

## LISTING PROSPECTUS



### Pohjolan Voima Oyj

**EUR 150,000,000 4.750 percent Senior Unsecured Notes due 2031**

**The Notes are represented by units in denominations of EUR 100,000**

On 5 June 2024, Pohjolan Voima Oyj (the “**Issuer**”) issued senior unsecured 4.750 percent notes due 2031 with an aggregate principal amount of EUR 150,000,000 (the “**Notes**”) to professional clients and eligible counterparties based on an authorisation given by the Issuer’s Board of Directors on 26 April 2024. The Notes are represented by units in denomination of EUR 100,000. The principal amount of each book-entry unit (Finnish: *arvo-osuuden yksikkökoko*) is EUR 100,000. The Notes were offered for subscription in a minimum amount of EUR 100,000 through a book-building procedure that was carried out on 29 May 2024 (the “**Offering**”). The interest on the Notes will be paid annually in arrears commencing on 5 June 2025, and thereafter annually on each 5 June until the Notes have been repaid in full. The maturity of the Notes is on 5 June 2031, unless the Issuer prepays or redeems the Notes in accordance with the terms and conditions of the Notes (the “**Terms and Conditions**”). Net proceeds from the issue of the Notes will be used for refinancing the existing indebtedness of the PVO Group (as defined below) and general corporate purposes of the PVO Group.

The Notes constitute direct, unconditional, unsubordinated, unguaranteed and unsecured obligations of the Issuer. The Notes were issued in the book-entry securities system of Euroclear Finland Oy (“**Euroclear Finland**”) in dematerialised form under the Finnish Act on Book-entry System and Settlement Activities (348/2017, as amended) (the “**Finnish Act on Book-entry System and Settlement Activities**”). The Notes may be held by holders of the Notes (the “**Noteholders**”) directly through book-entry accounts with Euroclear Finland. The Notes are not evidenced by any physical note or document of title other than statements of account made by Euroclear Finland or its account operator and cannot be physically delivered.

This listing prospectus (the “**Listing Prospectus**”) contains information on the Offering and the Notes. This Listing Prospectus has been drawn up as a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended, the “**Prospectus Regulation**”). This Listing Prospectus has been prepared solely for the purpose of admission to trading of the Notes on Nasdaq Helsinki Ltd (“**Nasdaq Helsinki**”) (the “**Listing**”) and does not constitute a public offering of the Notes. The Issuer will apply for the Listing and the trading in the Notes is expected to commence by the end of June 2024. See “**Important Information**” for information on the Issuer’s obligation to supplement this Listing Prospectus prior to the Listing. The Notes are not currently rated by any rating agency.

The Notes have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”), or the securities laws of any state of the United States, and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person (as such terms are defined in Regulation S under the Securities Act (“**Regulation S**”)), except in certain transactions exempt from, or in a transaction not subject to the registration requirements of, the Securities Act and in accordance with applicable state securities laws. The Notes have been offered and sold in offshore transactions outside the United States in reliance on Regulation S.

The Issuer has been assigned a long-term credit rating of A+, with a stable outlook, by Japan Credit Rating Agency, Ltd. (“**JCR**”). JCR is established in Japan and is registered under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). As such JCR is included in the list of credit rating agencies published by the European Securities and Markets Authority (“**ESMA**”) on its website in accordance with the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning credit rating agency. The Notes are not currently rated by any rating agency.

**Investment in the Notes involves certain risks. The summary of certain principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes is presented under “Risk Factors.” This Listing Prospectus is valid until the Notes have been listed on Nasdaq Helsinki. Responsibility to supplement this Listing Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Listing Prospectus is no longer valid.**

#### Joint Lead Managers



The date of this Listing Prospectus is 6 June 2024.

## IMPORTANT INFORMATION

**PRIIPs Regulation / Prohibition of sales to EEA retail investors** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in point (e) of Article 2 of the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**PRIIPs Regulation / Prohibition of sales to UK retail investors** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**MiFID II product governance / Professional investors and eligible counterparties only target market** – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

In this Listing Prospectus, any reference to the “Issuer” means Pohjolan Voima Oyj, the “PVO Group” means the Issuer and its subsidiaries on a consolidated basis and “PVO” means the PVO Group and the Issuer’s associated companies and joint ventures, except where the context may otherwise require or where otherwise expressly stated. The associated companies and joint ventures of PVO have been accounted for using the equity method of accounting. For additional information, see notes 1 and 19 to the Issuer’s audited consolidated financial statements as of and for the year ended 31 December 2023 incorporated by reference into this Listing Prospectus. In this Listing Prospectus, the Issuer has provided more detailed information on Teollisuuden Voima Oyj (“TVO”) inasmuch as the Issuer considers TVO to be a material joint venture. For additional information on TVO, see “Risk Factors—Risks Related to Nuclear Operations of TVO” and “Information about TVO”. Danske Bank A/S (“Danske Bank”) and OP Corporate Bank plc (“OP”) are acting as joint lead managers (the “Joint Lead Managers”) in relation to the offering and issue of the Notes (as defined herein).

This Listing Prospectus has been prepared in accordance with the Finnish Securities Markets Act (746/2012, as amended, the “Finnish Securities Markets Act”), the Prospectus Regulation, Commission Delegated Regulation (EU) 2019/979 of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301, Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 (Annexes 8 and 16) supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 (together, the “Delegated Prospectus Regulation”) and the regulations and guidelines issued by the Finnish Financial Supervisory Authority (the “FIN-FSA”). The FIN-FSA has approved this Listing Prospectus as the competent authority under the Prospectus Regulation. The FIN-FSA has only approved this Listing Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the FIN-FSA of this Listing Prospectus should not be considered as an endorsement of the qualities of the Notes nor the Issuer that is the subject of this Listing Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. The journal number of the FIN-FSA’s approval is FIVA/2024/858. This Listing Prospectus has been prepared in English only.

This Listing Prospectus should be read together with all documents which are incorporated herein by reference. This Listing Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Listing Prospectus. See “Documents Incorporated by Reference.”

The Joint Lead Managers are acting exclusively for the Issuer as the lead managers in connection with the Listing and will not be responsible to anyone other than the Issuer for providing the protections afforded to its clients nor giving investment or other advice in relation to the Notes. Neither the Issuer nor the Joint Lead Managers have taken any action, nor will they take any action to make, in any jurisdiction, a public offer of the Notes in their possession, or the distribution of this Listing Prospectus or any other documents relating to the Notes admissible in any jurisdiction requiring special measures to be taken for the purpose of making a public offer. Any investor investing in the Notes becomes bound by the final Terms and Conditions.

The distribution of the Listing Prospectus and the offer and sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Listing Prospectus comes are instructed by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions. This Listing Prospectus may not be distributed in the United States, Australia, Canada, Hong Kong, Japan or Singapore, or such other countries or otherwise in such circumstances in which the offering of the Notes would be unlawful or require measures other than those required under the laws of Finland. This Listing Prospectus does not constitute an offer of, or an invitation to purchase, the Notes in any jurisdiction. No offer will be made to persons whose participation in the offering requires any additional listing prospectus or registration. None of the Issuer, the Joint Lead Managers or any of their respective affiliates or representatives accepts any legal responsibility for any such violations by any person or entity, whether or not a prospective purchaser of Notes, and whether or not the person or entity is aware of such restrictions.

Prospective investors should rely solely on the information contained in this Listing Prospectus. No person has been authorised to give any information or to make any representation not contained in or not consistent with this Listing Prospectus or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer. In making an investment decision, each investor should rely on their examination, analysis and enquiry of the Issuer and the terms of the Notes, including the risks and merits involved. Neither the Issuer, nor the Joint Lead Managers nor any of their respective affiliated parties or representatives, is making any representation to any offeree or subscriber of the Notes regarding the legality of the investment by such person. Investors are recommended to make their independent assessment of the legal, tax, business, financial and other consequences of an investment in the Notes. The contents of this Listing Prospectus are not to be construed as legal, business, tax, financial or other advice.

The Joint Lead Managers assume no responsibility for the accuracy or completeness of the information herein and, accordingly, no representation or warranty, express or implied, is made by the Joint Lead Managers as to the accuracy or completeness of the information contained in this Listing Prospectus, and nothing contained in this Listing Prospectus is, or shall be relied upon as a promise or representation by the Joint Lead Managers in this respect, whether as to the past or the future. Apart from the responsibilities and liabilities, if any, which may be imposed on the Joint Lead Managers by Finnish law or under the regulatory regime of any other jurisdiction where exclusion of liability under Finnish law or the relevant regulatory regime of the other jurisdiction would be illegal, void or unenforceable, the Joint Lead Managers do not accept any responsibility whatsoever for the contents of this Listing Prospectus or for any statement made or purported to be made by them, or on their behalf, in connection with the Issuer or the Notes. The Joint Lead Managers accordingly disclaim to the fullest extent permitted by applicable law any and all liability whether arising in tort, contract, or otherwise (save as referred to above) which they may otherwise have in respect of such document or any such statement.

The information contained herein is current as of the date of this Listing Prospectus. The delivery of this Listing Prospectus, and the offer, sale or delivery of the Notes shall not mean that no adverse changes or events have occurred after the date of this Listing Prospectus, which could result in a material adverse effect on PVO’s business, financial position, and future prospects and, thereby, on the Issuer’s ability to fulfil its obligations under the Notes as well as on the value of the Notes. Nothing contained in this Listing Prospectus is, or shall be relied upon as, a promise by the Issuer or the Joint Lead Managers as to the future. If a significant new factor, material mistake or material inaccuracy, which may affect the assessment of the Notes, arises or is noted in relation to the information in this Listing Prospectus prior to the Listing, this Listing Prospectus will be supplemented in accordance with the Prospectus Regulation.

The Notes are governed by and construed in accordance with the laws of Finland. Any dispute arising in relation to the Notes shall be settled exclusively by Finnish courts in accordance with Finnish law.

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## RISK FACTORS

*An investment in the Notes involves a number of risks, many of which are inherent to the Issuer's business and could be significant. Investors considering an investment in the Notes should carefully review the information contained in this Listing Prospectus and, in particular, the risk factors described below. The following description of risk factors is based on information known and assessed on the date of this Listing Prospectus and, therefore, is not necessarily exhaustive. Some of these factors are potential events that may or may not materialise. Should one or more of the risk factors described in this Listing Prospectus materialise, it could have a material adverse effect on PVO's business, financial condition and results of operations. The Issuer also faces additional risks not currently known or not currently deemed material, which could also have a material adverse effect on the Issuer's business, financial condition and results of operations and, therefore, on the Issuer's ability to fulfil its obligations under the Notes as well as on the market price of the Notes, and investors could lose part or all of their investment.*

*The risk factors presented herein have been divided into five categories based on their nature. These categories are:*

- *risks related to PVO's operating environment and operations;*
- *risks related to nuclear operations of TVO;*
- *risks related to PVO's financing;*
- *risks related to the Notes; and*
- *risks related to the status and form of the Notes.*

*Within each category, the risk factor estimated to be the most material on the basis of an overall evaluation of the criteria set out in the Prospectus Regulation is presented first. However, the order in which the risk factors are presented after the first risk factor in each category is not intended to reflect either the relative probability or the potential impact of their materialisation. The order of the categories does not represent any evaluation of the materiality of the risk factors within that category, when compared to risk factors in another category.*

### **Risks Related to PVO's Operating Environment and Operations**

***The Issuer supplies energy to its shareholders at cost and any material disruptions in actual or scheduled deliveries of energy could have a material adverse effect on the viability of the operating principle of the Issuer or its financial position***

As discussed in "*Information about PVO—Operating Model of the Issuer*", the Issuer operates based on the cost-price principle (the "**Mankala Principle**") and, under its Articles of Association, the Issuer supplies energy to its shareholders at cost. Each of the shareholders of each series of the Issuer's shares bears their share of the variable and fixed costs related to the power plant unit or other units represented by such series of shares, as specified in the Articles of Association of the Issuer. In the event that there would be

- a material disruption in the actual or scheduled deliveries of energy to the Issuer's shareholders as a result of any major adverse event, such as those described in "*—Major adverse events or circumstances may affect PVO's operations*" below;
- a failure to start or significant delay in starting regular power production by any new power plant unit of the PVO Group or the Issuer's associated companies and joint ventures; or
- a failure to operate any of existing or new power plant units of the PVO Group or the Issuer's associated companies and joint ventures in a commercially acceptable manner due to a substantially lower than anticipated power production capacity or higher energy prices or for any other reason, or PVO incurring material unexpected liabilities or costs in relation to any of the above or otherwise,

it could result in the impairment of the relevant asset and could have a material adverse effect on the viability of the operating principle of the Issuer or on its business or financial position. Further, inasmuch as the shareholders of the Issuer are, in accordance with the Articles of Association of the Issuer, only responsible for the fixed and variable costs in respect of the energy procured by the Issuer, the Issuer may not invoice its shareholders for any costs incurred by the Issuer related to investments in any power plant unit before the start of power production in such a unit. The Issuer capitalises such costs and invoices the capitalised costs to its shareholders, beginning from the start of power production by the relevant unit, over the estimated useful life of the investment or at faster pace, in each case, as determined by the Board of Directors of the Issuer in accordance with the Articles of Association of the Issuer. To finance such investments, the Issuer obtains external financing from third parties and has also received equity capital injections from its shareholders in the past. Accordingly, a failure to start or a significant delay in starting power production in any new power plant unit subject to an

investment by the Issuer could result in an impairment of relevant assets and the Issuer not being able to pass on to its shareholders investment and other costs related to such power plant unit, which could have a material adverse effect on the Issuer's business and financial position and could result in the insolvency of the Issuer. See "*Information about PVO—Operating Model of the Issuer*".

Should, in the event any such risk materialises or otherwise the Issuer's shareholders be requested to provide additional financing to the Issuer in order to cover any liabilities or costs that go beyond those allocated to the shareholders pursuant to the Articles of Association of the Issuer, no assurance can be given that the shareholders would be prepared to provide such additional financing to the Issuer and a decision by the shareholders not to provide such additional financing, together with a failure of the Issuer to secure such additional financing from third parties, could result in the insolvency of the Issuer. See "*Risks Related to PVO's Financing—PVO is exposed to financing, refinancing and liquidity risk*" below.

### ***The energy production industry is subject to changes in the political environment and regulation affecting the industry***

The energy production industry is subject to changes in the political environment and the perception of the industry that may affect the treatment of various forms of energy. Such changes may result in adoption of legislation that favour certain forms of energy production through incentives, tighter permit requirements or otherwise, or even bans certain type of energy production. For example, tax rates may be increased, and new taxes may be introduced, in relation to certain forms of energy production, or in relation to the energy production industry. PVO is subject to various taxes, such as income, sales and real estate taxes. In January 2018, the Finnish Ministry of Finance published its proposal to implement the EU directive (2016/1164) laying down rules against tax avoidance practices that directly affect the functioning of the internal market. The first amendments in the legislation on taxation of business income entered into force on 1 January 2019. Among other things, the amendments impose limitations on deductibility of interest expenses. As a result of the amendments, PVO may have to pay corporate taxes in the future in spite of the operation of the Mankala Principle. This could increase PVO's production costs and adversely affect its cost-competitiveness and, therefore, potentially have an adverse effect on PVO's business and financial position. According to the new Government programme, the Finnish Parliament (the "**Finnish Parliament**") continues to investigate a possibility to implement an exemption applicable to large energy investments, but there can be no assurance that such exception would be implemented, or that it would be applicable to PVO, in the final law.

### ***The energy production industry is highly regulated and various laws and regulations affecting the industry are subject to change***

The energy production industry is highly regulated and the operations of PVO are subject to various laws and regulations and require various permits and licences. Inasmuch as these laws and regulations are periodically amended, permits and licences are modified, renewed or revoked or their application or enforcement is changed, significant costs in complying with new and more stringent regulations may be imposed on PVO. In particular, various operations of the Issuer, its subsidiaries, associated companies and joint ventures require environmental and other regulatory permits or licences that are subject to modification, renewal or, in certain circumstances, revocation by the issuing authorities. Relevant authorities may, for example, decide to tighten permit requirements and/or conditions, which may require the Issuer or the Issuer's subsidiaries, associated companies and joint ventures to amend their operations. As a result, the Issuer's subsidiaries, associated companies and joint ventures may be unable to obtain or maintain all required regulatory permits and licenses required to conduct their operations. Compliance with the requirements under various permits and licences may cause PVO to incur significant additional operating costs, and failure to comply with such requirements could result in the imposition of fines and/or other liability. In addition, the cost, for example, of installing the necessary equipment to comply with new or amended environmental laws, regulations and orders may render some of PVO's power production facilities uneconomical, which may cause PVO to cease energy production operations in the respective facilities.

