs	-26	662
Profit before income tax	18	912
Income tax	-3	-176
Profit from discontinued operations	15	736

**Cash flow from discontinued operations**

1,000 €	2025	2024
Cash flows from operating activities	-25	4,631
Cash flows from investing activities	-7,679	0
Cash flows total	-7,704	4,631

Board of Directors of PVO-Lämpövoima Oy decided on 27 October 2015 to propose, that the electricity production of condensing power plants in Kristiinankaupunki and Pori Tahkoluoto will be terminated. Pohjolan Voima's Extraordinary Shareholders' Meeting approved the decision on 13 November 2015. PVO-Lämpövoima's operations are presented in the financial statement 2015–2024 as discontinued operations. The company was liquidated in August 2025.

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**24 Equity**

According to the Articles of Association, PVO supplies energy to its shareholders at cost, i.e. delivers energy it has produced or acquired to each shareholder according to their proportionate ownership in each series of shares. Shareholders are, according to their proportionate ownership in each series of shares, responsible for the fixed costs for the underlying shares, regardless of whether the power or energy share is used or not. Variable costs, on the other hand, are invoiced to the shareholders based on the share of the energy delivered.

**Reconciliation of the number of shares:**

1,000 €	Number of shares	Share capital	Share premium	Revaluation reserve	Reserve for invested non-restricted equity	Subordinated shareholders loans (hybrid equity)	Retained earnings	Total
1 Jan 2024	32,295,513	54,962	203,865	12,082	311,176	90,347	326,441	998,873
Interest paid of subordinated shareholders loans (hybrid equity)							-4,837	-4,837
Dividend distribution							-21,050	-21,050
Refund of equity					-9,656			-9,656
Acquisition and annulment of own shares	-1,713,728	-5,286	-12,273					-17,559
Other comprehensive income				-6,720			30,699	23,979
31 Dec 2024	30,581,785	49,676	191,592	5,362	301,520	90,347	331,253	969,750
Interest paid of subordinated shareholders loans (hybrid equity)							-3,384	-3,384
Dividend distribution							-10,850	-10,850
Refund of equity					-6,795			-6,795
Acquisition and annulment of own shares	-2,224,498	-1,982						-1,982
Other comprehensive income				-9,401			25,224	15,823
<b>31 Dec 2025</b>	<b>28,357,287</b>	<b>47,694</b>	<b>191,592</b>	<b>-4,039</b>	<b>294,725</b>	<b>90,347</b>	<b>342,243</b>	<b>962,562</b>

**Shares**

The number of shares at 31 December 2025 was 28,357,287. The shares have no nominal value. All issued shares are fully paid.

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**The company has 9 registered series of shares**

Share capital by share category	Number	1,000 €
Series A: - entitling the holder to obtain energy produced or purchased by PVO-Vesivoima Oy	13,350,077	22,453
Series B: - entitling the holder to obtain 56.8% of the energy produced or purchased by Teollisuuden Voima Oyj's Olkiluoto plant units 1 and 2	7,124,507	11,983
Series B2: - entitling the holder to obtain 60.2% of the energy produced by Teollisuuden Voima Oyj's Olkiluoto plant 3	5,603,151	9,424
Series G: - entitling the holder to obtain 49.9% of the energy produced by Oy Alholmens Kraft Ab	354,290	596
Series G2: - entitling the holder to obtain 76.0% of the energy produced by Kymin Voima Oy	238,216	401
Series G4: - entitling the holder to obtain 72.0% of the energy produced by Rauman Voima Oy	296,486	499
Series G5: - entitling the holder to obtain energy produced by Laanilan Voima Oy	155,272	261
Series G6: - entitling the holder to obtain 84.7% of the energy produced by Porin Prosessivoima Oy	646,217	1,087
Series G9: - entitling the holder to obtain 54.0% of the energy produced by Kaukaan Voima Oy	589,071	991
	<b>28,357,287</b>	<b>47,694</b>

There were no share issues subscribed in 2025.

**Other changes in shareholders' equity:**

Pohjolan Voima Oyj's Extraordinary General Meeting on 18 November 2024 resolved to reduce the parent company's share capital by €2.0 million and to acquire and annul shares in serie C as well as to amend the Articles of Association. The share capital was reduced and shares acquired in May 2025 and subsequently annulled. In accordance with the resolution of the Annual General Meeting, a refund of €6.8 million was returned from the reserve for invested non-restricted equity to C series of shares in April 2025.

**Share premium**

Share premium is recorded under the old Limited Liability Companies Act (29.9.1978/734), and was calculated as the difference between the nominal value of the shares and the subscription price. Share premium is restricted equity under the Limited Liability Companies Act. Share premium may be reduced to cover losses or it can be returned to owners under certain conditions.

**Revaluation reserve**

Derivative instruments used in cash flow hedging and fair value gains or losses on investments available-for-sale are recorded in the revaluation reserve. Fair value changes are transferred to the profit for the year when hedged cash flows realise. Fair value changes in investments available-for-sale are transferred to the profit for the year when the investment is disposed of or when its value has been impaired.

**Invested non-restricted equity**

Subscription prices for shares are recorded in invested non-restricted equity to the extent that they are not, based on an explicit decision, to be recorded as share capital.

**Subordinated shareholders loans and option rights**

The Company raised subordinated shareholder loans in total of €90,347 thousand as at 27 November 2020. There is no maturity date for the subordinated shareholder loans, but the borrower is entitled to repay the loan in one or several instalments. The Board of Directors of the borrower has the right to decide not to pay interest during any current interest period. Unpaid interest does not accumulate to the following interest periods.

Subordinated shareholder loans are unsecured and in a weaker preference position than promissory notes. Holders of a subordinated loan have no shareholder rights, nor does the bond dilute the ownership of the Company's shareholders.

In connection with the shareholder loan commitments, option rights have been also issued, which entitle to convert the shareholder loan receivable into series B2 shares. The option rights issued entitle to a maximum of 1,613,347 new B2 shares. The subscription price of a new B2 share is €56 and the subscription price can only be paid by setting of the total principal of the shareholder loan receivable that the shareholder has from the Company against the total subscription price of all new B2 shares. The share subscription period started on 1 January 2021 and will last until the repayment of the subordinated shareholder loans. New B2 shares can be subscribed once a year by informing the Company by 31 January at the latest. Further share subscription right can be used in connection of the loan repayment. Option rights can be sold or otherwise transfer only to a transferee that is a holder of the Company's B2 series shares and a party to the Shareholders' Agreement. No option rights were exercised in 2025.