For example, hydropower procured by the Issuer is produced at cost-price principle by the Issuer's wholly-owned subsidiary PVO-Vesivoima Oy. PVO-Vesivoima Oy owns and operates hydropower plants along the rivers Kemijoki, Iijoki, Kokemäenjoki and Tengeliönjoki in Finland. In 2017, the relevant authorities submitted applications concerning fish stocking and fish stock management obligations with regard to the Kemijoki and Iijoki rivers. In addition to new requirements, such as, for example, the requirement to extend the existing fish stocking obligations and to construct new fishways, these applications include additions to the current obligations. Although there has been correspondence in relation to the application, the relevant authority has not yet finally resolved on the matter, and the process is still ongoing as of the date of this Listing Prospectus. The hydropower producers operating in the Iijoki and Kemijoki rivers, PVO-Vesivoima Oy and Kemijoki Oy, consider the proposed changes unfounded. If imposed on PVO-Vesivoima Oy, among others, such changes could require significant additional investments on the part of the PVO Group (see "*Information about PVO—Hydropower*").

Thermal operations of PVO are subject to environmental laws and regulations adopted by the European Union (the "**EU**") and Finnish authorities. Directive 2010/75/EU on industrial emissions (the "**IE Directive**"), which entered into force in January 2011, has been implemented through the Environmental Protection Act and some related decrees in Finland. The IE Directive establishes requirements on power plants' emissions into air. These requirements have been applied to existing

power plants since the beginning of 2016. Some of the power plants of PVO are included in the national IE Directive transition plan approved by the European Commission in spring 2014. The transition plan allows the committed power plants some flexibility in the adoption of the new emission limits, with the transition period that ended in June 2020. In August 2017, the EU published the updated reference document for Best Available Techniques (“BAT”) for Large Combustion Plants (“LCP-BREF”). The document applies to thermal power plants of PVO. The IE Directive establishes that BAT conclusions made on the basis of the BAT reference documents are binding, and as a result, the emission limits are expected to become more stringent. Plant operations must comply with the related requirements within four years from the establishment of BAT conclusions. However, for majority of PVO’s combined heat and power (“CHP”) plants, whose main activity is the delivery of process steam for industrial operations, the transition period is expected to be longer depending on when the BAT conclusions of the relevant industry sector will be published. Such additional requirements, if more extensive than currently anticipated, could require significant additional investments on the part of the PVO Group and, therefore, increase PVO’s production costs.

Further, events at PVO’s power plants, as well as those owned by others, may lead to changes in laws or regulations or the conditions of the applicable permits or licences, or the authorities’ interpretation thereof, or may cause the authorities to increase oversight activity or initiate actions to modify, suspend or revoke permits or licences, shut down a power plant, or impose penalties. As a result, if a major incident were to occur at a power production unit, whether a PVO power plant or not, it could adversely affect PVO’s business, results of operations and financial position through increased compliance costs, penalty payments or cessation of certain part of its operation, and adversely affect the Issuer’s ability to fulfil its obligations under the Notes issued and the value of the Notes. See also “—Risks Related to Nuclear Operations of TVO—There are risks related to disposal of nuclear waste” and “—Risks Related to Nuclear Operations of TVO—Nuclear power plant operations are subject to extensive regulation” below.

#### ***Dam failure could adversely affect PVO’s hydro operations***

Operating hydro facilities includes operational risks that can lead to physical damages, technical disruptions, third-party liabilities, environmental issues and other damage or loss events. To manage such risks, PVO-Vesivoima Oy continuously monitors the condition of the dams and performs regular inspections and measurements to ensure their safety. There is a systematic long-term investment program to ensure that appropriate condition of the dams is maintained and PVO-Vesivoima Oy targets to carry out preventive overhauls at its hydropower plants every 15 to 20 years. In Finland, dams are categorised into three categories based on the size of the dam. Category 1 and category 2 dams are required to be inspected annually based on the surveillance program approved by the Centre for Economic Development, Transport and the Environment of Finland. In addition, Finnish authorities inspect all dams every five years. PVO-Vesivoima Oy has three category 1 and five category 2 dams and is a shareholder in four category 2 dams (see “*Information about PVO—Hydropower*”). To assess the possible consequences of a dam failure, third-party assessments have been conducted regarding the largest dams. Despite the measures taken, no assurance can be given that a dam failure will not occur in the future. Should such risk materialise, it could result in penalty payments, payment of damages and additional operating costs for PVO and adversely affect PVO’s financial position and adversely affect the Issuer’s ability to fulfil its obligations under the Notes issued and the value of the Notes.

#### ***The Issuer has a liability in relation to TVO’s nuclear waste management***

TVO has an obligation, prior to the commencement of the waste generating operation and, otherwise, in any case by the end of June each year, to supply the Finnish State with collateral securities to cover the uncovered portion of nuclear waste management liability, if any, as well as a liability for any unforeseen expenses of nuclear waste management. Pursuant to TVO’s Articles of Association, the Issuer bears partial responsibility, proportionate to its holding of the share series concerned (B series and B2 series), for the costs of the management and disposal of nuclear waste produced by TVO’s Olkiluoto nuclear power plant units in the same manner as for the other fixed annual costs of TVO under TVO’s Articles of Association. Accordingly, as a shareholder of TVO, the Issuer has issued to the Finnish State a directly enforceable guarantee proportionate to its holding of the series of TVO shares concerned (B series and B2 series). As of 31 December 2023, the guarantee issued by the Issuer amounted to EUR 331 million. The amount of the guarantee increased in 2022 as Olkiluoto 3 (“OL3”) unit was included in the guarantee. Increases in the costs of the management and disposal of nuclear waste produced by TVO’s Olkiluoto power plant units or in the amount of or other adverse changes to requirements related to the obligations of the Issuer as a shareholder of TVO could adversely affect the Issuer’s financial position and adversely affect the Issuer’s ability to fulfil its obligations under the Notes issued and the value of the Notes.

#### ***Major adverse events or circumstances may affect PVO’s operations***

The Issuer is subject to the risk that its power supplies to its shareholders could be disrupted due to major external adverse events outside of the control of PVO, such as (but not limited to) significant changes in, or cancellation of, operating or other necessary licenses (e.g., environment licenses) related to hydro, thermal and nuclear power plants operated by the PVO Group or the Issuer’s associated companies and joint ventures; changes in laws or regulations governing the operation of hydro, thermal, and nuclear power plants in Finland generally or hydro, thermal or nuclear power plants operated by the PVO Group or the Issuer’s associated companies or joint ventures specifically; issues related to the availability of hydro,

thermal or nuclear power plant equipment, nuclear fuel and service providers in relation to hydro, thermal or nuclear power plants operated by the PVO Group and the Issuer's associated companies or joint ventures or disputes related to the equipment, nuclear fuel or services provided (including possible financial distress of such providers); or catastrophic events in relation to hydro, thermal or nuclear power plants, such as fires, explosions, floods, terrorist activities, pandemics, and other similar destructive or disruptive events, operated by the PVO Group or the Issuer's associated companies and joint ventures.

In the event that there would be a material disruption in power supplies to the Issuer's shareholders as a result of any major adverse event, such as those described above, it could result in the impairment of the relevant asset and, as a result, have a material adverse effect on the Issuer's business or financial position.

### ***Governmental, legal or arbitration proceedings or claims could have a material adverse effect on PVO***

The Issuer, its subsidiaries, associated companies and joint ventures may from time to time be involved in, or a subject of, governmental, legal and arbitration proceedings and claims relating to their respective operations. The outcome of any governmental, legal or arbitration proceedings or claim is not possible to predict, and it is also not possible to rule out an unfavourable outcome in ongoing proceedings, or any proceedings that may arise in the future, which could have a material adverse effect on the Issuer's or its subsidiaries', associated companies' and joint ventures' business and financial position and, thereby, on the Issuer's ability to fulfil its obligations under the Notes issued and the value of the Notes. As of the date of this Listing Prospectus, the Issuer is not party to any material legal proceedings, but see "*Information about PVO—Governmental, Legal and Arbitration Proceedings*" for information relating to risks related to OL3.

### **Risks Related to Nuclear Operations of TVO**

*The information below regarding risks associated with TVO's Nuclear Operations has been derived from information made public by TVO, including TVO's annual report for the year ended 31 December 2023, interim report for the three months ended 31 March 2024 and the base prospectus relating to TVO's Euro Medium Term Note ("EMTN") programme, dated 8 May 2024. See "General Information—Other Information Derived from Third-party Sources".*

### ***Challenges in the commercial performance of TVO's nuclear power plant units, OL1, OL2 and OL3 could have a material adverse effect on TVO's business and financial position, and, as a result, also the Issuer's business and financial position***

The nuclear power supplied by the Issuer to its shareholders is produced at cost-price principle by TVO, a 58.5 percent-owned joint venture of the Issuer (see "*Information about TVO*"). TVO has three nuclear power plant units, Olkiluoto 1 ("**OL1**"), Olkiluoto 2 ("**OL2**") and OL3, located in Olkiluoto in Eurajoki, Finland.

According to public statements by TVO, TVO has defined its long-term operative and financial targets in connection with its strategic planning. TVO's long-term target is, based on historical levels of production of OL1 and OL2 and taking into account that OL3 is the first of a kind plant and historical data is only available for one year of operation and the first outage, to produce annually approximately a total of 25,000 GWh to 26,700 GWh. In addition, according to public statements by TVO, TVO's long-term target is to maintain an annual OL1, OL2 and OL3 combined investment level of approximately EUR 100–150 million.

Any unanticipated challenges in the commercial performance of OL1, OL2 or OL3, such as technical issues, unplanned or prolonged maintenance outages or unavailability of spare parts, could result in additional costs or require additional investments and affect TVO's ability to achieve its defined operative and financial targets. Also, failed implementation of any significant large-scale plant modification due to, for example, unpredicted technical issues, deficiencies in competent human resources, project management and control could result in an increase of production costs and deterioration of profitability and could have material adverse effect on TVO's, and, as a result, also the Issuer's business and financial position and adversely affect the Issuer's ability to fulfil its obligations under the Notes issued and the value of the Notes.

Further, if OL1, OL2 or OL3 fail to reach the targeted output level, load factor or operating cost structure or if the output level is restricted by the main grid operator Fingrid Oyj ("**Fingrid**"), due to, for example, protection of the grid by limiting the power output of a unit, there is a risk that the production cost will rise in comparison to the objective, which could have material adverse effect on TVO's and, as a result, also the Issuer's business and financial position and adversely affect the Issuer's ability to fulfil its obligations under the Notes issued and the value of the Notes.

### ***There are post-project risks in OL3***

The OL3 project was completed in April 2023 when the nuclear commissioning and testing phase of OL3 was completed successfully, OL3's commercial electricity production commenced in May 2023, the provisional takeover ("**PTO**") certificate was given to a consortium formed by Areva GmbH, Areva NP SAS and Siemens AG (together, the "**Supplier**") by TVO and the guarantee periods started. According to public statements by TVO, upon starting of commercial electricity

production, OL3 has been fully integrated with TVO's insurance policy as an operating unit. The OL3 project was heavily delayed and OL3 faced ageing and obsolescence issues.

According to public statements by TVO, the Supplier has guaranteed that OL3 is capable of continuous operation at the net rated output of 1,626.7 MWe under the performance conditions specified in the contract for the construction of OL3 between the Supplier and TVO (the "**Plant Contract**") specifications. As of the date of the base prospectus relating to TVO's EMTN programme, the current net related output of OL3 is 1,575 MW. In addition, according to public statements by TVO, the Supplier has guaranteed that the mean heat rate value for OL3 will not exceed 9,616 kJ/kWh. If OL3 fails to reach the guaranteed output level, load factor or planned operating availability or cost structure, there is a risk that the production cost will rise in comparison to the objective, which could have material adverse effect on TVO's and, as a result, also the Issuer's business and financial position and adversely affect the Issuer's ability to fulfil its obligations under the Notes issued and the value of the Notes.

According to public statements by TVO, the Supplier has confirmed that all works to be provided by it according to the plant contract requirements and which were required for a safe, reliable, efficient and proper operation of OL3 have been completed excluding project related works which have been categorised as "punch list" items which, since the PTO, have been and will continue to be carried out by the Supplier at its own cost during the warranty period.

According to public statements by TVO, the Supplier is under the Plant Contract obliged at its own cost to rectify all defects and failures in design, engineering, documentation, materials and workmanship as well as in performance of the Supplier's scope of supply after the PTO. Any rectification required under the technical guarantees has to be initiated by the Supplier without undue delay. The rectification work itself has to be carried out speedily and without unjustified interruptions and at a time so that normal plant operation is not unduly disturbed.

However, no assurance can be given that OL3 does meet all requirements and criteria that the Supplier has guaranteed or the inability of the Supplier or a failure by one or more of the Supplier consortium companies to carry out their punch list works or meet their guarantees obligations could further have a material adverse effect on TVO's and, as a result, also the Issuer's business and financial position and adversely affect the Issuer's ability to fulfil its obligations under the Notes issued and the value of the Notes.

***Incidents that would undermine the safety and stability of TVO's operations could have a material adverse effect on TVO's business and financial position***

Throughout their commercial operations, OL1 and OL2 have exhibited high load factors and low incident frequencies. During the first operating year of OL3, electricity production continued without interruption from PTO in April 2023, until mid-November 2023. In November 2023, production was interrupted on two occasions. The unplanned production interruptions were caused by turbine trips; one was due to an instrument defect in the protection system, while the other resulted from the fault ride-through test. However, and taking into account that historical data is only available for one year of operation of OL3, no assurance can be given that such reliability and safety of operations, as well as financial stability, will continue in the future.

The operation of nuclear power units is complex and requires the use of technologically sophisticated production, transportation and storage of nuclear material. There is a general risk that human errors, technical failures, other damage or loss events could impact the functioning of equipment or even necessitate a complete or partial suspension of TVO's operations under certain circumstances, which could also adversely affect the Issuer's business and financial position due to reduced electricity delivery. The operation of nuclear power also requires compliance with a number of regulations including, but not limited to, regulations concerning safety, technical specifications and the transport, storage and disposal of nuclear material. If materialised, any incidents that would undermine the safety and stability of TVO's operations could have a material adverse effect on TVO's and, as a result, also the Issuer's business and financial position and adversely affect the Issuer's ability to fulfil its obligations under the Notes issued and the value of the Notes.

***There are risks related to disposal of nuclear waste***

According to public statements by TVO, in order to reduce the risk of nuclear irradiation, multi-layered containment systems and sophisticated safety protocols are used by TVO to effectively isolate radioactive materials from the surrounding environment during the process of interim storage, packaging, transport, relocation and encasement of nuclear waste in the final storage repositories. The risk of radioactive leakage into the environment at various stages of this process, as well as from the final storage facilities themselves, cannot be excluded entirely and, should such risk materialise, it could have a material adverse effect on TVO's business and financial position and any such event could adversely affect TVO's and, as a result, also the Issuer's business and financial position and adversely affect the Issuer's ability to fulfil its obligations under the Notes issued and the value of the Notes.

According to public statements by TVO, TVO bears full legal and financial responsibility for the management and disposal of nuclear waste produced by the Olkiluoto nuclear power plant units. The future cost of containing the nuclear waste and maintaining the storage facilities over time is to be paid for from the Finnish State Nuclear Waste Management Fund

(Fi: *Valtion ydinjätehuoltorahasto*) (the “**Nuclear Waste Management Fund**”) to which the nuclear power producers in Finland, including TVO, make annual contributions. Contributions to the Nuclear Waste Management Fund are calculated on the basis of actual estimates of the future cost of the management of such nuclear waste. However, if the amounts provided by the Nuclear Waste Management Fund were ever to be insufficient to cover the actual costs of managing the nuclear waste, then TVO would be responsible for its *pro rata* share of any such excess costs, which could, in turn, affect the Issuer’s liability in relation thereto. See “—*Risks Related to PVO’s Operating Environment and Operations—The Issuer has a liability in relation to TVO’s nuclear waste management*” above.

***Adverse developments in the demand and supply for nuclear fuel and related services could result in procurement problems for TVO, and, as a result, also adversely affect the Issuer***

Procurement of nuclear fuel involves the following three main elements: the purchase of raw uranium, uranium enrichment services, and nuclear fuel manufacture. According to public statements by TVO, TVO has, throughout its history, followed a policy of maintaining relationships with a number of suppliers of the aforesaid elements. According to public statements by TVO, TVO has a long-term supply contract of enriched uranium with a Russian supplier, which has historically represented approximately a fifth of total enriched uranium deliveries. Currently the upcoming batches have been fully replaced by increasing the deliveries from western suppliers. The cost at which uranium is available changes according to fluctuations in the world markets and is influenced by fluctuations in the price of other fuels. Most of these services are procured under long-term contracts, however, no assurance can be given that developments in the demand and supply for nuclear fuel and related services will not result in procurement problems for TVO and, as a result, have a material adverse effect on TVO’s and, also the Issuer’s business and financial position and adversely affect the Issuer’s ability to fulfil its obligations under the Notes issued and the value of the Notes due to reduced electricity delivery.

***Nuclear power plant operations are subject to extensive regulation***

The operation of nuclear power plants is complex and requires compliance with a number of regulations including, but not limited to, regulations concerning safety, technical specifications and the transport and storage of nuclear material. In order to operate a nuclear power plant, an operating licence granted by the Finnish Government (“**Finnish Government**” or “**Government**”) is required in accordance with Section 20 of the Finnish Nuclear Energy Act (990/1987, as amended; Fi: *ydinenergialaki*) (the “**Nuclear Energy Act**”). OL1, OL2 and OL3 have operating licences that are valid until 31 December 2038. A failure by TVO to comply with applicable regulations could result in an interruption of its operations and could have a material adverse effect on its business and financial position, and TVO’s operating licences may be revoked if it fails to comply with applicable regulations or the licence conditions, which, in turn, could have a material adverse effect on the Issuer.

Regulations applicable to TVO’s operations could become more complex and stringent. For example, due to the Fukushima Dai-ichi nuclear power plant accident in Japan in March 2011, a review of nuclear plant safety measures was initiated in Europe by the European Commission. As a result of the safety assessments and nuclear stress tests undertaken as part of its review of safety measures in the nuclear industry, the European Commission amended the Nuclear Safety Directive (Council Directive 2009/71/EURATOM) with the Nuclear Safety Directive Amendment (Council Directive/2014/87/EURATOM), which came into force in August 2014. The amended directive aims to strengthen the powers and independence of national safety authorities and introduces EU-wide safety objectives. It also establishes a European system of regular peer reviews. The amendments to the Nuclear Energy Act implementing the directive entered into force on 1 January 2018. However, according to public statements by TVO, these legislative amendments did not result in significant changes for TVO or require significant investments by TVO.

In Finland, the comprehensive reform work on the Nuclear Energy Act is ongoing as at the date of this Listing Prospectus. The draft legislation is expected to enter the consultation phase in spring 2025 and the Finnish Government’s proposal to the Finnish Parliament is then expected to follow in early 2026, and then the new Nuclear Energy Act would thereafter enter into force in 2028. One of the key goals of the reform is to streamline the licensing process for new nuclear power plants, especially for small modular reactors, but no assurance can be given that any new legislation, including any amendments to the Nuclear Energy Act (see also “*Information about TVO—Regulatory Environment*”), would not adversely affect TVO’s business and financial position due to significant new investments required, or otherwise, and that any such changes could not adversely affect both TVO’s and the Issuer’s business and financial position and adversely affect the Issuer’s ability to fulfil its obligations under the Notes issued and the value of the Notes.

A failure by TVO to comply with applicable regulations or any new regulations that may be introduced could result in interruption of its operations and have a material adverse effect on both TVO’s and the Issuer’s business and financial position and adversely affect the Issuer’s ability to fulfil its obligations under the Notes issued and the value of the Notes.

***Changes to existing taxation laws could cause additional expenses to TVO***

In January 2018, the Finnish Ministry of Finance published its proposal to implement the EU directive (2016/1164) laying down rules against tax avoidance practices that directly affect the functioning of the internal market. In November 2018, changes to the Finnish Business Income Tax Act (360/1968, as amended) (the “**Finnish Business Income Tax Act**”) were

approved by the Finnish Parliament concerning the implementation of the EU directive (2016/1164). Among other things, the amendment imposes limitations on deductibility of interest expenses. The changes entered into force as of 1 January 2019. The Finnish Business Income Tax Act applies to all companies regulated by the act, including energy companies operating according to the Mankala Principle.

According to public statements by TVO, as TVO is not making any profit due to the operation of the Mankala Principle, it is currently not paying any corporate tax in Finland. According to public statements by TVO, TVO proposed changes to the Finnish Ministry of Finance in respect of its implementation of the directive into Finnish law. The Finnish Parliament stated in November 2018 that the Finnish Government should proceed immediately with the European Commission to investigate the possibility to exclude investments made by non-profit nuclear companies from the scope of the directive. As a result, the Ministry of Finance has continued the preparation of the exception in accordance with a statement from the Finnish Parliament, but there can be no certainty that such changes would be implemented partly, or in full, in the legislation.

If no exception will be implemented in Finland as stated by the Finnish Parliament, TVO may have to pay corporate taxes in the future in spite of the operation of the Mankala Principle, which would increase its production costs and adversely affect its cost-competitiveness and, therefore, potentially have a material adverse effect on TVO's and, as a result, also the Issuer's business and financial position and adversely affect the Issuer's ability to fulfil its obligations under the Notes issued and the value of the Notes. The amount of taxes is dependent on the amount of annual un-deductible interest expenses of TVO. According to public statements by TVO, even if no exception was accepted, TVO currently expects that the amount of taxes would not be material.

#### ***Licences related to nuclear power plants may be denied and/or cancelled by a political decision***

Construction of a new nuclear power plant requires a decision in principle which is made by the Finnish Government, and such a decision also requires ratification by the Finnish Parliament by a simple majority in accordance with Sections 11 and 15 of the Nuclear Energy Act. Once such ratification has been obtained, a construction licence can be approved by the Finnish Government in accordance with Section 18 of the Nuclear Energy Act. Furthermore, in order to operate a nuclear power plant, an operating licence granted by the Finnish Government is required in accordance with Section 20 of the Nuclear Energy Act. If due to a political decision, the licence to construct or operate a nuclear facility is cancelled or the licence to operate a nuclear facility is denied, the holder of the cancelled licence or the applicant whose licence to operate the nuclear facility has been denied, is entitled to a reasonable compensation from the State of Finland for the direct expenses incurred in the construction of the facility in accordance with Section 27 of the Nuclear Energy Act. In Finland, the comprehensive reform work on Nuclear Energy Act is ongoing as at the date of this Listing Prospectus. No assurance can be given that legislation changes concerning the licensing and compensation procedure will not occur in the future or that other laws or regulations that could have a material effect on TVO's, and as a result, also the Issuer's business and financial position, will not be passed.

#### **Risks Related to PVO's Financing**

##### ***PVO is exposed to financing, refinancing and liquidity risk***

As of 31 December 2023, the PVO Group's interest-bearing liabilities amounted to EUR 1,190 million and net interest-bearing liabilities to EUR 560 million. Financing and liquidity management within the PVO Group is managed centrally by the PVO Group's Treasury. According to its financial policy, the PVO Group should maintain diversified funding sources and a diversified financing structure in terms of the PVO Group's debt maturity profile, and all debt should be maintained in euro and, where debt is not incurred in euro, it should be hedged with appropriate instruments to ensure that exchange rate risk is managed. All the PVO Group's excess cash positions are centralised to the Issuer either through internal cash-pools or otherwise, and the Issuer maintains liquidity lines available for its subsidiaries to cover short-term liquidity needs. The Issuer may also grant long-term loans to subsidiaries although, according to the PVO Group's financial policy, each company belonging to the PVO Group raises external long-term debt financing primarily in its own name. According to the PVO Group's financial policy, all subsidiaries should maintain an equity-to-assets ratio above 27 percent. Joint ventures and associated companies manage their own financing and liquidity needs independently according to their own respective financial policies.

In the past, the Issuer and its subsidiaries, associated companies and joint ventures have been able to obtain adequate financing and hedging arrangements and refinancing of maturing debt has not constituted a difficulty or significantly increased financing costs. However, no assurance can be given that the Issuer and its subsidiaries, associated companies and joint ventures will be able to successfully obtain additional financing at commercially acceptable terms for investments needs or to manage debt maturities and refinance or renegotiate existing debt as it matures, due to changes in market conditions affecting generally the availability of financing or due to developments specific to the Issuer, its subsidiaries, associated companies or joint ventures.

The Issuer procures energy for its shareholders primarily from its subsidiaries, associated companies and joint ventures that also operate based on the Mankala Principle and therefore, as a shareholder of these companies, the Issuer is subject

to payment obligations towards these companies for its proportionate share of costs in accordance with the articles of association of each such company, as discussed in more detail under “*Information about PVO—Operating Model of the Issuer*”. The Issuer is also subject to the risk of major external adverse events or other circumstances discussed above under “*Risks Related to PVO’s Operating Environment and Operations—Major adverse events or circumstances may affect PVO’s operations*” and affecting its subsidiaries, associated companies and joint ventures. The Issuer may be requested to provide additional financing to such subsidiaries, associated companies and joint ventures should any such risk materialise, or otherwise, in order to cover any costs that go beyond those allocated to the shareholders pursuant to the articles of association of the relevant companies. In addition, a failure by any other shareholder or shareholders in any of the companies operating pursuant to the Mankala Principle (the “**Mankala Companies**”) in which the Issuer owns shares to fulfil its or their respective obligations under the articles of association of the relevant Mankala Company or Companies could result in liquidity or payment problems for such Mankala Company or Companies. Although non-defaulting shareholders would have no obligation to fund the defaulting shareholder’s or shareholders’ portion, liquidity needs and potential insolvency of the relevant Mankala Company or Companies may require additional financing. Inasmuch as the Issuer has no obligation to inject additional capital or otherwise finance Mankala Companies in which it owns shares other than as is set forth in the articles of associations of these companies, no assurance can be given that the Issuer would do so, or that additional financing would be available from other shareholders or from third parties in the future to finance operations of such subsidiaries, associated companies or joint ventures. Should such a risk materialise, it could result in the insolvency of such subsidiary, associated company or joint venture, and have a material adverse effect on PVO’s business and financial position and, thereby, on the Issuer’s ability to fulfil its obligations under the Notes issued and the value of the Notes, and could ultimately result in the insolvency of the Issuer.

The Issuer manages its liquidity by invoicing its shareholders on a monthly basis for its fixed and variable costs, as specified in its Articles of Association (see “*Information about PVO—Operating Model of the Issuer*”). In addition, the Issuer manages these risks through a combination of cash positions and committed credit facility agreements with banks. However, the Issuer’s liquidity and financial position are materially dependent on its shareholders making timely payments and no assurance can be given that the failure of a shareholder to make such payments would not adversely affect the Issuer’s liquidity and financial position. In addition to the monthly payments received from its shareholders and any payments pursuant to any specific undertakings by the shareholders, the Issuer finances its operations, including investments, through various types of loan financing from third parties, and has also received equity capital injections from its shareholders in the past (see “*Information about PVO—Operating Model of the Issuer*”). The shareholders of the Issuer have no obligation to inject additional capital or otherwise finance the Issuer beyond payment for the Issuer’s fixed and variable costs, as set forth in the Articles of Association of the Issuer, and no assurance can be given that they would provide such additional capital or other financing or that additional financing would be available from third parties in the future to finance the Issuer’s operations, including investments, or to refinance the Issuer’s debt, if required, which could affect the Issuer’s ability to fulfil its obligations under the Notes and the value of the Notes, and could ultimately result in the insolvency of the Issuer.

#### ***PVO is exposed to interest rate risks***

Changes in rates of interest rates on interest-bearing receivables and liabilities create an interest rate risk. The objective of the interest rate risk management in the PVO Group is to protect the PVO Group against the increase of interest expenses caused by the increase in the reference interest rates. In accordance with the financing policy of the PVO 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 Issuer and its subsidiaries are 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. As per 31 December 2023, the increase or decrease of one percentage point in the interest rate would have affected the result of the year by approximately EUR 4.5/-4.8 million.

As of 31 December 2023, the PVO Group’s interest-bearing liabilities amounted to EUR 1,190 million, and its variable rate borrowings amounted to 87 percent of the PVO Group’s total borrowings, and the interest rate swaps in place covered approximately 24 percent of the variable loan principal outstanding. Although the Issuer manages interest rate risks within target levels, there can be no assurance that the Issuer will be able to manage such interest rate risk successfully in the future. A failure to manage interest rate risk may have an adverse effect on the PVO Group’s financial position and, thereby, on the Issuer’s ability to fulfil its obligations under the Notes issued as well as the value of the Notes, and could ultimately result in the insolvency of the Issuer.

#### ***PVO is exposed to counterparty and credit risk through its financing activities***

PVO’s financing activities lead to contractual arrangements with various financing institutions which expose PVO to counterparty risks. Credit risk exposures relating to financial derivative instruments are often volatile. According to the PVO Group’s policy, financial contracts are limited to those with high-credit-quality counterparties (in general, comprising investment grade counterparties) active on the financial markets. Credit risk exposures are spread across a range of financial

institutions. The Issuer monitors credit and counterparty exposure to ensure that the risks are maintained at an acceptable level.

However, there can be no assurance that PVO will not sustain losses as a result of default, litigation or other actions by one or more of its counterparties in the future. The occurrence of loss may have an adverse effect on PVO's financial position and, thereby, on the Issuer's ability to fulfil its obligations under the Notes issued as well as the value of the Notes.

***The Issuer's financial position is materially dependent on its shareholders making timely payments to the Issuer***

The Issuer's operating model is such that it receives regular monthly payments from its shareholders for the coverage of fixed and variable costs in accordance with its Articles of Association (see "*Information about PVO—Operating Model of the Issuer*"). A failure by a shareholder to meet its payment obligations would entitle the Issuer to cut off that shareholder's supply of energy.

The Issuer has never experienced any material payment delays from its shareholders. However, as the Issuer's financial position is materially dependent on its shareholders making timely payments to the Issuer, there can be no assurance that the inability of a shareholder to meet its payment obligations towards the Issuer would not adversely affect the Issuer's liquidity and financial position. Consequently, if the financial position of one or more shareholders of the Issuer is adversely affected, the amounts payable to the Issuer by its shareholders increase due to an increase in operating costs or there is any change in the identity of the shareholders, this could adversely affect the business and financial position of the Issuer and adversely affect the Issuer's ability to fulfil its obligations under the Notes issued and the value of the Notes.

**Risks Related to the Notes**

***Investors are exposed to credit risk in respect of the Issuer and investors may lose their investment in the Notes***

Investors in the Notes carry a credit risk relating to the Issuer. The investor's right to receive payment under the Terms and Conditions is, therefore, dependent on the Issuer's ability to meet its payment obligations, which in turn is to a large extent dependent on the developments in the Issuer's business and financial performance. The Issuer's financial position is affected by several factors of which some have been discussed in "*—Risks Related to PVO's Financing*" above.

An increased credit risk may cause the market to charge the Notes a higher risk premium, which could affect the Notes' value negatively. Another aspect of the credit risk is that a deteriorating financial position of the Issuer may reduce the Issuer's possibility to receive debt financing at the time of the maturity of the Notes and such debt financing might be needed for the Issuer to be able to meet its payment obligations under the Notes. In addition, should the Issuer become insolvent during the term of the Notes, an investor may forfeit interest payable on, and the principal amount of, the Notes in whole or in part.

***Since the Notes bear a fixed interest rate, their price may fall as a result of changes in the market interest rates***

The Notes bear interest on their outstanding principal at a fixed interest rate. A holder of a security with a fixed interest rate is exposed to the risk that the price of such security could fall as a result of changes in the market interest rate. Market interest rates follow the changes in general economic conditions, and are affected by, among many other things, demand and supply for money, liquidity, inflation rate, economic growth, central banks' benchmark rates and expectations related thereto.

While the nominal compensation rate of a security with a fixed interest rate is fixed during the term of such security or during a certain period of time, current interest rates on capital markets (market interest rates) typically change continuously. In case market interest rates increase, the market price of such a security typically falls. If market interest rates fall, the price of a security with a fixed interest rate typically increases. Consequently, the Noteholders should be aware that movements of market interest rates may result in a material decline in the market price of the Notes and can lead to losses for the Noteholders if they sell the Notes.

***The Notes carry no voting rights at the Issuer's General Meetings of Shareholders***

The Notes carry no voting rights with respect to the general meetings of shareholders (the "**General Meeting of Shareholders**") of the Issuer. Consequently, in the Issuer's General Meetings of Shareholders, Noteholders cannot influence any decisions by the Issuer to redeem the Notes or any decisions by the Issuer's shareholders concerning, for instance, the capital structure of the Issuer, which could affect the Issuer's ability to make payments under the Notes.

***The Issuer using its right or being obligated to redeem and purchase the Notes prior to maturity may have an adverse effect on the Issuer and on any Notes outstanding***

As specified in the Terms and Conditions, the Noteholders are entitled to demand premature repayment of the Notes in the situations specified in Condition 9 (*Change of Control*) and Condition 12 (*Events of Default*) of the Terms and Conditions. Such premature repayment may have an adverse effect on the Issuer's financial position and prospects and, thereby, on the

Issuer's ability to fulfil its obligations under the Notes towards such Noteholders who elect not to exercise their right to have their Notes prematurely repaid as well as on the market price and value of such Notes.

In addition, as specified in the Terms and Conditions, the Issuer may at any time purchase the Notes in any manner and at any price prior to maturity. Only if such purchases are made by tender, such tender must be available to all Noteholders alike. The Issuer is entitled to cancel, dispose of or hold the purchased Notes at its discretion. Consequently, a Noteholder offering Notes to the Issuer in connection with such purchases may not receive the full invested amount. Furthermore, a Noteholder may not have the possibility to participate in such purchases. The purchases – whether by tender or otherwise – may have a material adverse effect on such Noteholders who do not participate in the purchases as well as on the market price and value of such Notes.

In addition, as specified in the Condition 8.2 (*Voluntary Total Redemption (Call Option)*) of the Terms and Conditions, the Notes contain an optional redemption feature, which may limit their market value. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes may not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

Furthermore, in case the outstanding nominal principal amount of the Notes is 25 percent or less of the aggregate principal amount of the Notes, the Issuer is entitled to redeem all of the outstanding Notes by notifying Noteholders of such redemption (see Condition 8.3 (*Clean-up Call Option*) of the Terms and Conditions). Such redemption initiated by the Issuer may incur financial losses or damage, among other things, to such Noteholders who had prepared themselves to have the amount of the Notes invested until the contractual final maturity of the Notes.