In December 2020, Pohjolan Voima received shareholder loan commitments totalling €238 million, which expired unused on 31 December 2023. In connection with the shareholder loan commitments, two separate series of option rights were also issued out of which the option rights 1A/2020 entitle to the subscription at the cost of €0.01 even though the loan was not drawn. The share subscription period began on 1 January 2023 and will last until 1 June 2026 and give entitlement to up to 3,599,472 pieces of new B2 shares. No option rights were exercised in 2025. New B2 shares can be subscribed by informing the Company. Further share subscription right can be used in connection of the loan repayment. Option rights can be sold or otherwise transferred only to a transferee that is a holder of the Company's B2 series shares and a party to the Shareholders' Agreement.

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**25 Provisions**

1,000 €	Environmental provisions	
At 1 January 2025		4,092
Disposals		-617
Change in accounting estimates		51
Effect of discounting		-109
At 31 December 2025		3,416

1,000 €	2025	2024
Non-current provisions	3,416	4,092
Total	3,416	4,092

**Environmental provisions**

The environmental provisions include provision for the landscaping of power plant landfills. The present value of the landscaping is capitalised as part of the other tangible assets and recorded as a provision. The environmental provision totalled €1.7 million at 31 December 2025 and it is estimated that it will be fully utilised by 2035. Further provisions included asset retirement obligations amountin to €1.7 million.

In 2025, the cost estimate, as well as the lifetime of one landfill, was revised. In 2024 the cost estimate of one landfill was revised.

The discount rate used to determine present value was 3.47%.

**26 Borrowings**

1,000 €	2025	2024
<b>Non-current:</b>		
Borrowings from associates and joint ventures	350,000	350,000
Borrowings from financial institutions	388,400	466,000
Bonds	149,923	149,911
Leases	87,151	99,893
<b>Total</b>	<b>975,474</b>	<b>1,065,804</b>

<b>Current:</b>		
Borrowings from financial institutions	77,400	2,000
Other interest-bearing current liabilities	83,121	83,522
Leases	19,542	16,517
Interest expenses accrued for	18,281	22,810
<b>Total</b>	<b>198,344</b>	<b>124,849</b>
<b>Total borrowings</b>	<b>1,173,818</b>	<b>1,190,653</b>

Fair values of non-current and current borrowings are presented in Note 29.

Teollisuuden Voima Oyj is obliged to nuclear waste management. The obligation entitles Teollisuuden Voima Oyj to borrow 60% of its holdings in the State Nuclear Waste Management Fund. Teollisuuden Voima Oyj has granted corresponding loans to its shareholders. Pohjolan Voima's share is €350 (€350) million.

**Other non-current liabilities**

1,000 €	2025	2024
Other non-current liabilities		
Derivative financial liabilities		
Interest rate swaps	1,229	2,309
<b>Total</b>	<b>1,229</b>	<b>2,309</b>

Fair values of derivatives are disclosed in Note 29.

**Interest-bearing net liabilities**

1,000 €	2025	2024
<b>Interest-bearing liabilities total</b>	<b>1,173,818</b>	<b>1,190,653</b>
<b>Interest-bearing financial assets</b>		
Non-current		
Loan receivables	379,038	379,038
<b>Total</b>	<b>379,038</b>	<b>379,038</b>
Current		
Cash and cash equivalents	29,180	63,619
<b>Total</b>	<b>29,180</b>	<b>63,619</b>
<b>Interest-bearing financial assets total</b>	<b>408,218</b>	<b>442,657</b>
<b>Interest-bearing liabilities net</b>	<b>765,600</b>	<b>747,996</b>

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**The changes of net liabilities in the cash flow**

1,000 €	Other assets		Liabilities arising from financial activities				Interest expenses accrued for	Total	
	Financial assets, non-current	Financial assets, current	Finance lease, non-current	Finance lease, current	Borrowings, non-current	Borrowings, current			Other liabilities, current
<b>Net liabilities</b>									
<b>1.1.2024</b>	559,733	70,109	-103,033	-10,392	-942,889	-4,250	-129,399	-17,627	-577,748
Cash flows		-6,490	14,977	-5,353	-23,022	2,250	45,877	-5,183	23,056
The conversion of loan receivables into shareholdings	-180,695								-180,695
Changes in leases			-11,837	-772					-12,609
<b>Net liabilities</b>									
<b>31.12.2024</b>	379,038	63,619	-99,893	-16,517	-965,911	-2,000	-83,522	-22,810	-747,996
Cash flows		-34,439	13,252	-2,933	77,588	-75,400	401	4,529	-17,002
Changes in leases			-510	-92					-602
<b>Net liabilities</b>									
<b>31.12.2025</b>	379,038	29,180	-87,151	-19,542	-888,323	-77,400	-83,121	-18,281	-765,600

**27 Trade payables and other current liabilities**

1,000 €	2025	2024
Trade payables	8,703	12,001
Liabilities to associates and joint ventures	27,501	17,804
Accrued expenses	18,836	15,768
Other current liabilities	13,737	15,400
Held emission allowances, Energy Authority	271	635
Derivative financial instruments	70	0
<b>Total</b>	<b>69,117</b>	<b>61,609</b>

Emission allowances are recorded at cost and are presented separately on the balance sheet. The obligation relating to emission allowances is recorded at book value of the held allowances to short-term debt. Allowances and the related obligations are derecognised when they are reported or sold.

**Accrued expenses:**

1,000 €	2025	2024
Accrued personnel expenses	1,604	1,606
Accrued expenses for fuel purchases	8,084	7,081
Accrued expenses for energy purchases	3,850	1,860
Accrued rents	1,212	1,718
Interest liabilities	1,620	1,119
Other	2,466	2,383
<b>Total</b>	<b>18,836</b>	<b>15,768</b>

**28 Derivative financial instruments**

**Fair value of derivative financial instruments**

1,000 €	2025		Total
	Positive fair values	Negative fair values	
Interest rate swaps	5,749	-1,299	4,450
<b>Total</b>	<b>5,749</b>	<b>-1,299</b>	<b>4,450</b>

1,000 €	2024		Total
	Positive fair values	Negative fair values	
Interest rate swaps	5,021	-2,309	2,712
<b>Total</b>	<b>5,021</b>	<b>-2,309</b>	<b>2,712</b>

**Nominal value of derivative financial instruments**

1,000 €	2025	2024
Interest rate swaps	290,000	270,000

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■ **29 Financial assets and liabilities by category and fair value hierarchy**

1,000 €	31 Dec 2025	Fair value through profit and loss	Financial liabilities carried at amortised cost	Carrying value	Fair value, if deviates from carrying value	Note	Level 1	Level 2	Level 3
<b>Non-current financial assets</b>									
Other financial assets		680		680		19			680
Loan receivables			379,038	379,038		20			
Derivative financial instruments		5,749		5,749		20		5,749	
Other receivables			87	87		20			
Interest income accrued for			1,136	1,136		20			
		6,429	380,262	386,691				5,749	680
<b>Current financial assets</b>									
Cash and cash equivalents			29,180	29,180		21			
Trade and other receivables			118,412	118,412		20			
Prepayments and accrued income			52,348	52,348		20			
			199,940	199,940					
<b>Total</b>		<b>6,429</b>	<b>580,202</b>	<b>586,631</b>				<b>5,749</b>	<b>680</b>
<b>Non-current financial liabilities</b>									
Borrowings from associates and joint ventures			350,000	350,000		26			
Borrowings			388,400	388,400		26			
Bonds			149,923	149,923	156,542	26	156,542		
Derivative financial instruments		1,229		1,229		26		1,229	
Lease liabilities			87,151	87,151		26			
		1,229	975,474	976,703	156,542		156,542	1,229	
<b>Current financial liabilities</b>									
Loans and commercial papers			160,521	160,521		26			
Trade payables			8,703	8,703		27			
Other current liabilities			41,509	41,509		27			
Accrued expenses			18,836	18,836		27			
Lease liabilities			19,542	19,542		26			
Derivative financial instruments		70		70		27		70	
Interest expenses accrued for			18,281	18,281		26			
		70	267,391	267,461				70	
<b>Total</b>		<b>1,299</b>	<b>1,242,865</b>	<b>1,244,164</b>	<b>156,542</b>		<b>156,542</b>	<b>1,299</b>	

The fair values of financial assets and liabilities approximate carrying values except for bonds that are listed at Nasdaq Helsinki.

As at 31 December 2025 the amount of offsetting derivative instruments included in the financial assets and financial liabilities in the Group was €4.5 (€2.7) million.

	Gross amounts recognised in the balance sheet	Net amount
Derivative contracts 2025	4,450	4,450
Derivative contracts 2024	2,712	2,712

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1,000 €	31 Dec 2024	Fair value through profit and loss	Financial liabilities carried at amortised cost	Carrying value	Fair value, if deviates from carrying value	Note	Level 1	Level 2	Level 3
<b>Non-current financial assets</b>									
Other financial assets		680		680		19			680
Loan receivables			379,038	379,038		20			
Derivative financial instruments		4,960		4,960		20		4,960	
Other receivables			25,884	25,884		20			
Interest income accrued for			1,377	1,377		20			
		5,640	406,298	411,938				4,960	680
<b>Current financial assets</b>									
Cash and cash equivalents			63,619	63,619		21			
Derivative financial instruments		62		62		20		62	
Trade and other receivables			68,026	68,026		20			
Prepayments and accrued income			54,874	54,874		20			
		62	186,518	186,580				62	
<b>Total</b>		<b>5,701</b>	<b>592,816</b>	<b>598,518</b>				<b>5,021</b>	<b>680</b>
<b>Non-current financial liabilities</b>									
Borrowings from associates and joint ventures			350,000	350,000		26			
Borrowings			466,000	466,000		26			
Bonds			149,911	149,911	155,397	26	155,397		
Derivative financial instruments		2,309		2,309		26			2,309
Lease liabilities			99,893	99,893		26			
		2,309	1,065,804	1,068,113	155,397		155,397		2,309
<b>Current financial liabilities</b>									
Loans and commercial papers			85,522	85,522		26			
Trade payables			12,001	12,001		27			
Other current liabilities			33,840	33,840		27			
Accrued expenses			15,768	15,768		27			
Lease liabilities			16,517	16,517		26			
Interest expenses accrued for			22,810	22,810		26			
			186,458	186,458					
<b>Total</b>		<b>2,309</b>	<b>1,252,262</b>	<b>1,254,571</b>	<b>155,397</b>		<b>155,397</b>		<b>2,309</b>

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**Financial assets and liabilities by measurement categories**

Financial instruments that are measured at fair value in the balance sheet are presented according to fair value measurement hierarchy:

Level 1: quoted prices in active markets for identical assets or liabilities. The bond with the nominal value of €150 million issued in June 2024 was listed to Nasdaq Helsinki. Bond was classified at level 1 as at 31 December 2025. The fair value corresponds the quotation.

Level 2: inputs other than quoted price included within level 1 that are observable for the assets or liability, either directly or indirectly.

Level 3: inputs for the assets or liability that is not based on observable market data.

Derivative financial instruments are initially recognised at fair value and subsequently measured at fair value at the closing date. The fair values reflect the prices, which the Group would have to pay or would receive, if it called a derivatives contract. Fair value of interest rate swaps is determined using a discounted cash flow method using market rates prevailing at the closing date as the discount rate, which were 2.11% (2.61%) (level 2). Fair values of forward foreign exchange contracts and swaps are determined using quoted forward rates from contracts with similar duration. The Group does not apply hedge accounting according to IFRS 9, so the changes in fair values for derivative instruments are recorded in the statement of comprehensive income.

The Group owns unlisted shares, the market value of which is not reliably available. The fair value is determined by methods based on management's judgement (level 3).

**30 Contingent liabilities and assets and purchase commitments**

1,000 €	2025	2024
<b>On behalf of own loans</b>		
Other contingent liabilities	140,394	140,394
<b>On behalf of associated companies and joint ventures</b>		
Guarantees	24	25
Guarantee according to Nuclear Energy Act	357,714	354,361
<b>Total</b>	<b>498,133</b>	<b>494,780</b>

Other contingent liabilities comprise guarantees of €140 million issued by the parent company in respect of PVO Power Management Oy's electricity market collateral, as well as counter-guarantees issued by subsidiaries for bank guarantees that have been provided mainly to the tax authorities in connection with excise duties. The parent company charges PVO Power Management Oy a commission of 0.05% for the guarantee it has granted. Guarantees issued on behalf of associates and joint ventures consist of counter-commitments provided by the parent company and PVO-Vesivoima Oy in respect of Voimalohi Oy's (a joint venture of PVO-Vesivoima Oy) bank and TyEL loans. No fees have been charged for these guarantees.

**Guarantee under the Nuclear Energy Act**

According to the Finnish Nuclear Energy Act, Teollisuuden Voima, a joint venture of which Pohjolan Voima owns 58.5%, is obliged to fund the decommissioning of nuclear power plants and final disposal of spent nuclear fuel through the Finnish State Nuclear Waste Management Fund.

The amount of the contingent liability is determined by the administrative authority (Ministry of Employment and Economy) based on the Nuclear Energy Act. The directly enforceable guarantees relating to Nuclear waste management given by the shareholders of Teollisuuden Voima Oyj to cover the uncovered portion of nuclear waste management liability as well as a liability for any unforeseen expenses of nuclear waste management in accordance with the Nuclear Energy Act. In 2025, a part of the Teollisuuden Voima Oyj's liabilities were transferred to Posiva Oy, that is responsible of the final disposal of spent nuclear fuel and Pohjolan Voima has given guarantees on behalf of both Teollisuuden Voima and Posiva. The guarantee is valid for five years and it is annually renewed at the end of June. The directly enforceable guarantees given by Pohjolan Voima is €357,71 (€354.36) million.