The Issuer may be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

***The Issuer is not obliged to compensate for withholding tax or similar on the Notes***

In the event any withholding tax, public levy or similar is being imposed in respect of payments to Noteholders on amounts due pursuant to the Notes, the Issuer is not obliged to gross-up or otherwise compensate the Noteholders for the lesser amounts the Noteholders will receive as a result of the impositions of withholding tax or similar. Furthermore, the Noteholders do not have any right to premature redemption of the Notes based on the same.

***The Notes do not, as a rule, contain covenants on the Issuer's financial standing or operations and do not limit its ability to merge, demerge, effect asset sales or otherwise effect significant transactions that may have a material adverse effect on the Notes and the Noteholders***

As a rule, the Notes do not contain provisions designed to protect Noteholders from a reduction in the creditworthiness of the Issuer. In particular, the Terms and Conditions do not, except as set forth in Condition 9 (*Change of Control*) and Condition 12 (*Events of Default*) of the Terms and Conditions, which grant the Noteholders the right of repayment of the Notes in certain limited circumstances, restrict the Issuer's or its subsidiaries', joint ventures' and associated companies' ability to enter into a merger, demerger or other significant transaction that could materially alter its existence, legal structure of organisation or regulatory regime and/or its composition and business. In the event the Issuer was to enter into any such transaction, the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes may be materially and adversely affected.

***The Issuer and its subsidiaries may issue additional debt and/or grant security***

Except for as set out in Condition 10 (*Negative Pledge*) of the Terms and Conditions, the Issuer and its subsidiaries are not prohibited from issuing further notes or incurring other debt ranking *pari passu* or senior to the Notes or restricted from granting any security on any existing or future debts. According to the Issuer's financial policy, the subsidiaries are financed with subsidiary level debt rather than intra-group loans from the parent. Issuance or incurrence of further debt or granting of security may reduce the amount recoverable by the Noteholders upon the winding-up or insolvency of the Issuer, which could have an adverse effect on the Issuer's ability to fulfil its obligations under the Notes as well as on the market price and value of the Notes.

***There is currently no public market for the Notes and if an active trading market for the Notes does not develop or is not maintained, it could have a material adverse effect on the market price of the Notes***

The Notes constitute a new issue of securities by the Issuer. Prior to the contemplated Listing, there is no public market for the Notes. Although an application will be made to list the Notes on Nasdaq Helsinki, no assurance can be given that such application will be approved within the contemplated timeframe, or at all. In addition, the listing of the Notes will not guarantee that a liquid public market for the Notes will develop, and even if such a market were to develop, neither the Issuer nor the Joint Lead Managers are under any obligation to maintain such market. The liquidity and the market price

of the Notes can be expected to vary with changes in market and economic conditions, the financial position and prospects of the Issuer and many other factors that generally influence the market prices of securities. Such factors may significantly affect the liquidity and the market prices of the Notes, which may trade at a discount to the price at which the Noteholders purchased the Notes.

If an active trading market for the Notes does not develop or is not maintained, it could have a material adverse effect on the market price of the Notes. Further, Noteholders may not be able to sell their Notes at all or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Moreover, if additional and competing capital markets products are introduced in the markets, it could have a material adverse effect on the market price of the Notes.

### **Risks Related to the Status and Form of the Notes**

#### ***The Issuer's ability to make payments under the Notes is effectively subordinated to any liabilities of its subsidiaries, associates and joint ventures***

The Issuer is the ultimate parent of the PVO Group. The Issuer does not have any operating assets and it procures energy for its shareholders at cost-price principle from its subsidiaries, associated companies and joint ventures. Inasmuch as none of these subsidiaries, associated companies or joint ventures has guaranteed any liabilities of the Issuer (including the Notes), neither the Issuer nor Noteholders will have any direct claim on the Issuer's subsidiaries' cash flows or assets. In the event of a bankruptcy, liquidation or reorganisation of any of the Issuer's subsidiaries, associated companies or joint ventures, their creditors will generally be entitled to payment of their claims from the cash flows and assets of those subsidiaries, associated companies or joint ventures before any cash flows or assets are made available for distribution to the Issuer as a shareholder. See "*Financial Information and Future Outlook—Certain Financial Information—Financing Agreements and Liquidity Position*" for more information on the indebtedness of the Issuer's subsidiaries.

#### ***The Notes are not rated***

The Notes are currently not rated by any rating agency. Accordingly, investors are not able to refer to any independent credit rating when evaluating factors that may affect the value of the Notes. The absence of rating may reduce the liquidity of the Notes as investors often base part of their decision to buy debt securities on the credit rating. The absence of rating may also increase the borrowing costs of the Issuer. Furthermore, unrated notes may not be eligible for purchases for all institutions, and any absence of purchases may adversely affect the demand for the Notes in both primary and secondary markets, which could lower the overall liquidity of the Notes. A decrease in the liquidity of the Notes, in turn, may adversely affect the pricing of the Notes.

#### ***The Notes constitute unsecured obligations of the Issuer***

The Notes constitute direct, unconditional, unsubordinated, unguaranteed and unsecured obligations of the Issuer. The Notes are not guaranteed by any person or entity. No one other than the Issuer will accept any liability in respect of any failure by the Issuer to pay any amount due under the Notes.

This means that in the event of bankruptcy, re-organisation or winding-up of the Issuer, the Noteholders normally receive payment after any priority creditors have been fully paid. Accordingly, the prospects of the Issuer may adversely affect the liquidity and the market price of the Notes and may increase the risk that the Noteholders will not receive prompt and full payment, when due, for interest, principal and/or any other amounts payable to the Noteholders pursuant to the Notes from time to time.

#### ***Amendments to the Terms and Conditions bind all Noteholders***

The Terms and Conditions may be amended in certain circumstances with the required consent of a defined majority of the Noteholders. The Terms and Conditions contain provisions for the Noteholders to call and attend Noteholders' meetings or to initiate procedures in writing to consider and vote upon matters affecting their interests generally. Resolutions passed at such meetings or procedures in writing will bind all Noteholders, including those who did not attend and vote at the relevant meeting or procedure in writing and those who voted in a manner contrary to the majority. This may incur financial losses, among other things, to all Noteholders, including those who did not attend and vote at the relevant meeting or participate in the procedure in writing and those who voted in a manner contrary to the majority.

#### ***The right to receive payments under the Notes is subject to time limitations***

Under the Terms and Conditions, if any payment under the Notes has not been claimed by the respective Noteholder within three years from the relevant due date thereof, the right to such payment shall become permanently forfeited. Such forfeiture to receive payment may cause financial losses to such Noteholders who have not claimed payment under the Notes within the time limit of three years.

## GENERAL INFORMATION

### Issuer

Pohjolan Voima Oyj  
Mikonkatu 7 A 5  
FI-00100 Helsinki  
Finland

### Joint Lead Managers for the Issue of the Notes

Danske Bank A/S  
Kasarmikatu 21 B  
FI-00130 Helsinki  
Finland

OP Corporate Bank plc  
Gebhardinaukio 1  
FI-00510 Helsinki  
Finland

### Legal Adviser

White & Case LLP  
Aleksanterinkatu 44  
FI-00100 Helsinki  
Finland

### Auditor

PricewaterhouseCoopers Oy  
Authorised Public Accountants  
Itämerentori 2  
FI-00180 Helsinki  
Finland

The annual general meeting of shareholders of the Issuer held on 21 March 2024 elected PricewaterhouseCoopers Oy, Authorised Public Accountants, as the auditor of the Issuer. PricewaterhouseCoopers Oy has appointed Pasi Karppinen, Authorised Public Accountant (KHT), as the auditor with principal responsibility for the conduct of the audit. Pasi Karppinen is registered in the Finnish register of auditors pursuant to Chapter 6, Section 9 of the Finnish Auditing Act (1141/2015, as amended, the “**Finnish Auditing Act**”; Fi: *tilintarkastuslaki*) maintained by the Finnish Patent and Registration Office. The Issuer’s audited consolidated financial statements as of and for the years ended 31 December 2023 and 2022 have been audited by PricewaterhouseCoopers Oy, Authorised Public Accountants, with Niina Vilske, Authorised Public Accountant (KHT), as the auditor with principal responsibility for the conduct of the audit. Niina Vilske is registered in the Finnish register of auditors pursuant to Chapter 6, Section 9 of the Finnish Auditing Act maintained by the Finnish Patent and Registration Office.

### Responsibility Statement

This Listing Prospectus has been prepared by the Issuer and the Issuer accepts responsibility regarding the information included in this Listing Prospectus. To the best of the Issuer’s knowledge, the information contained in this Listing Prospectus is in accordance with the facts and this Listing Prospectus makes no omission likely to affect its import.

### Forward-looking Statements

This Listing Prospectus contains forward-looking statements about the Issuer’s business that are not historical facts, but statements about future expectations. When used in this Listing Prospectus, the words “aims,” “anticipates,” “assumes,” “believes,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “should,” “will,” “would” and similar expressions as they relate to the Issuer or the Issuer’s management identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements are set forth in a number of places in this Listing Prospectus regarding the future results, plans and expectations with regard to the Issuer’s business, and on growth, profitability and the general economic conditions to which the Issuer is exposed.

These forward-looking statements are based on the Issuer’s present plans, estimates, projections and expectations. They are based on certain expectations, which, even though they seem to be reasonable at present, may turn out to be incorrect. Such forward-looking statements are based on assumptions and are subject to various risks and uncertainties. Prospective

investors should not unduly rely on these forward-looking statements. Numerous factors may cause actual results, realised revenues or performance to differ materially from the results, revenues and performance expressed or implied in the forward-looking statements of the Issuer. See “*Risk Factors*” for information on factors that could cause the Issuer’s actual results of operations, performance or achievements to differ materially.

The Issuer expressly disclaims any obligation to update forward-looking statements or to adjust them in light of future events or developments, save as required by law or regulation.

### **Market and Industry Information**

This Listing Prospectus contains market and industry information from third parties. Information on electricity prices is derived from information made public by Nord Pool Spot AS, the Nordic electricity exchange (“**Nord Pool**”), information on electricity consumption, production and import is from the monthly electricity statistics provided by the Finnish Energy (Fi: *Energiateollisuus ry*) and information on emission allowance prices are from Intercontinental Exchange Inc. Information on Finnish electricity production capacity is derived from information made public by Finnish Energy Authority. The Issuer disclaims any responsibility for the accuracy or the completeness of these third-party market estimates. This information has been accurately reproduced in this Listing Prospectus and as far as the Issuer is aware and is able to ascertain from information published by these sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. Any other estimates with respect to market and industry information referred to in this Listing Prospectus are based upon the estimates of the management of the Issuer, unless otherwise indicated. Such information is prepared by the Issuer based on third-party sources and the Issuer’s own internal estimates. In many cases, there is no publicly available information on such market and industry data. The Issuer believes that its estimates of market and industry data and information derived therefrom are helpful in order to give investors a better understanding of the industry in which it operates as well as its position within this industry. Although the Issuer believes that its internal market and industry observations are fair estimates, they have not been reviewed or verified by any external experts and the Issuer cannot guarantee that a third-party expert using different methods would obtain or generate the same results.

### **Other Information Derived from Third-party Sources**

This Listing Prospectus contains information about a joint venture of the Issuer, TVO. The information on TVO has been derived from information made public by TVO, including TVO’s annual report for the year ended 31 December 2023, interim report for the three months ended 31 March 2024 and the base prospectus relating to TVO’s EMTN programme, dated 8 May 2024.

While the Issuer has accurately reproduced such third-party information, the Issuer has not verified the accuracy of such information, market data or other information on which third parties have based their studies and cannot give any assurances as to the appropriateness of such information. As far as the Issuer is aware, and is able to ascertain from information published by these third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

### **Availability of Documents**

This Listing Prospectus will be published on the Issuer’s website at [www.pohjolanvoima.fi/en/investors](http://www.pohjolanvoima.fi/en/investors) on or about 6 June 2024.

### **No Incorporation of Website Information**

For the avoidance of doubt, other than the parts of the documents incorporated by reference and specified in “*Documents Incorporated by Reference*,” this Listing Prospectus and any prospectus supplement published on the Issuer’s website, the contents of the Issuer’s website or any other website do not form a part of this Listing Prospectus, and prospective investors should not rely on such information in making their decision to invest in the Notes.

### **Notice to Investors**

Each Joint Lead Manager has represented, warranted and undertaken, and each further Joint Lead Manager appointed will be required to represent, warrant and undertake, that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Listing Prospectus or any related offering material, in all cases at its own expense. Other persons into whose hands this Listing Prospectus comes are required by the Issuer and the Joint Lead Managers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Listing Prospectus or any related offering material, in all cases at their own expense.

### ***Prohibition of Sales to EEA Retail Investors***

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II;
  - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in point (e) of Article 2 of the Prospectus Regulation.

Consequently, no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

### ***Prohibition of Sales to UK Retail Investors***

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the Offering contemplated by this Listing Prospectus to any retail investor in the UK. For the purposes of this provision:

- (a) the expression **retail investor** means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of EUWA;
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA;
  - (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA.

Consequently, no key information document required by the UK PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

### ***Notice to Prospective Investors in the United States***

The Notes have not been, and will not be, registered under the Securities Act and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons. In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of the Notes within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act. Terms used in this paragraph and not otherwise defined herein the preceding sentence have the meanings given to them by Regulation S.

### ***Notice to Prospective Investors in the UK***

The Listing Prospectus may only be distributed to, and is directed at (a) persons who have professional experience in matters relating to investments falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”) or (b) high net worth entities falling within article 49(2)(a) to (d) of the Order, or (c) other persons to whom it may be lawfully communicated, falling within article 49(1) of the Order (all such persons together being referred to as “**relevant persons**”). Any person who is not a relevant person should not act or rely on this document or any of its contents.

### ***The Notes May Not be a Suitable Investment for All Investors***

Each prospective investor in the Notes should determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that investment in the Notes is consistent with its financial needs, objectives and condition, complies and is consistent with the investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the material risks inherent in investing in or holding the Notes.

A prospective investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or referred to in this Listing Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the effect that the Notes can have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- (iv) understand fully the terms of the Notes and be familiar with the behaviour of any relevant financial market; and
- (v) be able to evaluate (either on its own or with the help of its financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The investment activities of the Noteholders may be subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential Noteholder should consult their legal advisers to determine whether and to what extent (i) the Notes are legal investments for them, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to their purchase or pledge of any of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules. There is a risk that investors in certain jurisdictions may be subject to restrictions or limitations that may affect the value of their investment.

#### ***Completion of Transactions Relating to the Notes is Dependent on Euroclear Finland's Operations and Systems***

The Notes are issued in the book-entry securities system of Euroclear Finland. Pursuant to the Finnish Act on Book-entry System and Settlement Activities, the Notes will not be evidenced by any physical note or document of title other than statements of account made by Euroclear Finland or its account operator. The Notes are dematerialised securities and title to the Notes is recorded and transfers of the Notes are perfected only through the relevant entries in the book-entry system and registers maintained by Euroclear Finland and its account operators. Therefore, timely and successful completion of transactions relating to the Notes, including but not limited to transfers of, and payments made under, the Notes, depend on the book-entry securities system being operational and that the relevant parties, including but not limited to the payment transfer bank and the account operators of the Noteholders, are functioning when transactions are executed. Any malfunction or delay in the book-entry securities system or any failure by any relevant party may result in the transaction involving the Notes not taking place as expected or being delayed, which may cause financial losses or damage to the Noteholders whose rights depended on the timely and successful completion of the transaction.

The Issuer or any other third party will not assume any responsibility for the timely and full functionality of the book-entry securities system. Payments under the Notes will be made in accordance with the laws governing the book-entry securities system, the rules of Euroclear Finland and the Terms and Conditions. For purposes of payments under the Notes, it is the responsibility of each Noteholder to maintain with its respective book-entry account operator up to date information on applicable bank accounts.

#### ***Legislative Amendments May Take Place During the Term of the Notes***

The Notes are governed by the laws of Finland, as in force from time to time. Finnish laws and regulations, including, but not limited to, tax laws and regulations, governing the Notes may change during the term of the Notes and new judicial decisions can be given and new administrative practices can be implemented. The Issuer makes no representations as to the effect of any such changes of laws or regulations, or new judicial decisions or administrative practices after the date of this Listing Prospectus.

## TERMS AND CONDITIONS OF THE SENIOR UNSECURED NOTES

### Pohjolan Voima Oyj EUR 150,000,000 4.750 percent Fixed Rate Notes due 2031

ISIN CODE FI4000570908

#### Prohibition of Sales to EEA Retail Investors

The Notes (as defined below) are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in point (e) of Article 2 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the “**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

#### Prohibition of Sales to UK Retail Investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

#### MiFID II Product Governance / Professional Investors and Eligible Counterparties Only Target Market

Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

The Board of Directors of Pohjolan Voima Oyj (the “**Issuer**”) has in its meeting on 26 April 2024 authorised the Issuer’s management to decide on the issue of senior unsecured notes referred to in Paragraph 1 of Section 34 of the Act on Promissory Notes (622/1947, as amended in 746/1993, Fi: *velkakirjalaki*). Based on the authorisation, the Issuer has decided to issue senior unsecured notes (the “**Notes**”) on the terms and conditions specified below.