**Investment commitments**

Pohjolan Voima's subsidiary PVO-Vesivoima Oy has committed to investments in total of €5.6 (€6.5) million out of which €5.4 (€2.1) million were paid at the end of the period. Rauman Biovoima Oy's commitments amounted to €3.5 million out of which €2.8 million were paid. In Porin Prosessivoima Oy commitments were €4.6 million and €2.3 million paid.

**Legal proceedings**

There were no legal proceedings ongoing at the end of the financial year.

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**31 Emission allowances**

**Carbon Dioxide Emission**

Generally, the Group holds emission allowances covering the annual CO<sub>2</sub> emissions. If the actual emissions exceed allowances held, the company has recognised an expense for emission rights at market price for each ton of emission exceeding its allowances. PVO-Lämpövoima's, which is classified as discontinued operations, emission information is not included the below listed information.

<b>2025</b>	<b>t CO<sub>2</sub></b>	<b>1,000€</b>
Allowances received free of charge	119,369	
Combined annual emissions of the plants'	80,123	
Emission allowances held	669,688	
External sales of emission allowances *	179,259	13,833
External purchases of emission allowances **	3,300	271

  

<b>2024</b>	<b>t CO<sub>2</sub></b>	<b>1,000€</b>
Allowances received free of charge	47,394	
Combined annual emissions of the plants'	114,116	
Emission allowances held	840,310	
External sales of emission allowances *	0	0
External purchases of emission allowances **	5,410	365,878

\* Emission sales are included in revenue.

\*\* The cost of purchased emission rights are included in materials and services, and the remaining emission allowances held at the closing date are included in the balance sheet as intangible assets.

**32 Group companies**

<b>Company</b>	<b>Production</b>	<b>Country</b>	<b>Ownership (%)</b>	<b>Voting right (%)</b>
Kaukaan Voima Oy	Thermal Power	Finland	54.00	54.00
Kymin Voima Oy	Thermal Power	Finland	76.00	76.00
Laanilan Voima Oy	Thermal Power	Finland	100.00	100.00
Porin Prosessivoima Oy	Thermal Power	Finland	84.66	84.66
PVO Power Management Oy	Services company	Finland	100.00	100.00
PVO Power Services Oy	Services company	Finland	100.00	100.00
PVO-Vesivoima Oy	Hydropower	Finland	100.00	100.00
Rauman Biovoima Oy	Thermal Power	Finland	71.95	71.95

**List of associated companies and joint ventures**

<b>Associated companies</b>	<b>Registered Office</b>
Oy Alhomens Kraft Ab	Pietarsaari
Länsi-Suomen Voima Oy	Harjavalta
Tornionlaakson Voima Oy	Ylitornio

<b>Joint ventures</b>	<b>Registered Office</b>
Teollisuuden Voima Oyj	Helsinki
Voimalohi Oy	Kemi

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## 33 Related-party transactions

The Group's related parties include the parent company, associates and joint ventures (Note 32) as well as the largest shareholder UPM-Kymmene Group. Related parties also include the Board of Directors and the Corporate Executive Team members including the CEO and companies in which they or their family members have control.

### Transactions with related parties, 1,000 €

Related party transactions relate to normal business operations of Pohjolan Voima. Pohjolan Voima has granted to Teollisuuden Voima Oyj, a joint venture, shareholder loans of €379 (€379) million. The management has assessed that the loan receivables do not include impairment risk. Teollisuuden Voima has used its right to borrow from State Nuclear Waste Management Fund and further granted a loan of €350 (€350) million to Pohjolan Voima. There is no security given for the loan.

2025	Sales	Purchases	Receivables	Liabilities
Associates and joint ventures	-783	582,579	441,347	389,481
UPM-Kymmene Group	410,929	91,086	44,665	11,178

2024	Sales	Purchases	Receivables	Liabilities
Associates and joint ventures	-4,091	562,225	457,616	383,281
UPM-Kymmene Group	417,860	95,055	24,938	12,529

### The Board of Directors and the Executive team

Senior management of Pohjolan Voima consists of the board members and the executive management team members, including the President and CEO. The Group has not granted any loans to senior management, and has no business transactions with management as at 31 December 2025 nor as at 31 December 2024.

### Salaries and benefits of the Board of Directors and the Executive team

1,000 €	2025	2024
Salaries and other short-term employee benefits - board members	413	457
Salaries and other short-term employee benefits - executive team	1,535	1,473
Total	1,948	1,930

No pension benefits were paid to the Board of Directors in 2025 and 2024.

### Salaries and benefits of the CEO

1,000 €	2025	2024
Salaries and other short-term employee benefits	443	410
Statutory pension scheme	73	67
Voluntary pension plan	53	50
Total	570	527

## 34 Breakdown of share ownership and shareholder information

Shareholder	2025 % of shares	2024 % of shares
EPV Energia Oy	4.30%	5.03%
Helen Oy	0.59%	0.55%
Kemira Oyj (incl. Neliapila pension fund)	5.76%	5.34%
Ilmarinen Mutual Pension Insurance Company	0.00%	1.31%
Kokkolan Voima Oy	1.46%	1.53%
Kympivoima Oy	2.86%	5.02%
Metsä Group (Metsäliitto, Metsä Fibre, Metsä Board Oyj)	3.29%	3.05%
Myllykoski Oyj *	0.60%	0.55%
Oulun Energia Oy	0.27%	0.81%
Outokumpu Oyj	0.11%	0.10%
Oy Perhonjoki Ab **	1.96%	2.09%
City of Pori	1.04%	1.29%
Rautaruukki Oyj	0.10%	0.10%
Stora Enso Oyj	16.54%	16.14%
Suomen Voima Oy	1.65%	1.47%
UPM Energy Oy	53.70%	49.82%
UPM Communication Papers Oy	3.96%	3.68%
Vantaan Energia Oy	0.22%	0.20%
Yara Suomi Oy (incl. pension fund)	1.58%	1.93%
Total	100.00%	100.00%

\* Myllykoski Oyj is a part UPM-Kymmene Group.

\*\* name change on 1 January 2026, Katternö Kraft Oy Ab

Shareholders by sector	2025 % of shares	2024 % of shares
Forest industry	78.09%	73.23%
Energy companies	13.31%	16.69%
Chemical industry	7.34%	7.28%
Metal industry	0.21%	0.20%
Other	1.04%	2.60%
Total	100.00%	100.00%

## 35 Events after the reporting period

There were no material subsequent events.

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# Parent company financial statement (FAS)

## Income statement

1,000 €	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Revenue	2	748,076	741,950
Other operating income	3	899	72
Materials and services	4	-180,535	-204,676
Personnel expenses	5	-4,195	-4,035
Depreciation, amortisation and impairment	6	-133	-177
Other operating expenses	7	-541,669	-508,990
<b>Operating profit or loss</b>		<b>22,444</b>	<b>24,145</b>
Finance income and costs	8	-22,357	-13,304
<b>Profit or loss before appropriations and taxes</b>		<b>87</b>	<b>10,841</b>
<b>Profit or loss for the year</b>		<b>87</b>	<b>10,841</b>

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**Balance sheet**

1,000 €	Note	31 Dec 2025	31 Dec 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	9	272	395
Property, plant and equipment	10	232	157
Investments	11		
Holdings in Group undertakings		372,551	379,346
Other investments		1,289,229	1,289,229
<b>Total non-current assets</b>		<b>1,662,284</b>	<b>1,669,127</b>
<b>Current assets</b>			
Non-current receivables	12	87	25,884
Current receivables	13	150,425	107,842
Cash and cash equivalents		30,468	63,043
<b>Total current assets</b>		<b>180,980</b>	<b>196,768</b>
<b>Total assets</b>		<b>1,843,264</b>	<b>1,865,895</b>

1,000 €	Note	31 Dec 2025	31 Dec 2024
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
	14		
Share capital		47,694	49,676
Share premium		191,592	191,592
Revaluation reserve		218,644	218,644
Reserve for invested non-restricted equity		294,725	301,520
Retained earnings		28	37
Profit for the year		87	10,841
<b>Total equity</b>		<b>752,771</b>	<b>772,311</b>
<b>Liabilities</b>			
Non-current liabilities	15	900,347	900,347
Current liabilities	16	190,145	193,237
<b>Total liabilities</b>		<b>1,090,493</b>	<b>1,093,584</b>
<b>Total equity and liabilities</b>		<b>1,843,264</b>	<b>1,865,895</b>

**Cash flow statement**

1,000€	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
<b>Operating activities</b>		
Operating profit or loss	22,444	24,145
Adjustments (+/-):		
Depreciation, amortisation and impairment	133	177
Losses(+) or gains (-) of sales of non-current assets	-877	17
<b>Cash flow from operating activities</b>	<b>21,700</b>	<b>24,339</b>
<b>Change in net working capital:</b>		
Increase (-) or decrease (+) of non-interest-bearing receivables	-38,845	33,610
Increase (+) or decrease (-) of current non-interest-bearing liabilities	9,244	-1,073
<b>Cash flow from operating activities before financial items and taxes</b>	<b>-7,902</b>	<b>56,875</b>
Interest paid and payments of financial items	-49,117	-46,243
Interest received and payments of financial income	23,367	40,696
<b>Cash flow from operating activities</b>	<b>-33,651</b>	<b>51,328</b>
<b>Investments</b>		
Purchases of property, plant and equipment and intangible assets	-70	-81
Proceeds from sales of property, plant and equipment and intangible assets	0	16
Proceeds from the dissolved subsidiary	877	0
Loan repayments	21,000	11,000
Equity refunds received	6,795	5,400
<b>Cash flow from investing activities</b>	<b>28,602</b>	<b>16,334</b>
<b>Financing</b>		
Acquisition and annulment of own shares	-1,983	-17,558
Equity refunds paid	-6,795	-9,656
Proceeds (+) or repayments (-) of current interest-bearing liabilities	-7,898	-51,844
Proceeds from borrowings	0	300,000
Repayments of borrowings (-)	0	-275,000
Dividends paid	-10,850	-21,050
<b>Cash flow from financing activities</b>	<b>-27,526</b>	<b>-75,108</b>
<b>Change in cash and cash equivalents, increase (+) / decrease (-)</b>	<b>-32,575</b>	<b>-7,445</b>
<b>Cash and cash equivalents at 1 Jan</b>	<b>63,042</b>	<b>70,487</b>
<b>Cash and cash equivalents at 31 Dec</b>	<b>30,467</b>	<b>63,042</b>

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■ **1 Basis of preparation**

Pohjolan Voima Oyj's financial statements have been prepared in accordance with Finnish Accounting Standards (FAS) and other laws and regulations governing the preparation of the financial statements in Finland.

Pohjolan Voima Oyj (0210161-4, Helsinki, Finland) is the parent company of Pohjolan Voima Group.

**Revenue**

Revenue is recognised net of value-added taxes and discounts. Revenue is recognised at the time of delivery.

**Other operating income**

Revenue from activities outside the normal operations is reported in other operating income. This includes items such as rental income and gains on sale of assets.

**Research and development costs**

Research and development costs are expensed as incurred.

**Pension costs**

Statutory pension liabilities are covered through pension insurance arrangements.

**Foreign currencies and derivative contracts**

In accordance with the financing policy, Pohjolan Voima Oyj enters into derivative contracts only for managing the interest rate risk and for hedging purposes. The interest rate risk is monitored by means of duration, which is set at the level where the electricity price sensitivity to changes in interest rates is on an acceptable level considering the individual risk bearing capacity of each series of shares. Derivative contracts are not fairvalued but considered as off-balance sheet items. According to the financing policy in the interest rate hedging derivatives in subsidiaries, a total of 10 agreements, the counterparty is the parent company that has corresponding agreements with external parties. Further, the parent company has 9 interest rate hedging derivatives with external parties relating to B2 series of shares for the periods 30 June 2024–30 June 2031, 31 October 2024–31 October 2027, 25 April 2024–25 April 2029, 16 December 2024–17 December 2029, 31 January 2025–31 January 2030, 7 February 2025–31 January 2030, 24 March 2025–25 March 2030, 16 June 2025–16 June 2028 and 16 June 2025–17 June 2030. Interest rate derivatives can be terminated at fair value and key information is disclosed in the notes.

Transactions denominated in foreign currencies have been valued using the exchange rate at the date of the transaction. Receivables and liabilities denominated in foreign currencies outstanding on the balance sheet date have been valued using the exchange rate quoted on the balance sheet date. Exchange rate differences are presented within finance income and cost in the income statement.

**Income taxes and deferred taxes**

The tax expense for the period comprises current tax relating to the current period and any adjustments made to taxes for the previous financial period. Pohjolan Voima Oyj operations are based on cost price and the company does not pay any taxes on its energy related operations. No deferred tax assets on the operating losses from previous periods have been recognised.

**Non-current assets**

The intangible assets and property, plant and equipment are stated at historical cost less accumulated amortisation and depreciation according to plan. Historical cost includes the variable costs of the investment. Received government grants have been deducted from acquisition cost. Depreciation is calculated using the straight-line method based on the estimated useful lives. Depreciation and amortisation is started when the asset is taken into use.