OP Corporate Bank plc and Danske Bank A/S will act as joint lead managers in connection with the offer and issue of the Notes (the “**Joint Lead Managers**”).

#### 1. PRINCIPAL AMOUNT AND ISSUANCE OF THE NOTES

The principal amount of the Notes is EUR 150,000,000. The Issuer may later create and issue further notes having the same terms and conditions as the Notes, as further set out below under Condition 20 (*Further Issues of Notes*).

The Notes will be issued in dematerialised form in the CSD system of Euroclear Finland Oy (“**Euroclear Finland**”) in accordance with the Finnish laws and regulations governing book-entry system and book-entry accounts as well as the regulations and decisions of Euroclear Finland (the “**CSD System**”), and cannot be physically delivered. The issue date of the Notes is 5 June 2024 (the “**Issue Date**”).

The Notes will be offered for subscription in a minimum amount of EUR 100,000. The principal amount of each book-entry unit (Fi: *arvo-osuuden yksikkökoko*) is EUR 100,000. The maximum number of the Notes is 1,500 or a higher number should the Issuer decide to increase the maximum principal amount of the Notes.

The issuer agent (Fi: *liikkeeseenlaskijan asiamies*) of the Notes referred to in the regulations of Euroclear Finland (the “**Issuer Agent**”) and the paying agent of the Notes (the “**Paying Agent**”) is OP Custody Ltd, the address of which is Gebhardinaukio 1, FI-00510 Helsinki, Finland.

## 2. SUBSCRIPTION OF THE NOTES

The Notes shall be offered for subscription to eligible counterparties and professional clients within the meaning of the MIFID II. The Notes shall be offered for subscription through a book-building process (private placement). The Notes will be offered to investors outside the United States in reliance on Regulation S under the U.S. Securities Market Act of 1933, as amended. The subscription period shall commence and end on 29 May 2024 (the “**Subscription Date**”).

Bids for subscription shall be submitted during regular business hours to: (i) OP Corporate Bank plc, Gebhardinaukio 1, FI-00510 Helsinki, Finland, telephone +358 10 252 7970; or (ii) Danske Bank A/S, c/o Danske Bank A/S Finland Branch, Kasarmikatu 21 B, FI-00075 Helsinki, Finland, telephone: +358 10 546 2070.

Bids for subscriptions are irrevocable. All subscriptions remain subject to the final acceptance by the Issuer. The Issuer may, in its sole discretion, reject a subscription in part or in whole. The Issuer shall decide on the procedure in the event of over-subscription. After the final allocation and acceptance (or rejection) of the subscriptions by the Issuer, each investor that has submitted a subscription shall be notified by the Joint Lead Managers whether and, where applicable, to what extent such subscription is accepted.

Subscriptions shall be paid for as instructed in connection with the subscription.

Notes subscribed and paid for shall be created by the Issuer Agent and approved by Euroclear Finland in the CSD System and routed by the Issuer Agent to the respective book-entry accounts of the subscribers on a date advised in connection with the issuance of the Notes in accordance with the Finnish laws and regulations governing book-entry system and book-entry accounts as well as regulations and decisions of Euroclear Finland.

## 3. USE OF PROCEEDS

The Issuer shall use the proceeds from the issue of the Notes, less the costs and expenses incurred by the Issuer in connection with the issue of the Notes, for refinancing the existing indebtedness of the Group (as defined in Condition 12 (*Events of Default*) below) and general corporate purposes of the Group.

## 4. ISSUE PRICE

The issue price of the Notes is 99.936 percent.

## 5. INTEREST

The Notes bear fixed interest at the rate of 4.750 percent per annum (the “**Interest Rate**”). Interest shall be payable annually in arrears commencing on 5 June 2025 and thereafter on each 5 June (each an “**Interest Payment Date**”) until the Maturity Date (as defined below), subject to the Issuer’s redemption of the Notes in accordance with Condition 8.2 (*Voluntary Total Redemption (Call Option)*) or prepayment of the Notes in accordance with Condition 9 (*Change of Control*) or Condition 12 (*Events of Default*) below.

Subject to the Issuer’s redemption of the Notes in accordance with Condition 8.2 (*Voluntary Total Redemption (Call Option)*), Condition 8.3 (*Clean-up Call Option*) or prepayment of the Notes in accordance with Condition 9 (*Change of Control*) or Condition 12 (*Events of Default*) below, interest shall accrue for each interest period from (and including) the first day of the interest period to (but excluding) the last day of such interest period on the principal amount of Notes outstanding from time to time. The first interest period commences on the Issue Date and ends on the first Interest Payment Date. Each consecutive interest period begins on the previous Interest Payment Date and ends on the following Interest Payment Date. The last interest period ends on the Maturity Date (as defined below).

Interest in respect of the Notes will be calculated on the basis of the actual number of days elapsed in the relevant interest period divided by 365 or, in the case of a leap year, 366 (Actual / Actual ICMA).

## 6. STATUS AND SECURITY

The Notes constitute direct, unconditional, unsubordinated, unguaranteed and unsecured obligations of the Issuer ranking *pari passu* among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by mandatory provisions of law.

## 7. PAYMENTS

Interest on and principal of the Notes shall be paid in accordance with the Finnish laws and regulations governing book-entry system and book-entry accounts as well as the regulations and decisions of Euroclear Finland.

Should any Interest Payment Date, Maturity Date (as defined in Condition 8 (*Redemption*)), CoC Prepayment Date (as defined in Condition 9 (*Change of Control*)) or Optional Redemption Date (as defined in Condition 8 (*Redemption*)) fall on a date which is not a CSD Business Day (as defined below), the payment of the amount due will be postponed to the next following CSD Business Day. The postponement of the payment date shall not have an impact on the amount payable.

“**CSD Business Day**” means for the purposes of these terms and conditions a day on which the CSD System is operative.

## 8. REDEMPTION

### 8.1 Redemption at Maturity

The Notes shall be repaid in full at their nominal principal amount on 5 June 2031 (the “**Maturity Date**”), unless the Issuer has redeemed the Notes in accordance with Condition 8.2 (*Voluntary Total Redemption (Call Option)*), Condition 8.3 (*Clean-up Call Option*) or prepaid the Notes in accordance with Condition 9 (*Change of Control*) or Condition 12 (*Events of Default*) below.

### 8.2 Voluntary Total Redemption (Call Option)

- (a) The Issuer may, if it gives not less than fifteen (15) nor more than sixty (60) days’ notice to the Issuer Agent and the holders of Notes (the “**Noteholders**”) in accordance with Condition 15 (*Notices and Right to Information*) (which notice shall be irrevocable and shall specify the Optional Redemption Date), redeem all, but not only some, of the Notes early on any CSD Business Day from the date falling ninety (90) days after the Issue Date to, but excluding, the first CSD Business Day falling three (3) months prior to the Maturity Date, at an amount equal to the Make-Whole Redemption Amount.
- (b) The Issuer may, if it gives not less than fifteen (15) nor more than sixty (60) days’ notice to the Noteholders (which notice shall be irrevocable and shall specify the Optional Redemption Date), redeem the Notes, in whole but not in part, at any time from and including the first CSD Business Day falling three (3) months prior to the Maturity Date to, but excluding, the Maturity Date, at an amount equal to 100 percent of their outstanding nominal principal amount together with any accrued but unpaid interest to but excluding to the Optional Redemption Date.

For the purposes of these terms and conditions:

“**Business Day**” means a day on which banks in Helsinki are open for general business.

“**Make-Whole Redemption Amount**” shall be calculated by the Issuer or on behalf of the Issuer by such a person as the Issuer shall designate and shall be the greater of (a) 100 percent of the principal amount of the Notes to be redeemed and (b) the sum of the then present values of each remaining scheduled payment of principal and interest up to, but excluding, the first CSD Business Day falling three (3) months prior to the Maturity Date (for the avoidance of doubt, not including any interest accrued on the Notes to, but excluding, the relevant Optional Redemption Date) discounted to the relevant Optional Redemption Date on an annual basis at the Make-Whole Redemption Rate plus the Make-Whole Redemption Margin.

“**Make-Whole Redemption Margin**” means 0.35 percent.

“**Make-Whole Redemption Rate**” means, with respect to the relevant Optional Redemption Date, the rate per annum equal to the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for the Reference Date.

**“Optional Redemption Date”** means the date on which the Notes will be redeemed in accordance with this Condition.

**“Reference Bond”** means DBR 0.0 Feb-31 / DE0001102531.

**“Reference Bond Dealer”** means each of the banks selected by the Issuer, or their affiliates, which are (a) primary government securities dealers, and their respective successors, or (b) market makers in pricing corporate bond issues.

**“Reference Bond Dealer Quotations”** mean, with respect to each Reference Bond Dealer and the relevant Optional Redemption Date, the arithmetic average, as determined by the Issuer or on behalf of the Issuer by such person as the Issuer shall designate, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at 11.00 a.m. (Brussels time) on the Reference Date quoted by such Reference Bond Dealer.

**“Reference Bond Price”** means (a) the average of five (5) Reference Bond Dealer Quotations, after excluding the highest and lowest of such Reference Bond Dealer Quotations; or (b) if the Issuer obtains fewer than five (5) such Reference Bond Dealer Quotations, the average of all such Reference Bond Dealer Quotations.

**“Reference Date”** means the third (3rd) Business Day prior to the Optional Redemption Date.

The calculations and determinations related to the Make-Whole Redemption Amount made by the Issuer or any party on behalf of the Issuer shall (save for manifest error) be final and binding upon all Noteholders.

### 8.3 Clean-up Call Option

If at any time the nominal principal amount of the outstanding Notes is twenty-five (25) percent or less of the aggregate nominal amount of the Notes issued at any time (as adjusted by the principal amount of any further issues of Notes under Clause 20 (Further Issues of Notes)), the Issuer may, at its option, at any time, by giving not less than fifteen (15) nor more than forty-five (45) calendar days’ irrevocable notice, which shall specify the date fixed for redemption, to the Issuer Agent and the Noteholders in accordance with Clause 15 (Notices and Right to Information), elect to redeem all of the outstanding Notes, in whole but not in part, at their nominal principal amount together with any accrued but unpaid interest to, but excluding, the date of redemption.

## 9. CHANGE OF CONTROL

If, after the Issue Date, any person or group of persons other than one or more of the shareholders of the Issuer as at the Issue Date or their Affiliates, acting in concert, directly or indirectly, gains control of the Issuer, the Issuer shall promptly notify the Noteholders upon becoming aware of such event in accordance with Condition 15 (*Notices and Right to Information*).

Upon occurrence of a change of control, the Issuer shall, on the CoC Prepayment Date (as defined below), prepay the principal amount of and the interest accrued on the Notes held by the Noteholders who have required prepayment of Notes held by them by a written notice to be given to the Issuer no earlier than thirty (30) Business Days after the publication or the delivery of the notice referred to in the first paragraph of this Condition and no later than twenty (20) Business Days before the CoC Prepayment Date. Interest on the Notes accrues until the CoC Prepayment Date (excluding the CoC Prepayment Date).

In this Condition 9:

**“Affiliate”** means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

**“acting in concert”** means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by any of them, either directly or indirectly, of shares in the Issuer, to obtain or consolidate control of the Issuer;

**“control”** means either:

- (a) acquiring or controlling the beneficial ownership of shares in the Issuer representing more than fifty (50) percent of the total voting rights represented by the shares in the Issuer; or
- (b) capability of appointing the majority of the board of directors of the Issuer.

**“Holding Company”** means in relation to a person, any other person in respect which it is a Subsidiary.

“**CoC Prepayment Date**” means the date falling seventy (70) Business Days after the publication of the notice referred to in the first paragraph of this Condition.

## 10. NEGATIVE PLEDGE

For so long as any Note remains outstanding, the Issuer shall not, and the Issuer shall procure that none of its Subsidiaries (as defined below under Condition 12 (*Events of Default*)) will, create any mortgage, charge, lien, pledge or other security interest to secure any other notes, bonds or other similar debt securities issued after the Issue Date that would be capable of being listed on a stock exchange or subject to trading in a regulated market (if the Issuer were a public limited liability company) or a multilateral trading facility (“**Debt Instrument Indebtedness**”) (nor create any such security interest to secure any guarantee or indemnity over such notes or other securities), unless (i) the granting of such security interest is required under Finnish law or other law governing such notes, bonds or other debt securities or, (ii) prior to or simultaneously therewith, the Issuer’s obligations under the Notes either (a) are secured equally and rateable therewith or (b) have the benefit of such other security interest or other arrangement (whether or not it includes the granting of a security interest) as shall be approved by a resolution of the Noteholders (as referred to in Condition 14 (*Noteholders’ Meeting and Procedure in Writing*)).

## 11. REPORTS

For so long as the Notes have not been listed in accordance with Condition 18 (*Listing*), the Issuer shall furnish to the Noteholders (in accordance with the last paragraph of this Condition 11):

- (a) within one hundred and twenty (120) days after the end of each financial year, beginning with the financial year ending 31 December 2024, the audited consolidated financial statements of the Group for that financial year containing:
  - (i) the audited consolidated balance sheet of the Issuer as at the end of the most recent financial year and audited consolidated income statements and statements of cash flow of the Issuer for the most recent two financial years, including appropriate notes to such financial statements, for and as at the end of such financial years and the report of the independent auditors on the financial statements;
  - (ii) a description of the management and shareholders of the Issuer, all Material Subsidiary transactions and a description of all material debt instruments;
  - (iii) a description of material risk factors and material subsequent events to the extent required to be reported under the generally accepted accounting principles, standards and practices applied by the Issuer from time to time; and
  - (iv) a description of any material acquisitions, dispositions or recapitalisations that have occurred since the beginning of the most recently completed financial year as to which such annual report relates;
- (b) within sixty (60) days after the end of each half-year period beginning with the half-year period ending on 30 June 2024, the consolidated interim financial statements of the Issuer and its Subsidiaries from time to time for the most recent half year containing:
  - (i) the Issuer’s unaudited condensed consolidated balance sheet as at the end of such period and unaudited condensed statements of income and cash flow for the most recent semi-annual period;
  - (ii) a description of any material acquisitions, dispositions or recapitalisations that have occurred since the beginning of the most recently completed financial year;
  - (iii) an operating and financial review of the unaudited financial statements, including a discussion of the consolidated financial condition, results of operations and material changes in liquidity and capital resources of the Issuer;
  - (iv) a discussion of material changes in material debt instruments since the most recent report; and
  - (v) any material subsequent events and material changes to the risk factors disclosed in the most recent annual report of the Issuer; and
- (c) promptly after the occurrence of a material event that the Issuer announces publicly or any acquisition, disposition or restructuring, merger or similar transaction that is material to the Issuer or its Subsidiaries,

taken as a whole, or a senior executive officer or director changes at the Issuer or a change in auditors of the Issuer, a report containing a description of such event. For purposes this sub-clause, an acquisition or disposition shall be deemed to be material if the entity or business acquired or disposed of represents ten (10) percent of the consolidated assets of the Issuer and its Subsidiaries, taken as a whole.

The Issuer shall make available to the Noteholders copies of the reports specified in sub-Conditions (a)–(c) above on the Issuer’s website at the address *www.pohjolanvoima.fi* or on a website which is available to persons who are registered as investors in accordance with the instructions on the website *www.pohjolanvoima.fi* or on such other address as provided by the Issuer to the Noteholders in accordance with Condition 15 (*Notices and Right to Information*). The Issuer shall also furnish such reports to the Noteholders upon written request.

## 12. EVENTS OF DEFAULT

If an Event of Default (as defined below) occurs, any Noteholder may by a written notice to the Issuer declare the outstanding principal amount of such Note together with the interest then accrued on such Note to be prematurely due and payable at the earliest on the tenth (10<sup>th</sup>) calendar day from the date such notice was received by the Issuer provided that an Event of Default is continuing on the date of receipt of the notice and on the specified early repayment date. Interest accrues until the early repayment date (excluding the early repayment date). The Issuer shall notify the Noteholders of any Event of Default (and the steps, if any, taken to remedy it) in accordance with Condition 15 (*Notices and Right to Information*) promptly upon becoming aware of its occurrence.

Each of the following events shall constitute an “**Event of Default**”:

- (a) **Non-Payment:** Any amount of interest on or principal of the Notes has not been paid within five (5) Business Days from the relevant due date, unless the failure to pay is caused by a reason referred to in Condition 16 (*Force Majeure*); or
- (b) **Cross-default:** Any indebtedness for borrowed money of the Issuer or any of its Material Subsidiaries (as defined below) is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this sub-Condition (b) if the aggregate amount of such indebtedness due is less than EUR 25,000,000 and provided that it does not apply to any indebtedness owed to a Group Company. A Noteholder shall not be entitled to demand repayment under this sub-Condition (b) if the Issuer has bona fide contested the existence of the occurrence of an Event of Default under this sub-Condition (b) in the relevant court or in arbitration within forty-five (45) days of the date when the Issuer or its Material Subsidiary became aware of such alleged Event of Default as long as such dispute has not been finally and adversely adjudicated against the Issuer without any appeal period and any such contested amount shall not be taken into account in the calculation of the EUR 25,000,000 pursuant to this sub-Condition (b).