The estimated useful lives have been defined as follows:

Other capitalised long-term expenditure	3–10 years
Machinery and equipment	3–20 years
Buildings and constructions	8–30 years

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**2 Revenue**

1,000 €	2025	2024
Sales of electricity	655,014	652,176
Sales of heat	90,403	87,387
Other sales	2,659	2,387
Total	748,076	741,950

**3 Other operating income**

1,000 €	2025	2024
Gains on sale and dissolution of fixed assets	877	0
Rental income	11	70
Other income	11	2
Total	899	72

**4 Materials and services**

1,000 €	2025	2024
Energy purchases	180,535	204,676
Total	180,535	204,676

**5 Personnel expenses and average number of personnel**

Average number of personnel	2025	2024
Salaried employees	28	25
Total	28	25

**Wages, salaries and pension expenses**

1,000 €	2025	2024
Wages and salaries		
Board members and CEO	856	867
Other wages and salaries	2,553	2,477
Pension expenses	677	621
Other personnel expenses	108	71
Total	4,195	4,035

**6 Depreciation, amortisation and impairment**

1,000 €	2025	2024
Depreciation according to plan		
Other capitalised long-term expenditure	86	79
Intangible assets	37	67
Buildings and constructions	0	21
Machinery and equipment	10	10
Total	133	177

**7 Other operating expenses**

1,000 €	2025	2024
Energy purchases	536,952	503,943
Repair, servicing and maintenance services	53	59
Rents	583	581
Real estate taxes	2	19
Fees to experts	1,425	1,639
Other expenses	2,654	2,748
Total	541,669	508,990

**Auditor's fees**

1,000 €	2025	2024
PricewaterhouseCoopers Oy:		
Audit fees	160	221
Other services	18	37
Total	178	259

**8 Finance income and costs**

1,000 €	2025	2024
Interest income from investments		
in participating interests	4,701	8,560
Other interest and finance income		
from Group undertakings	3,072	2,153
from others	15,139	26,976
Total finance income	22,912	37,688
Interest costs and other financial costs		
to Group undertakings	-3,807	-6,503
to participating interests	-11,980	-15,477
to others	-29,482	-29,011
Total finance costs	-45,269	-50,992
Total finance income and costs	-22,357	-13,304

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**9 Intangible assets**

1,000 €	Intangible rights	Other capitalised long-term expenditure	Total
Cost or valuation at 1 Jan	396	1,852	2,249
Reclassifications	0	0	0
Cost or valuation at 31 Dec	396	1,852	2,249
Accumulated amortisation 1 Jan	-329	-1,525	-1,854
Amortisation of the period	-37	-86	-123
Accumulated amortisation 31 Dec	-366	-1,611	-1,976
Net book amount 31 Dec 2025	31	242	272
Net book amount 31 Dec 2024	68	327	395

**10 Property, plant and equipment**

1,000 €	Land and water areas	Buildings and constructions	Machinery and equipment	Other tangible assets	Prepayments	Total
Cost or valuation at 1 Jan	96	264	163	29	0	552
Additions	0	0	0	0	84	84
Disposals	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Cost or valuation at 31 Dec	96	264	163	29	84	636
Accumulated depreciation 1 Jan	0	-264	-131	0	0	-395
Accumulated depreciation of disposals and reclassifications	0	0	0	0	0	0
Amortisation of the period	0	0	-10	0	0	-10
Accumulated depreciation 31 Dec	0	-264	-141	0	0	-405
Net book amount 31 Dec 2025	96	0	22	29	84	232
Net book amount 31 Dec 2024	96	0	32	29	0	157
Production machinery and equipment at 31 Dec 2025			0			

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**11 Investments**

1,000 €	Holdings in Group undertakings	Participating interests	Receivables from participating interests	Other shares and similar rights of ownership	Total
Cost or valuation at 1 Jan	385,567	920,387	379,038	680	1,685,672
Additions	0	0	0	0	0
Disposals	-6,795	0	0	0	-6,795
Reclassifications	-6,222	0	0	0	-6,222
Cost or valuation at 31 Dec	372,550	920,387	379,038	680	1,672,655
Accumulated impairment 1 Jan	-6,222	-10,875	0	0	-17,097
Reclassifications	6,222	0	0	0	6,222
Accumulated impairment 31 Dec	0	-10,875	0	0	-10,875
Net book amount 31 Dec 2025	372,551	909,512	379,038	680	1,661,780
Net book amount 31 Dec 2024	379,346	909,512	379,038	680	1,668,575
Revaluations included in the cost at 31 Dec 2025	265,145				

Participating interests include shares of Teollisuuden Voima Oyj amounting to €889,588 (€889,588) thousand and Receivables from participating interests loan receivables from Teollisuuden Voima Oyj amounting to €379,038 (€379,038) thousand.

**12 Non-current receivables**

1,000 €	2025	2024
Other non-current receivables	87	25,884
Total	87	25,884
Receivables from participating interests		
Other non-current receivables	0	25,796
Total receivables from participating interests	0	25,796

**13 Current receivables**

1,000 €	2025	2024
Trade receivables	92,907	52,720
Other receivables	4,797	2
Prepayments and accrued income	52,721	55,120
Total	150,425	107,842
Receivables from Group undertakings		
Trade receivables	173	109
Loan receivables	1,480	127
Prepayments and accrued income	822	656
Total receivables from Group undertakings	2,475	892
Receivables from participating interests		
Trade receivables	8,153	1,705
Other receivables	4,796	0
Prepayments and accrued income	48,648	50,302
Total receivables from participating interests	61,598	52,007
Prepayments and accrued income:		
Accrued financial expenses	1,870	2,473
Accrued interest income	3,081	3,536
Accrued energy purchases	40,282	38,040
Accrued purchases credited in accrued income	7,301	10,885
Others	187	185
Total	52,721	55,119
Interest-bearing receivables		
Non-current assets	379,038	379,038
Current assets	30,468	63,043
Total	409,505	442,080

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**14 Equity**

1,000 €	2025	2024
Share capital 1 Jan	49,676	54,962
Acquisition and annulment of own shares	-1,983	-5,286
Share capital 31 Dec	47,694	49,676
Share premium 1 Jan	191,592	203,865
Acquisition and annulment of own shares	0	-12,273
Share premium 31 Dec	191,592	191,592
Revaluation reserve 1 Jan	218,644	218,644
Revaluation reserve 31 Dec	218,644	218,644
Reserve for invested non-restricted equity 1 Jan	301,520	311,176
Refund of reserves	-6,795	-9,656
Reserve for invested non-restricted equity 31 Dec	294,725	301,520
Retained earnings 1 Jan	10,878	21,087
Dividend distribution	-10,850	-21,050
Retained earnings 31 Dec	28	37
Profit or loss for the year	87	10,841
Total	752,771	772,311

**Distributable earnings 31 Dec**

1,000 €	2025	2024
Retained earnings	28	37
Profit or loss for the year	87	10,841
Reserve for invested non-restricted equity	294,725	301,520
Total	294,841	312,399

**Share capital by share category**

See Note 24 in the consolidated financial statements.

**15 Non-current liabilities**

1,000 €	2025	2024
Shareholder loans *	90,347	90,347
Bonds	150,000	150,000
Loans from financial institutions	310,000	310,000
Other non-current liabilities	350,000	350,000
Total	900,347	900,347
Liabilities to participating interests		
Other non-current liabilities	350,000	350,000
Total	350,000	350,000
Liabilities due in more than five years		
Shareholder loans	90,347	90,347
Total	90,347	90,347
Non-interest-bearing and interest-bearing non-current liabilities		
Interest-bearing	900,347	900,347
Total	900,347	900,347

\* Subordinated loans

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**16 Current liabilities**

1,000 €	2025	2024
Other interest-bearing liabilities	116,392	124,290
Trade payables	27,461	28,079
Other current liabilities	12,464	11,634
Accrued expenses	33,829	29,233
<b>Total</b>	<b>190,145</b>	<b>193,237</b>
To Group undertakings		
Trade payables	11,596	13,693
Other current liabilities	33,271	40,768
Accrued expenses	1,575	1,131
<b>Total</b>	<b>46,442</b>	<b>55,592</b>
To participating interests		
Trade payables	15,693	14,139
Accrued expenses	23,150	17,994
<b>Total</b>	<b>38,844</b>	<b>32,133</b>
Accrued expenses, material items		
Accrued personnel expenses	1,166	1,157
Accrued interest costs	20,283	24,736
Accrued energy purchases	9,670	2,517
Accrued sales credited in accrued expenses	166	803
Accrued fixed costs	2,448	0
Other items	95	20
<b>Accrued expenses, total</b>	<b>33,829</b>	<b>29,233</b>
Non-interest-bearing and interest-bearing current liabilities		
Non-interest-bearing	73,753	68,946
Interest-bearing	116,392	124,290
<b>Total</b>	<b>190,145</b>	<b>193,237</b>

**17 Guarantees and contingent liabilities**

1,000 €	2025	2024
Guarantees		
Guarantees for loans		
On behalf of participating interests	14	14
Other guarantees		
On behalf of Group undertakings	140,000	140,000
<b>Total guarantees</b>	<b>140,014</b>	<b>140,014</b>
Leasing liabilities		
Payments during the following year	138	152
Payments in subsequent years	110	94
<b>Total leasing liabilities</b>	<b>248</b>	<b>246</b>
Rental liabilities		
Payments during the following year	422	410
Payments in subsequent years	320	715
<b>Total leasing liabilities</b>	<b>741</b>	<b>1,125</b>
Other contingent liabilities		
Guarantee according to Nuclear Energy Act	357,714	354,361
<b>Total other contingent liabilities</b>	<b>357,714</b>	<b>354,361</b>

According to the Finnish Nuclear Energy Act, Teollisuuden Voima, a joint venture of which Pohjolan Voima owns 58.5%, is obliged to fund the decommissioning of nuclear power plants and final disposal of spent nuclear fuel through the Finnish National Nuclear Waste Management Fund.

The amount of the contingent liability is determined by the administrative authority (Ministry of Employment and Economy) based on the Nuclear Energy Act. The directly enforceable guarantees given by the shareholders of Teollisuuden Voima Oyj and Posiva Oy cover the uncovered portion of the Nuclear Waste Management obligation as well as a liability for any unforeseen expenses of nuclear waste management in accordance with the Nuclear Energy Act. The directly enforceable guarantee given by Pohjolan Voima is €357 (€354) million.

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**18 Derivative financial instruments**

1,000 €	2025	2024
Interest rate swap contracts		
Nominal value	290,000	270,000
Market value (including retained interests)	4,252	3,376
Average maturity (years)	3.5	3.8
Floating reference rate (company receives)	6 months Euribor/	6 months Euribor/
Fixed rate (on average, company pays)	2.07%	1.91%
The interest rate swap contracts cover the following financial agreements with floating interest rates:		
Bank credit	310,000	310,000
Liabilities to participating interests	350,000	350,000

**Financing risks**

Board of Directors approves a financing policy for the company, which determines the purpose and risk levels for the financing operations. The refinancing risk is managed through diversified sources of financing, sufficiently long maturity of loans and a balanced schedule of maturity. The primary loan currency is the euro. If loans are taken out in other currencies, the currency risk is eliminated by means of derivative contracts.

The interest rate risk is monitored by means of duration, which indicates the sensitivity of the loan portfolio to changes in the interest rates. The duration of the loan portfolio is managed using derivative contracts if necessary. The duration is set considering the electricity price sensitivity to interest rate changes and the acceptable risk carrying capacity of each series of shares.

The Group maintains a certain amount of liquid assets, credit limit arrangements and commercial paper programmes to reduce the liquidity risk. The Group's liquidity is secured by the €350 (€350) million revolving credit facility, which matures in 2029. The loan facilities were fully undrawn as per 31 December 2025. For its short-term financing, the company uses mainly its domestic €300 million commercial paper program.

The excess liquidity is invested in secure and profitable instruments with a duration of up to 12 months. Investments are diversified to various instruments, and the investment instruments are chosen so that liquidity in the secondary market is ensured even under unfavourable circumstances.

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# Electricity business

Separated electricity business statements according to the Electricity Market Act 77§

## Income statement

	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
<b>Revenue</b>	<b>657,515,603.81</b>	<b>654,436,402.44</b>
<b>Other operating income</b>	<b>894,476.73</b>	<b>71,831.34</b>
Materials and services	-123,767,284.09	-152,563,557.40
Personnel expenses	-4,060,609.50	-3,917,725.46
Depreciation, amortisation and impairment	-125,868.50	-168,719.98
Other operating expenses	-507,978,752.26	-474,667,699.13
<b>Operating profit or loss</b>	<b>22,477,566.19</b>	<b>23,190,531.81</b>
Finance income and costs	-22,357,000.00	-13,303,000.00
<b>Profit or loss before appropriations and taxes</b>	<b>120,566.19</b>	<b>9,887,531.81</b>
<b>Profit or loss for the year</b>	<b>120,566.19</b>	<b>9,887,531.81</b>

## Balance sheet

	31 Dec 2025	31 Dec 2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	270,736.24	393,146.08
Property, plant and equipment	230,669.80	156,312.18
Investments		
Holdings in Group undertakings	301,839,075.47	308,634,400.46
Other investments	1,281,405,330.55	1,281,405,637.66
<b>Total non-current assets</b>	<b>1,583,745,812.06</b>	<b>1,590,589,496.38</b>
<b>Current assets</b>		
Non-current receivables	86,892.58	25,883,364.25
Current receivables	150,632,927.01	99,097,606.22
Cash and cash equivalents	30,300,893.71	62,594,675.43
<b>Total current assets</b>	<b>181,020,713.30</b>	<b>187,575,645.90</b>
<b>Total assets</b>	<b>1,764,766,525.36</b>	<b>1,778,165,142.28</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	47,021,232.68	47,021,232.68
Share premium	169,422,753.15	169,422,753.15
Revaluation reserve	218,644,304.40	218,644,304.40
Reserve for invested non-restricted equity	248,954,867.27	248,954,867.27
Retained earnings	28,330.45	37,016.18
Profit or loss for the year	120,566.19	9,887,531.81
<b>Total equity</b>	<b>684,192,054.14</b>	<b>693,967,705.49</b>
<b>Liabilities</b>		
Non-current liabilities	898,820,682.38	898,931,012.69
Current liabilities	181,753,788.84	185,266,424.10
<b>Total liabilities</b>	<b>1,080,574,471.22</b>	<b>1,084,197,436.79</b>
<b>Total equity and liabilities</b>	<b>1,764,766,525.36</b>	<b>1,778,165,142.28</b>

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**Declaration of the Board of Directors and signing of  
the Board of Directors' report and financial statements**

The financial statements have been prepared in accordance with the applicable set of accounting standards and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the company and of the companies included in the consolidation taken as a whole.