“**indebtedness for borrowed money**” means for purposes this Condition 12:

- (i) any indebtedness for moneys borrowed or raised by the Issuer or any of its Material Subsidiaries or for money owing in respect of any other form of financial accommodation whatsoever made available to the Issuer or any of its Material Subsidiaries (excluding normal trade indebtedness);
  - (ii) any indebtedness under any letter of credit, stand-by letter of credit or note purchase facility or acceptance credit opened on behalf of the Issuer or any of its Material Subsidiaries and any receivables purchase factoring or discounting arrangements;
  - (iii) any indebtedness under any bill discounting facility or bills of exchange on which the Issuer or any of its Material Subsidiaries is liable as drawer, acceptor, endorser or otherwise;
  - (iv) any indebtedness relating to principal and premiums (if any) and capitalised interest in respect of any debenture, bond, note, loan stock or similar instrument of the Issuer or any of its Material Subsidiaries; and
  - (v) any other transaction having the commercial effect of borrowing entered into by the Issuer or any of its Material Subsidiaries to finance its operations or capital requirements.
- (c) **Negative Pledge:** the Issuer does not comply with its obligations under Condition 9 (*Change of Control*); or
  - (d) **Cessation of Business:** The Issuer ceases to carry on its current business in its entirety; or

- (e) **Winding-up:** An order is made or an effective resolution is passed for the winding-up (Fi: *selvitystila*), liquidation or dissolution of the Issuer or any of its Material Subsidiaries, except for (i) actions which are frivolous (Fi: *perusteeton*) or vexatious (Fi: *oikeuden väärinkäyttö*), or (ii) in the case of a Material Subsidiary, on a voluntary solvent basis; or
- (f) **Insolvency:** (i) The Issuer or any of its Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due; (ii) or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Indebtedness or (iii) an application is filed for it being subject to bankruptcy or re-organisation proceedings, or for the appointment of an administrator or liquidator of any of the Issuer's or its Material Subsidiaries' assets, save for any such applications that are contested in good faith and as long as such application has not been finally and adversely adjudicated against the Issuer or its Material Subsidiary without any appeal period.

For the purposes of these terms and conditions:

“**Group**” means the Issuer and its Subsidiaries from time to time (as defined in the Finnish Accounting Act (1336/1997, as amended, Fi: *kirjanpitolaki*)) and “**Group Company**” means the Issuer or any of the Subsidiaries.

“**Indebtedness**” includes any obligation (whether incurred as principal or as surety for the payment or repayment of money), whether present or future, actual or contingent, excluding Debt Instrument Indebtedness.

“**Material Subsidiary**” means for the purposes of these terms and conditions, at any time, any Subsidiary of the Issuer:

- (a) whose total assets (consolidated in the case of a company which itself has Subsidiaries) represent not less than ten (10) percent of the consolidated total assets of the Group taken as a whole, all as calculated by reference to the then most recent financial statements (consolidated or, as the case may be, unconsolidated) of such subsidiary and the then most recent consolidated financial statements of the Group. If the Subsidiary has been acquired since the date at which the then most recent consolidated financial statements of the Group were prepared, the financial statements shall be adjusted in order to take into account the acquisition of that Subsidiary (such adjustment to be certified by the Group's auditors as representing an accurate reflection of the total assets following the Subsidiary's acquisition); or
- (b) to which is transferred the whole or substantially the whole of the sales or assets and undertakings of a subsidiary which, immediately prior to such transfer, was a Material Subsidiary.

“**Subsidiary**” means a subsidiary within the meaning of Chapter 1, Section 6 of the Finnish Accounting Act (1336/1997, as amended, Fi: *kirjanpitolaki*) (or under such provision as may replace this provision).

### 13. TAXATION

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed or levied by or on behalf of Finland or any political subdivision or authority of Finland having power to tax, unless the withholding or deduction of the Taxes is required by law. In such case, the Issuer shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. The Issuer will not be obligated to make any additional payments to the Noteholders in respect of such withholding or deduction.

### 14. NOTEHOLDERS' MEETING AND PROCEDURE IN WRITING

- (a) The Issuer may convene a meeting of the Noteholders (a “**Noteholders' Meeting**”) or request a procedure in writing among the Noteholders (a “**Procedure in Writing**”) to decide on amendments of these terms and conditions or other matters as specified below. Euroclear Finland and the Issuer Agent must be notified of the Noteholders' Meeting or a Procedure in Writing in accordance with the regulations of Euroclear Finland.
- (b) Notice of a Noteholders' Meeting and the initiation of a Procedure in Writing shall be published in accordance with Condition 15 (*Notices and Right to Information*) no later than ten (10) calendar days prior to the Noteholders' Meeting or the last day for replies in the Procedure in Writing. The notice shall specify the time, place and agenda of the Noteholders' Meeting or the last day and address for replies in the Procedure in Writing (or if the voting is to be made electronically, instructions for such voting) as well as any action required on the part of a Noteholder to attend the meeting or to participate in the

Procedure in Writing. No matters other than those referred to in the notice may be resolved upon at the Noteholders' Meeting or through the Procedure in Writing.

- (c) Only those who, according to the register kept by Euroclear Finland in respect of the Notes, were registered as holders of Notes on the fifth (5<sup>th</sup>) CSD Business Day prior to the Noteholders' Meeting or the last day for replies in the Procedure in Writing on the list of holders of Notes to be provided by Euroclear Finland in accordance with Condition 15 (*Notices and Right to Information*), or proxies authorised by such holders of Notes, shall, if holding any of the principal amount of the Notes at the time of the Noteholders' Meeting or the last day for replies in the Procedure in Writing, be entitled to vote at the Noteholders' Meeting or in the Procedure in Writing and shall be recorded in the list of the holders of Notes present in the Noteholders' Meeting or participating in the Procedure in Writing.
- (d) A Noteholders' Meeting shall be held in Helsinki, Finland and its chairman shall be appointed by the Issuer. At the Issuer's discretion, a Noteholder's Meeting may also be held (or participation to a physical meeting enabled) by telecommunications or other electronic or technical means.
- (e) A Noteholders' Meeting or a Procedure in Writing shall constitute a quorum only if a Noteholder (or Noteholders) holding fifty (50) percent or more of the principal amount of the Notes outstanding attends (in person or by proxy) the Noteholders' Meeting or provides replies in the Procedure in Writing. Any holdings of the Notes by the Issuer and any companies belonging to the Group are not included in the assessment whether or not a Noteholders' Meeting or a Procedure in Writing shall constitute a quorum.
- (f) If, within thirty (30) minutes after the time specified for the start of the Noteholders' Meeting, a quorum is not present, any consideration of the matters to be dealt with at the Noteholders' Meeting may, at the request of the Issuer, be adjourned for consideration at a meeting to be convened on a date no earlier than fourteen (14) calendar days and no later than twenty-eight (28) calendar days after the original Noteholders' Meeting at a place to be determined by the Issuer.
- (g) Correspondingly, if by the last day to reply the Procedure in Writing constitutes no quorum, the time for replies may be extended as determined by the Issuer.
- (h) The adjourned Noteholders' Meeting or the extended Procedure in Writing shall constitute a quorum if a Noteholder (or Noteholders) holding ten (10) percent or more of the principal amount of the Notes outstanding is present or provides replies in the Procedure in Writing.
- (i) Notice of an adjourned Noteholders' Meeting or in the Procedure in Writing, information regarding the extended time for replies shall be given in the same manner as notice of the original Noteholders' Meeting or the Procedure in Writing. The notice shall also state the requirements for the constitution of a quorum.
- (j) Voting rights of the Noteholders shall be determined according to the principal amount of the Notes held on the fifth (5<sup>th</sup>) CSD Business Day prior to the Noteholders' Meeting or the last day for replies in the Procedure in Writing. The Issuer and any companies belonging to its group shall not hold voting rights at the Noteholders' Meeting or in the Procedure in Writing.
- (k) Subject to Condition 14(l) below, resolutions shall be carried by a majority of fifty (50) percent of the votes cast. In the event of a tied vote, the chairman of the Noteholders' Meeting shall have the casting vote.
- (l) When consent from the Noteholders representing the requisite majority, pursuant to Condition 14(i) or Condition 14(l), as applicable, has been received in the Procedure in Writing, the relevant decision shall be deemed to be adopted even if the time period for replies in the Procedure in Writing has not yet expired.
- (m) A representative of the Issuer and a person authorised to act for the Issuer may attend and speak at a Noteholders' Meeting.
- (n) A Noteholders' Meeting or a Procedure in Writing is entitled to make the following decisions that are binding on all the Noteholders:
  - (i) to change these terms and conditions of the Notes;
  - (ii) to grant a temporary waiver on these terms and conditions of the Notes;

However, consent of at least seventy-five (75) percent of the votes cast is required to:

- (i) decrease the principal of or interest on the Notes;

- (ii) extend the maturity of the Notes;
- (iii) amend the requirements for the constitution of a quorum at a Noteholders' Meeting or a Procedure in Writing; or
- (iv) amend the majority requirements of the Noteholders' Meeting or Procedure in Writing.

The consents can be given at a Noteholders' Meeting or in the Procedure in Writing or by other verifiable means.

The Noteholders' Meeting and the Procedure in Writing can authorise a named person to take necessary action to enforce the decisions of the Noteholders' Meeting or of the Procedure in Writing.

- (o) Resolutions passed at a Noteholders' Meeting or in the Procedure in Writing shall be binding on all Noteholders irrespective of whether they have been present at the Noteholders' Meeting or participated in the Procedure in Writing, and irrespective of how and if they have voted.
- (p) Resolutions passed at a Noteholders' Meeting or in the Procedure in Writing shall be notified to the Noteholders in accordance with Condition 15 (*Notices and Right to Information*). In addition, Noteholders are obliged to notify subsequent transferees of the Notes of the resolutions of the Noteholders' Meeting (or Procedure in Writing).

The Issuer shall have the right to amend the technical procedures relating to the Notes in respect of payments or other similar matters without the consent of the Noteholders, a Noteholders' Meeting or a Procedure in Writing. For the sake of clarity, any resolution at a Noteholders' Meeting or in a Procedure in Writing, which extends or increases the obligations of the Issuer, or limits, reduces or extinguishes the rights or benefits of the Issuer, shall be subject to the consent of the Issuer.

## **15. NOTICES AND RIGHT TO INFORMATION**

Noteholders shall be advised of matters relating to the Notes by stock exchange or a press release. Any such notice shall be deemed to have been received by the Noteholders when published in the manner specified in this Condition 15.

Alternatively, the Issuer may deliver notices on the Notes in writing directly to the Noteholders at the address appearing on the list of the Noteholders provided by Euroclear Finland in accordance with the below paragraph (or, e.g., through Euroclear Finland's book-entry system or account operators of the book-entry system). Any such notice shall be deemed to have been received by the Noteholders on the third (3<sup>rd</sup>) Business Day following dispatch.

Notwithstanding any secrecy obligation, the Issuer shall, subject to the regulations of Euroclear Finland and applicable laws, be entitled to obtain information of the Noteholders from Euroclear Finland and Euroclear Finland shall be entitled to provide such information to the Issuer. Furthermore, the Issuer shall, subject to the regulations of Euroclear Finland and applicable laws, be entitled to acquire from Euroclear Finland a list of the Noteholders, provided that it is technically possible for Euroclear Finland to maintain such a list. The Issuer shall at the request of the Issuer Agent pass on such information to the Issuer Agent.

Address for notices to the Issuer is as follows:

Pohjolan Voima Oyj  
Attention: Kaisa Ahtiainen  
Mikonkatu 7A5  
P.O. Box 40  
FI-00101 Helsinki  
Finland

## **16. FORCE MAJEURE**

The Issuer, the Joint Lead Managers, the Issuer Agent or the Paying Agent shall not be responsible for any damage caused by *force majeure* or any other unreasonable obstacle of their operations caused by any similar reason.

## **17. PRESCRIPTION**

In case any payment under the Notes has not been claimed by the respective Noteholder entitled to this payment within three (3) years from the original due date thereof, the right to such payment shall be prescribed.

**18. LISTING**

Following the issuance of the Notes, an application will be made to have the Notes listed on Nasdaq Helsinki and shall maintain the Notes to be listed thereon as long as any Note is outstanding.

**19. PURCHASES**

The Issuer may at any time purchase Notes in any manner and at any price. If purchases are made through a tender offer, the possibility to tender must be available to all Noteholders alike, subject only to restrictions arising from applicable securities laws. The repurchased Notes may be resold or nullified.

**20. FURTHER ISSUES OF NOTES**

The Issuer may from time to time, without the consent of and notice to the Noteholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them, the issue price and/or the minimum subscription amount thereof) by increasing the maximum principal amount of the Notes or otherwise. For the avoidance of doubt, this Condition 20 shall not limit the Issuer's right to issue any other notes.

**21. INFORMATION**

Copies of the documents relating to the Notes shall be available for inspection during office hours at the office of the Issuer at Mikonkatu 7A5, FI-00100 Helsinki, Finland.

**22. APPLICABLE LAW AND JURISDICTION**

The Notes are governed by Finnish law.

Any disputes relating to the Notes shall be settled in the first instance at the District Court of Helsinki (Fi: *Helsingin käräjäoikeus*).

## CERTAIN INFORMATION ON THE OFFERING AND THE NOTES

*This overview is an overview of certain key features of the Offering and the Notes. Any decision by an investor to invest in any Notes should be based on a consideration of the Listing Prospectus as a whole, including the information incorporated by reference herein.*

*Words and expressions used in this section shall have the meanings given to them in the Terms and Conditions.*

Issuer.....	Pohjolan Voima Oyj, a public limited company incorporated in Finland.
Legal entity identifier (“LEI”).....	743700X6KUJ0Z8GJIF03.
Risk factors .....	Investing in the Notes involves risks. The summary of certain principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes is presented under “ <i>Risk Factors</i> .”
Joint Lead Managers .....	Danske Bank A/S and OP Corporate Bank plc.
Type and class of the Notes .....	Senior unsecured notes with an aggregate principal amount of EUR 150,000,000.
Decisions and authorisations.....	Authorisation by the Board of Directors of the Issuer on 26 April 2024.
Ranking of the Notes .....	The Notes constitute direct, unconditional, unsubordinated, unguaranteed and unsecured obligations of the Issuer ranking <i>pari passu</i> among themselves and at least <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by mandatory provisions of law.
Form of the Notes .....	Securities in dematerialised book-entry form issued in the CSD System defined in Euroclear Finland’s rules and decisions.
International security identification number (“ISIN”) of the Notes .....	FI4000570908.
Depository and settlement system.....	Euroclear Finland Oy, Urho Kekkosen katu 5 C, FI-00100 Helsinki, Finland, CSD System defined in Euroclear Finland’s rules and decisions.
Issue price .....	Issue price of 99.936 percent.
Effective yield.....	As of the Issue Date at the issue price of 99.936 percent, the effective yield of the Notes was 4.761 percent per annum.
Minimum subscription amount .....	EUR 100,000.
Denomination of a book-entry unit.....	EUR 100,000.
Issue date .....	5 June 2024.
Redemption Date .....	5 June 2031.
Interest on the Notes .....	4.750 percent per annum.
Issuer Agent and Paying Agent.....	OP Custody Ltd.
Publication date and investors.....	The result of the Offering was announced on 29 May 2024 and the Notes were allocated to certain professional clients and eligible counterparties.
Applicable law .....	Finnish law.
Description of restrictions on free transferability of the Notes .....	Each Note will be freely transferable after it has been registered into the respective book-entry account.
Listing .....	Application will be made to have the Notes listed on Nasdaq Helsinki. The trading in the Notes is expected to commence by the end of June 2024.

Interest of the Joint Lead Managers.....	Business interest customary in the financial markets.
Estimated net proceeds from the Offering .....	The estimated aggregate net proceeds to the Issuer from the Offering, after the deduction of the fees and expenses payable by the Issuer, are approximately EUR 149,254,000.
Use of proceeds.....	The Issuer shall use the proceeds from the issue of the Notes, less costs and expenses incurred by the Issuer in connection with the issue of the Notes, for refinancing the existing indebtedness of the PVO Group and general corporate purposes of the PVO Group.
Estimated total expenses related to the Offering and the Listing.....	The estimated total fees and expenses incurred in connection with the Offering and the Listing payable by the Issuer amount in aggregate to approximately EUR 0.65 million.

## INFORMATION ABOUT PVO

### General Information about the Issuer

The business name of the Issuer is Pohjolan Voima Oyj. The Issuer is a public limited liability company incorporated on 10 September 1943. It is organised under the laws of Finland and is registered in the trade register maintained by the Finnish Patent and Registration Office (the “**Finnish Trade Register**”) under the business identity code 0210161-4. The Issuer is domiciled in Helsinki and has its registered address at Mikonkatu 7 A 5, FI-00100 Helsinki, Finland; telephone number +358 10 478 5000 and its LEI is 743700X6KUJ0Z8GJIF03. The financial year of the Issuer is 1 January – 31 December.