The Report of the Board of Directors and Financial Statements includes a fair view of, on the one hand, the development and performance of the company and on the other hand, of the companies included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face and the position of the company.

**Board of Directors' dividend proposal:**

On 31 December 2025, the parent company's distributable funds totalled €294,840,869.81, of which the net profit for the financial period amounted to €87,344.16. The Board of Directors proposes to the Annual General Meeting that the profit be transferred to the retained earnings account, and that no dividends be distributed.

Helsinki 27 February 2026

Tapio Korpeinen  
Chairman

Kaarlo Höysniemi  
Deputy Chairman

Jukka Hakkila

Anders Renvall

Maija Ruska

Wilhelm Wolff

Rami Vuola

Roger Holm

Jussi Lehto

Ilkka Tykkyläinen  
President and CEO

**The auditor's note**

Our auditor's report has been issued today.

Helsinki on the date of the electrical signing.

PricewaterhouseCoopers Oy  
Authorised Public Accountants

Pasi Karppinen  
Authorised Public Accountant

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**Auditor's Report** (Translation of the Finnish Original)

To the Annual General Meeting of Pohjolan Voima Oyj

**Report on the Audit of the Financial Statements**

**Opinion**

In our opinion

- › the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- › the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report to the Audit and Finance Committee.

**What we have audited**

We have audited the financial statements of Pohjolan Voima Oyj (business identity code 0210161-4) for the year ended 31 December 2025. The financial statements comprise:

- › the consolidated balance sheet, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes, which include material accounting policy information and other explanatory information
- › the parent company's balance sheet, income statement, cash flow statement and notes.

**Basis for Opinion**

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, the non-audit services that we have provided to the parent company and group companies are in accordance with the applicable law and regulations in Finland and we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014. The non-audit services that we have provided are disclosed in Note 11 to the Financial Statements.

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**Our Audit Approach**

**Overview**



As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

**Materiality**

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

<b>Overall group materiality</b>	€13 million (previous year €11 million)
<b>How we determined it</b>	0,6% of balance sheet total
<b>Rationale for the materiality benchmark applied</b>	We chose balance sheet total as the benchmark because the company's operations are very capital intensive and because, in our view, this is the benchmark against which the performance of the group is commonly measured by users.

**How we tailored our group audit scope**

We tailored the scope of our audit, taking into account the structure of the Pohjolan Voima Group, the accounting processes and controls, and the industry in which the group operates.

Audits were performed in group companies, which were considered significant either because of their individual financial significance or due to their specific nature, covering the majority of revenue, assets and liabilities of the group.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

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**Key audit matter in the audit of the group**

**How our audit addressed the key audit matter**

**Valuations of joint venture Teollisuuden Voima Oyj**

*Accounting policies and notes 2, 18, 20, 29 and 33 of the consolidated financial statements. Note 11 in the financial statements of the parent company.*

On the consolidated balance sheet Investments in associated companies and joint ventures include the group's share of Teollisuuden Voima Oyj's net assets €1,008 million. Investments in joint ventures are accounted for using the equity method. Loans and other receivables include an equity loan receivable from Teollisuuden Voima Oyj €379 million. On the parent company's balance sheet Other investments include the shares of Teollisuuden Voima Oyj €890 million and the loan receivable from Teollisuuden Voima Oyj €379 million.

Valuations of joint venture Teollisuuden Voima Oyj is a key audit matter in the audit of the consolidated and the parent company's financial statements due to the significant value on the balance sheet and the substantial management judgement applied in the valuation.

**Intangible assets with indefinite useful lives**

*Accounting policies and notes 2 and 15 of the consolidated financial statements*

Intangible assets with indefinite useful lives on the consolidated balance sheet include the right to produce hydropower and the compensation paid for the permanent right of the water area usage €279 million.

Impairment testing for intangible assets with indefinite useful lives is performed annually.

Impairment tests, in particularly estimated future cash flows and discount rates are subject to significant management judgement.

Valuation of intangible assets with indefinite useful lives is a key audit matter in the audit of the consolidated financial statements due to the significant value on the balance sheet and the high level of management judgement involved in impairment tests.

There are no significant risks of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014 with respect to the consolidated financial statements or the parent company financial statements.

We tested the consolidation of the joint venture in Pohjolan Voima Group's income statement and balance sheet.

We analysed management's assessment of the credit risk relating to the loan receivable from Teollisuuden Voima Oyj and the valuation of the Teollisuuden Voima Oyj's ownership.

In our audit of the amounts recognised on the balance sheet we considered the provisions regarding shareholder responsibilities incorporated in the Articles of Association.

We also assessed the adequacy of related disclosures in the accounting policies and notes to the financial statements.

We obtained an understanding of the impairment test performed by the management and compared the methodology applied in the impairment test to the requirements of IAS 36, Impairment of assets.

We tested the mathematical accuracy of the calculations prepared by management.

We tested management's future cash flow forecasts among other things, by comparing them to electricity price forecasts.

We assessed together with PwC's valuation experts the discount rate used.

We also assessed the adequacy of related disclosures in the accounting policies and notes to the consolidated financial statements.

**Responsibilities of the Board of Directors and the Managing Director for the Financial Statements**

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or to cease operations, or there is no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- › Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- › Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- › Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

**POHJOLAN VOIMA**  
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- › Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- › Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- › Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Reporting Requirements**  
**Appointment**

Pohjolan Voima Oyj became a public interest entity in May 2019. We have been the auditors of Pohjolan Voima Oyj all that time it has been a public interest entity.

**Other Information**

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

**Other Statements**

We support that the Members of the Board of Directors of the parent company and the Managing Director of the parent company should be discharged from liability for the financial period audited by us.

Helsinki 12 March 2026

**PricewaterhouseCoopers Oy**  
Authorised Public Accountants

Pasi Karppinen  
Authorised Public Accountant (KHT)