The Issuer’s principal object, as set out in Article 2 of its Articles of Association, is procurement of energy at cost price to its shareholders who consist mainly of Finnish industrial as well as private and municipal energy companies. As of the date of this Listing Prospectus, the Issuer’s share capital amounted to EUR 49,676,067.27, consisting of 30,581,785 shares and of 10 share series. The shares of the Issuer have no par value.

### History of the Issuer

The Issuer was established in 1943 as a result of the Issuer’s founders needing electricity for their operations. PVO started with hydropower and expanded into thermal power and, at the end of the 1970s, into nuclear power through TVO. The PVO Group has grown into an energy group of companies with diversified production structure.

### Strategy of the PVO

According to its strategy, the Issuer aims to create decisive power to strengthen competitiveness and contribute to a better tomorrow. The Issuer produces electricity and heat for its customers (*i.e.*, the shareholders of the Issuer) at cost price and, thus, aims to play its part in ensuring that its customers (*i.e.*, the shareholders of the Issuer), such as the industry, other energy companies and municipalities, will succeed. Indirectly, the Issuer aims to create jobs and wellbeing in Finland.

PVO’s strategic themes for strategic period 2023–2027 are: (i) sustainable production on market terms, (ii) competitive advantage by balancing power capability and timeliness, (iii) top expert in asset management, and (iv) expertise, efficiency and responsibility in networks.

### *Sustainable Production on Market Terms*

PVO makes choices with the aim of promoting competitiveness, wellbeing and biodiversity, as well as curbing climate change. PVO’s target is that 99 percent of its electricity production and 85 percent of its heat production is carbon-neutral by 2025. The target was achieved already in 2023, when 99 percent of the PVO Group’s electricity production and 90 percent of the PVO Group’s heat production was carbon-neutral. PVO’s long-term vision for the promotion of biodiversity is identifying its key effects on biodiversity, moving towards net positivity, and improving its skill set and updating its targets as its knowledge increases.

PVO’s strategy emphasises sustainability in all its business operations and aims to achieve the following targets:

- PVO is a responsible actor. It combines competitive and carbon-neutral production and biodiversity.
- Hydropower is an approved production form, and society recognises PVO-Vesivoima Oy as a responsible actor.
- As an active owner, the Issuer participates in developing the competitiveness and sustainability of TVO’s nuclear power production.
- Wood-based fuels in PVO’s combined heat and power production are sustainably sourced. PVO uses fossil fuels and peat only as startup and backup fuels to ensure the security of supply based on the market situation.

### *Competitive Advantage by Balancing Power Capability and Timeliness*

The Issuer estimates that fluctuations in electricity production will be even faster and greater in the future, and the Issuer estimates that balancing power and timely production will become even more important. The Issuer believes that the increasing share of wind and solar power production, the volume of which fluctuate depending on weather conditions, will further speed up this development. PVO aims to increase the value of its current production capacity by developing the balancing power capability of its power plants, including storage and other technology, and its capability of utilising it. In addition, PVO aims to make extensive use of market information and internal knowledge in developing timely production and balancing power capability and series-based balance risk management.

### ***Top Expert in Asset Management***

PVO aims to ensure the value of its assets and manage the cost-based operation model through the capabilities of its expert organisation and network. Furthermore, PVO aims to improve the competitiveness of its assets by utilising technology and knowledge, optimising the cost structure and developing operation models. In addition, PVO aims to develop the lifecycle management of its production assets according to the type of production.

### ***Expertise, Efficiency and Responsibility in Networks***

The Issuer sells the electricity and heat produced by the PVO Group at cost-price to the Issuer's shareholders, who are also its customers. The shareholders pay the costs of the PVO Group's energy production in proportion to their holdings in the Issuer, and the Issuer does not aim to make a profit. The Issuer's customers benefit by using the PVO Group's products, electricity and heat, or by selling them forward. The Issuer's operating model is specified in its Articles of Association, and the operating model strongly emphasises networking. See also "*Operating Model of the Issuer*".

The Issuer believes that it can pool its customer companies' resources, share risks and realise energy projects with competitive production costs. Many representatives of the Issuer's customer companies are members of the governing bodies of the Issuer and its subsidiaries. The owners of the Issuer's customer companies also belong to the network, and the Issuer believes that therefore the benefits from the PVO Group's operations are enjoyed by multiple parties around Finland. According to the Issuer, more than 130 municipalities benefit from the PVO Group's cost-priced electricity and heat.

The Issuer has several partners taking care of functions that are important to the Issuer. According to the Issuer, this ensures extensive expertise and efficiency of PVO's operations. For example, Caverion Corporation operates and maintains the PVO's hydropower plants, Power-Deriva Oy provides PVO with energy management services, and Azets group provides PVO with financial administration services. In addition, the Issuer works in close cooperation with equipment suppliers when developing its operations. The Issuer is also actively involved in networks of the energy sector and society.

### **Operating Model of the Issuer**

The Issuer operates on the Mankala Principle, which is widely applied in the Finnish energy industry. The Mankala Principle is not defined in Finnish legislation or other regulations but is based on the Articles of Association of each company applying the Mankala Principle and, therefore, the detailed operating model under the Mankala Principle, including the provision for coverage of costs by the shareholders, may differ between companies applying the Mankala Principle. The cost-price principle applicable to the Issuer is described in Article 4 of the Articles of Association of the Issuer. Pursuant to the Articles of Association, amending Article 4 of the Articles of Association would require unanimous shareholders' approval, except for decisions to establish a new series of shares or to remove an existing series of shares.

According to the Issuer's Articles of Association, each of the shareholders of each series of the Issuer's shares is entitled to receive energy available at each particular moment procured by the Issuer from energy acquisition resources (subsidiaries, associated companies, joint ventures, specific power plant units, specific energy generation methods or in replacement thereof), as specified in the Articles of Association of the Issuer, in proportion to its shareholding of each of the series of the Issuer's shares, and each shareholder of each series of the Issuer's shares is, other than in exceptional circumstances, such as those described in "*Risk Factors—Risks Related to PVO's Operating Environment and Operations—Major adverse events or circumstances may affect PVO's operations*", responsible for the fixed costs of energy procured by the Issuer in this manner in proportion to its shareholding in each of the series of the Issuer's shares, irrespective of whether or not the share of capacity and energy has been used, and for the variable costs in the proportion to the amount of energy taken, taking into account the variable costs of each power acquisition resource separately.

The Issuer is a public limited liability company and its shareholders have no personal liability for the obligations of the Issuer. Pursuant to an agreement entered into by the shareholders of the Issuer (the "**Shareholders' Agreement**"), the Issuer has the sole right to call upon the responsibilities of the shareholders in accordance with Article 4 of the Issuer's Articles of Association and the shareholders of the Issuer shall have no liability towards any other party in relation thereto. In accordance with the Issuer's Articles of Association, each shareholder's share of liability for the costs towards the Issuer will always be limited to the amount corresponding to the proportion of its shareholding to all shares belonging to the same series of shares. Furthermore, the failure of any other shareholder to satisfy its responsibilities for costs in proportion to its shareholding shall not increase any non-defaulting shareholder's liability based on its shareholding. The shareholders are not liable for any costs other than the costs defined in Article 4 of the Articles of Association, unless otherwise agreed in writing.

In practice, fixed and variable costs are collected monthly in arrears from the shareholders of the Issuer. Shareholders' payment for electricity consists of normal operating costs (fixed and variable), financial expenses (interest and other financial costs, net of financial income) as well as depreciation and amortisation. Of such payments, the amount corresponding to the non-cash items, such as depreciation and amortisations (net of capital expenditures), is available to amortise the Issuer's loan portfolio. A shareholder could buy less electricity than it is entitled to, provided, however, that

such a shareholder would still be required to pay for the fixed costs related to such electricity in proportion to its shareholding and the variable costs related to that electricity produced, but not acquired by such shareholder, would not be charged to such shareholder.

In addition to invoicing its shareholders on a monthly basis for fixed and variable costs in accordance with its Articles of Association, the Issuer finances its operations, including investments, through various types of financing from third parties and has also received equity capital injections from its shareholders in the past in relation to commitments received by the Issuer from its shareholders prior to starting new investment projects or, in some cases, also during such investment projects.

Any investments in a power plant unit are, to the extent they meet the relevant criteria for depreciation, initially capitalised by the Issuer or the relevant subsidiary, associated company or joint venture and only invoiced to the shareholders beginning when energy production by such power plant unit commences. Such capitalised investment costs are invoiced to the shareholders of the Issuer over the estimated useful life of the investment project in question or at a faster pace, in each case, as determined by the Board of Directors of the Issuer. See also “*Risk Factors—Risks Related to PVO’s Operating Environment and Operations—Major adverse events or circumstances may affect PVO’s operations*”.

A prerequisite for the shareholder’s right to receive energy is, according to Articles of Association of the Issuer, that it has paid its share of the relevant costs on time. If a shareholder neglects to observe its payment obligation, the Issuer will have the right to immediately cut off the distribution of energy based on the ownership of any series of shares to the shareholder and to relinquish, in accordance with the principles of the Articles of Association, the shareholder’s share of energy primarily to the other shareholders of the same series of shares, and secondarily to other shareholders of the Issuer. In accordance with an agreement between the shareholders, the electricity can also be sold to Nord Pool. To date, the Issuer has never experienced any material payment delays by its shareholders.

By applying the cost-price principle, the Issuer supplies energy only to its shareholders and at cost price. Consequently, the Issuer is not exposed to fluctuations in the market price of energy. Through its operating model, the Issuer pools customer resources, diversifies risk and realizes energy projects with competitive production costs, which, according to the Issuer, creates value for its shareholders.

In April 2010, the European Commission received a complaint and a written question from two members of the European Parliament concerning the granting of alleged state aid to a significant number of electricity generators (re: CP344/2009 “Mankala” electricity supply scheme). In June 2010, the Finnish authorities provided the European Commission with their summary of the facts. The Commission requested some further clarification on the Mankala scheme from the Finnish authorities in April 2011. In August 2011, the Finnish authorities responded to this request and were of the opinion that the “Mankala” electricity supply scheme did not constitute alleged state aid under Article 107 paragraph 1 of the Treaty on the Functioning of the EU. In November 2012, the European Commission’s Directorate-General for Competition concluded the handling of the complaint submitted to the Commission without any adverse findings for the Issuer or other Finnish energy companies operating pursuant to the Mankala Principle.

Companies operating pursuant to the Mankala Principle produced approximately 50 percent of the electricity produced in Finland in 2022. (Source: *Finnish Energy*.)

### **Organisational Structure**

The Issuer’s ownership is divided into 13 different series of shares and each series of shares entitle their owner to the energy procured from a specific acquisition resource as detailed in the Articles of Association of the Issuer. Each shareholder is entitled to the proportionate share of energy in accordance with their proportionate ownership of the specific series of shares.

The Issuer is the ultimate parent company of the PVO Group. The Issuer’s subsidiaries are those entities over which the Issuer has control. As of the date of this Listing Prospectus, there are 9 subsidiaries in the PVO Group of which five are active power production companies operating on the Mankala Principle. In addition, the Issuer owns shares in associated companies and joint ventures. Associated companies are all entities over which the Issuer has influence, but not control, generally with a shareholding between 20 percent and 50 percent of the voting rights. As of the date of this Listing Prospectus, the Issuer has three associated companies, which are power production companies operating on the Mankala Principle.

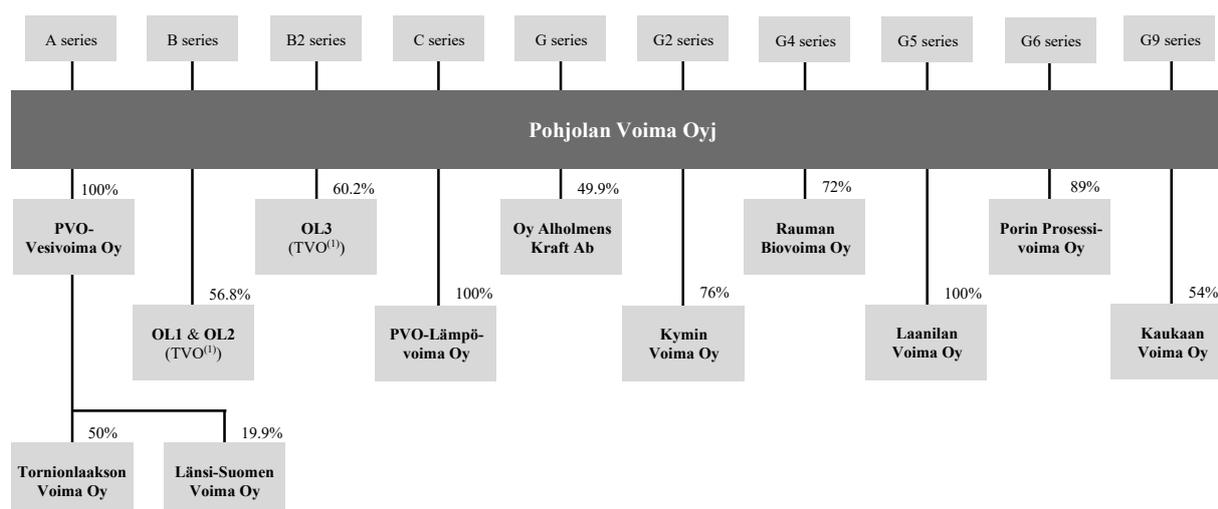
As of the date of this Listing Prospectus, the PVO Group has two joint ventures of which one is a power production company operating on the Mankala Principle. A joint venture is a contractual joint arrangement whereby the PVO Group together with one or more parties has undertaken an economic activity that is subject to joint control and whereby the PVO Group with other parties has rights to the net assets of the joint arrangement.

The Issuer participates in the management and supervision of its subsidiaries, associated companies and joint ventures through its representatives appointed to the governing bodies of these companies. The Issuer’s General Meeting of

Shareholders issues directives to the Board of Directors of the Issuer regarding the composition of the Boards of Directors of the subsidiaries and significant decisions taken by the subsidiaries.

As announced on 28 November 2023, the General Meeting of Shareholders of the Issuer has approved a reduction of the restricted shareholders' equity in C2 series, M series and V series of shares, and an acquisition of shares in the same share series. For more information, see "*Summary of Recent Disclosures—Decisions of General Meetings of Shareholders*". Removal of C2 series, M series and V series of shares was registered with the Finnish Trade Register on 15 April 2024. The shares in the M series related to Mussalon Voima Oy, a 100 percent subsidiary of the Issuer that was liquidated in 2017, the shares in the C2 series related to Meri-Pori coal-fired power plant through the shares in the C series of TVO, which were sold in 2019, and the shares in the V series related to Vaskiluodon Voima Oy that was dissolved in 2023. In addition, Tahkoluodon Polttoöljy Oy, a dormant company partially owned by the Issuer, was dissolved in 2023.

The following chart sets forth the Issuer's share series and respective power production units as of the date of this Listing Prospectus:



(1) See "*Information about TVO—Business and Operations of TVO—Nuclear Power*".

The following table sets forth all of the Issuer's subsidiaries, associated companies and joint ventures together with respective share series as of the date of this Listing Prospectus:

	Production	The Issuer's ownership (percent)	The Issuer's share series entitling to energy
<b>Parent company and subsidiaries</b>			
Pohjolan Voima Oyj	Parent		
PVO-Vesivoima Oy	Hydropower	100	A
Kaukaan Voima Oy	Thermal Power (CHP)	54	G9
Kymin Voima Oy	Thermal Power (CHP)	76	G2
Laanilan Voima Oy <sup>(1)</sup>	Thermal Power (CHP)	100	G5
Porin Prosessivoima Oy	Thermal Power (CHP)	89	G6
PVO-Lämpövoima Oy <sup>(2)</sup>	Thermal Power	100	C
Rauman Biovoima Oy	Thermal Power (CHP)	72	G4
PVO Power Management Oy	Services company	100	–
PVO Power Services Oy	Services company	100	–
<b>Associated companies</b>			
Oy Alholmens Kraft Ab	Thermal Power (CHP)	49.9	G
Länsi-Suomen Voima Oy <sup>(3)</sup>	Hydropower	19.9 <sup>(4)</sup>	A
Tornionlaakson Voima Oy <sup>(3)</sup>	Hydropower	50 <sup>(4)</sup>	A
<b>Joint Ventures</b>			
Teollisuuden Voima Oyj <sup>(5)</sup>	Nuclear Power	58.5	B (OL1 & OL2), B2 (OL3)
Voimalohi Oy <sup>(3)</sup>	Services company	50	–

(1) Laanilan Voima Oy's production operations ceased in 2021.

(2) PVO-Lämpövoima Oy's production operations ceased in 2015.

(3) Through PVO-Vesivoima Oy.

(4) Based on the Articles of Association and the shareholders' agreement of TVO, which form the basis for the decision-making and governance of TVO, as well as the Issuer's right to appoint board members of TVO, the Issuer has assessed that TVO is a joint venture.

(5) Regular electricity production at OL3 commenced on 16 April 2023.

For more information on the nuclear operations of TVO, see “*Information about TVO—Business and Operations of TVO—Nuclear Power*”.

## **Market Information**

Russia’s war in Ukraine, which started in February 2022, and the ensuing energy crisis in Europe kept electricity prices high over the winter 2023, but the average price of electricity has subsequently fallen. Finland’s electrical power system, which is based on a diverse production structure, emerged from the energy crisis faster than Central Europe, but concerns about security of supply are a key energy policy issue in Finland. OL3 commenced regular electricity production in April 2023, which significantly increased Finland’s self-sufficiency in electricity production, and the continued rapid growth of weather-dependent production has significantly amplified electricity market price fluctuations, and the challenges of balancing the electrical power system have become even more important.

In 2023, electricity consumption in Finland was 80 terawatt hours (“**TWh**”) (82 TWh in 2022). Industrial power consumption decreased by 6 percent and the power consumption of other sectors remained nearly at the same level as in 2022. Finnish electricity production totalled 78 TWh (69 TWh in 2022). In 2023, net imports covered 2 percent (1.8 TWh) of the total electricity consumption (16 percent, or 13 TWh, in 2022). The increase in nuclear and wind power production capacity substantially decreased the net imports of electricity.

Between January and March 2024, Finland’s power consumption was 24.5 TWh (22.3 TWh between January and March 2023). Finnish electricity production totalled 22.4 TWh (20.9 TWh between January and March 2023), while net imports into Finland amounted to 2.0 TWh (1.3 TWh between January and March 2023).

Finland, Sweden, Norway, Denmark, Estonia, Lithuania and Latvia together comprise a single electricity market, with the price of electricity established by free trading on the electricity exchange, Nord Pool. Nord Pool quotes the day-ahead market price for each hour of a given day, which is calculated on the basis of purchase and sale bids. Due to the constraints in available transmission capacity, the Nord Pool markets are divided into several bidding areas and, thereby, different area prices are established. Finland constitutes one bidding area with individual area price. The system price is calculated based on the sale and purchase orders disregarding the available transmission capacity between the bidding areas in the Nordic market.

The annual average system price was EUR 56.44 in 2023 (EUR 135.86 in 2022) per megawatt hour (“**MWh**”), while the annual average of the Finnish area price was EUR 56.47 in 2023 (EUR 154.04 in 2022) per MWh. The decrease in the price of electricity was mainly due to the electricity price crisis triggered by gas prices that rose in 2022, in addition to which the rapidly rising wind power capacity has increased price fluctuation and the occurrence of low or negative prices. The Finnish area price has historically been above the system price due to deficient local capacity and transmission capacity constraints.

Between January and March 2024, the average system price was EUR 58.48 (EUR 85.23 between January and March 2023) per MWh, while the average Finnish area price was EUR 72.86 (EUR 77.61 between January and March 2023) per MWh.

The EU emission allowances price on the Intercontinental Exchange Inc. remained high in 2023, varying between EUR 68 and EUR 105 as compared to the price range of EUR 58 and EUR 98 in 2022. In the beginning of year 2024, the prices have varied between EUR 53 and EUR 80.

The EU revenue cap, which was introduced in response to the energy crisis, was implemented in Finland in 2023 with temporary surtax, in accordance with which electricity companies must pay a surtax of 30 percent on the profit from their electricity business in excess of a return of 10 percent, calculated from the amount of equity committed to the electricity business. The tax is to be paid based on the result for the financial year 2023.

The new Government programme contains several energy related policies. The Finnish Government aims to promote industrial investments and make Finland a leader in clean energy. The Finnish Government remains committed to the climate policy, and the Issuer considers the Finnish Government’s attitude towards all forms of energy production relevant to climate change positive. The Finnish Government aims to double the clean energy production, and it is also calling for more weather-independent “base load power” and the balancing power needed to balance the electrical power system. The promotion of carbon capture, storage and use is also included in the Government programme. The Issuer considers the Government programme being positive in terms of the Issuer’s business. With regard to the nuclear power, the Finnish Government’s measures include speeding up the reform of the Nuclear Energy Act, welcoming small modular reactors and promoting the acceptability of nuclear power in EU. The importance of hydropower as balancing power is recognised in the Government programme, and the Issuer considers the Finnish Government’s attitude towards increasing the volume of hydropower with pumped storage power stations, among other solutions, positive. The “zero obligation” project related to the Water Act (587/2011, as amended), which was not completed by the previous Finnish Government, will be continued, and the national flexibility made possible by the Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for community action in the field of water policy will be introduced. The Issuer

also considers that the importance of combustion-based energy production in the current challenging situation is also understood in the Government programme.

The work on the EU’s Fit for 55 package has been completed. The measures are part of the EU’s CO<sub>2</sub> emission target, according to which emissions will be reduced by 55 percent from the 1990 level by 2030. Discussion of the 2040 target has started. The EU’s nature restoration regulation to promote biodiversity has also been completed. As the EU prepares for the 2024 parliamentary elections, the preparation of the European Commission’s post-election work programme has commenced.

## Recent Trends

The Issuer operates on a cost-price principle as described in Article 4 of the Issuer’s Articles of Association. On long-term basis, the Issuer aims to provide stable and cost-efficient energy to its shareholders. Curbing climate change by reducing greenhouse gas emissions increases the production of weather-dependent renewable energy (e.g., wind and solar power), which also increases the importance of flexible energy systems and adaptive production in the future.

Other than as discussed above and elsewhere in this Listing Prospectus, the Issuer is not aware of any major recent trends that could reasonably be expected to have a material effect on PVO’s business or financial position. See “—Market Information” above.

## Business Overview

### Capacity

The PVO Group’s electricity production capacity, including the PVO Group’s share of the associated companies’ and joint ventures’ total capacity, was 2,889 megawatts (“MW”) at the end of 2023 (2,041 MW in 2022). This represented approximately 13 percent of all the electricity produced in Finland in 2023. In 2023, the total electricity production capacity in Finland was approximately 22,000 MW. (Source: *The Finnish Energy Authority*.)

	<b>As of 31 December</b>	
	<b>2023</b>	<b>2022</b>
	(MW)	
<b>The PVO Group’s energy production capacity<sup>(1)</sup></b>		
Hydropower.....	451	451
Combined heat and power.....	463 <sup>(2)</sup>	579
Nuclear power.....	<u>1,974</u>	<u>1,011</u>
<b>Total electricity production capacity.....</b>	<b><u>2,889</u></b>	<b><u>2,041</u></b>

(1) Includes the PVO Group companies and the PVO Group’s share of associated companies’ and joint ventures’ total electricity production capacity.

(2) Does not include Vaskiluodon Voima Oy.

### Production

In 2023, the PVO Group’s total electricity supply was 17.0 TWh (12.2 TWh in 2022) and purchases from the Nordic electricity markets 0.6 TWh (0.7 TWh in 2022). In 2023, the Issuer supplied 16.7 TWh (11.9 TWh in 2022) to its shareholders and its subsidiaries supplied 0.4 TWh (0.3 TWh in 2022) to their other shareholders. In 2023, the PVO Group’s process steam and district heat deliveries were 2.8 TWh (3.1 TWh in 2022, 3.5 TWh in 2021, 3.6 TWh in 2020 and 4.2 TWh in 2019). The PVO Group’s process steam and district heat deliveries have decreased due to organisational changes that were carried out in 2021 and 2022 resulting to some capacity being sold from the PVO Group.

In 2023, hydropower accounted for 1.8 TWh (1.7 TWh in 2022) of the PVO Group’s total electricity supply. A total of 0.9 TWh (1.2 TWh in 2022) of electricity was supplied by the PVO Group’s CHP plants. TVO’s Olkiluoto nuclear power plants generated a total of 24.7 TWh (16.4 TWh in 2022) of electricity in 2023, of which the Issuer obtained, and supplied to its shareholders, 14.4 TWh (9.2 TWh in 2022) in accordance with its shareholding in TVO.

In 2023, the PVO Group’s energy production accounted for approximately 22 percent of the total energy production in Finland. The PVO Group’s share of the total electricity production in Finland has risen from approximately 18 percent in 2018 to approximately 22 percent in 2023.

The following table sets forth the energy supply of the PVO Group for the years indicated:

	<b>For the year ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
	(TWh)	
<b>Energy supply of the PVO Group</b>		
Nuclear power.....	14.4	9.2
Hydropower.....	1.8	1.7
Combined heat and power .....	0.9	1.2
Electricity purchases .....	<u>0.6</u>	<u>0.7</u>
<b>Total</b> .....	<u>17.6</u>	<u>12.9</u>
of which to the Issuer's shareholders.....	16.7	11.9
Process steam and district heat supply .....	2.8	3.1

## Hydropower

Hydropower is important as balancing power in meeting the difference between electricity consumption and production. Hydropower plants have a long operating life and they generate renewable and emission-free electricity. The Issuer procures hydropower from its wholly-owned subsidiary PVO-Vesivoima Oy.

PVO-Vesivoima Oy operates eight wholly-owned hydropower plants in Finland; five in the Iijoki river, two in the Kemijoki river and one in the Kokemäenjoki river. In addition, PVO-Vesivoima Oy is a shareholder in four other hydropower plants; three in the Tengeliönjoki river operated by Tornionlaakson Voima Oy (50 percent share) and one in the Kokemäenjoki river operated by Länsi-Suomen Voima Oy (19.9 percent share).

As of 31 December 2023, the total output capacity of these 12 hydropower plants was 543 MW, of which PVO-Vesivoima Oy's share was 451 MW. In 2023, PVO-Vesivoima Oy produced a total of 1.8 TWh (1.7 TWh in 2022) of electricity.

PVO-Vesivoima Oy has decided to invest in an energy storage facility realised with a 3 MW ultracapacitor at the Kierikki hydropower plant in the Iijoki river, which is a pilot project for a storage technology that is expected to extend the power plant's service life by reducing the stress on the plant's mechanical machinery. The ultracapacitor will allow PVO-Vesivoima Oy to meet the growing need for fast balancing power and thus support the stability of the electric power network. The pilot project is expected to be completed at the end of 2024.

PVO's hydropower plants are regularly renovated and constantly developed together with PVO's partners. The maintenance and operation of PVO's hydropower plants employs approximately 50 people. By overhauling its hydropower plants, PVO aims to ensure that it can produce more electricity, increase its production capacity and add decades to the hydropower plants' service lives. Overhauls are also intended to increase the energy efficiency and bring environmental benefits. At the Raasakka power plant in the Iijoki river, the stator of the second generator was modernised in 2023 and the electrical and automation systems were modernised in 2018. The Jumisko power plant in the Kemijoki river was renovated in 2021. The automation system of the Isohaara power plant in the Kemijoki river was modernised between 2016 and 2017. In 2016, a new machinery was built at the Harjavalta hydropower plant in the Kokemäenjoki river and the power plant was also renovated. The Melo hydropower plant in the Kokemäenjoki river was modernised between 2014 and 2015, and four other power plants were modernized in the Iijoki river between 2005 and 2013.

PVO utilizes new digital solutions in its hydropower plants. In addition to the pilot project at the Kierikki hydropower plant, PVO is collaborating with the University of Oulu to develop an improved and unique turbine governor. Furthermore, at the Iijoki river PVO uses advanced and extensive river regulation automation system, which controls the production of all the Iijoki river power plants. According to the Issuer, this development of digitalization in hydropower enhances PVO's ability to adjust production rapidly based on electricity consumption and the needs of the environment as the new systems give more precise control to production and the water levels, in addition to which they save the equipment and facilitate maintenance.

The following table sets forth PVO's hydropower plants as of 31 December 2023:

<u>Plant and location</u>	<u>Energy source</u>	<u>Year of completion</u>	<u>Electricity Output (MW)</u>	<u>PVO Group's share<sup>(1)</sup> (MW)</u>	<u>Dam category</u>	<u>Production company</u>
Isohaara, Kemijoki .....	Water	1949, 1993	113	113	1	PVO-Vesivoima Oy
Jumisko, Kemijoki .....	Water	1954	28	28	2	PVO-Vesivoima Oy
Raasakka, Iijoki .....	Water	1971, 1997	64	64	1	PVO-Vesivoima Oy
Maalismaa, Iijoki .....	Water	1967	39	39	2	PVO-Vesivoima Oy
Kierikki, Iijoki .....	Water	1965	38	38	2	PVO-Vesivoima Oy
Pahkakoski, Iijoki .....	Water	1961	42	42	1	PVO-Vesivoima Oy
Haapakoski, Iijoki .....	Water	1963	33	33	2	PVO-Vesivoima Oy
Melo, Kokemäenjoki .....	Water	1971	68	68	2	PVO-Vesivoima Oy
Harjavalta, Kokemäenjoki .....	Water	1939, 2016	105	21	2	Länsi-Suomen Voima Oy
Kaaranneskoski, Tengeliönjoki .....	Water	1954	3	2	2	Tornionlaakson Voima Oy
Jolmankoski, Tengeliönjoki .....	Water	1955	1	0	2	Tornionlaakson Voima Oy
Portimokoski, Tengeliönjoki .....	Water	1987	11	5	2	Tornionlaakson Voima Oy
<b>Total</b> .....			<b>543</b>	<b>451</b>		

(1) Includes the PVO Group companies and the PVO Group's share of associated companies' and joint ventures' total hydropower capacity.

## Thermal Power

### Combined Heat and Power

According to the Issuer, CHP plants form a significant source of capacity and produce a significant amount of the electricity during winter heating period in Finland. The CHP plants produce process steam and district heat for local industry and communities, and also electricity, mostly with wood-based fuels and forest industry production side streams. PVO's CHP plants also contribute to the balancing of the electricity system.

As of 31 December 2023, the PVO Group had a total of 1,089 MW of CHP electricity production capacity at its disposal. The combined total process steam and district heat production capacity of the power plants was 463 MW, of which PVO Group's share was 396 MW.

In 2023, the process steam and district heat deliveries of the PVO Group amounted to 2.8 TWh (3.1 TWh in 2022). The PVO Group's electricity supplies from CHP plants amounted to 0.9 TWh in 2023 (1.2 TWh in 2022). The decrease was primarily due to the sale of Vaskiluodon Voima Oy's Vaasa power plant at the end of 2022.

The PVO Group's CHP plants consists of six wholly- or partially-owned CHP plants. The CHP plants are located at industrial sites and integrated into industrial processes.

In its heat production, PVO only uses fossil fuels and peat as startup, backup and security of supply fuels, taking into account the market situation. Wood-based fuels in PVO's combined heat and power production are sustainably sourced.

PVO's CHP plants are regularly renovated and constantly developed together with PVO's partners, and PVO develops the regulating capability of its CHP plants. In addition, PVO improves the energy efficiency of its CHP plants by flexible utilization, and in Rauma's and Pori's CHP plants, PVO has invested in the fuel base by adding recycled fuels. In addition, as in the hydropower plants, PVO aims to reduce the environmental impacts of its CHP plants by new digital solutions. In accordance with the long-term goals under the biodiversity programme, PVO aims to turn the by-products into industrial raw materials and also use fuels that meet sustainability criteria.

The following table sets forth PVO's CHP plants as of 31 December 2023:

<u>Plant and location</u>	<u>Fuels</u>	<u>Completion year</u>	<u>Total electricity output (MW)</u>	<u>PVO Group's share<sup>(1)</sup> (MW)</u>	<u>Total heat output (MW)</u>	<u>PVO Group's share<sup>(1)</sup> (MW)</u>	<u>Production company</u>
Alholmens Kraft 1, Pietarsaari .....	Wood	1991	25	12	85	42	Oy Alholmens Kraft Ab
Alholmens Kraft 2, Pietarsaari .....	Peat, wood, coal, SRF	2001	240	120	160	80	Oy Alholmens Kraft Ab
Kymin Voima, Kouvola .....	Wood, peat	2002	76	76	180	180	Kymin Voima Oy
Porin Prosessivoima, Pori .....	Wood, peat, coal, REF, oil	1987, 2008	65	65	212	212	Porin Prosessivoima Oy
Rauman Biovoima, Rauma .....	Wood, peat, SRF, coal	2006	65	65	190	190	Rauman Biovoima Oy
Kaukaan Voima, Lappeenranta .....	Wood, peat	2009	125	125	262	262	Kaukaan Voima Oy
<b>Total</b> .....			<b>596</b>	<b>463</b>	<b>1,089</b>	<b>966</b>	

(1) Includes the PVO Group companies and the PVO Group's share of associated companies' and joint ventures' total CHP electricity and heat capacity.

## **Nuclear Power**

The Issuer procures nuclear power from its 58.5 percent-owned joint venture TVO. The Issuer is the largest shareholder of TVO owning 56.8 percent of A series and 60.2 percent of B series of TVO shares. For more information on TVO, see “*Information about TVO*”.

The Issuer started to invoice the costs incurred during the construction of OL3, and which were financed by the Issuer, from the shareholders of B2 series as of the time the test production of OL3 commenced, and it continues also during the commercial production.

## **Long-term Production Costs**

On long-term basis, PVO aims to provide stable and cost-efficient energy to its shareholders. During the last three years, the average production cost for electricity generated by PVO-Vesivoima Oy has been approximately EUR 10/MWh. The production costs for individual CHP plants vary depending on plant specific factors. During the last three years, the total production cost for heat, process steam and electricity generated by PVO Group’s CHP plants has been approximately EUR 50/MWh on average.

According to information made public by TVO, TVO’s long-term production cost target for OL1, OL2 and OL3 is expected to be between EUR 35 and EUR 40 per MWh. Estimate is based on TVO’s production targets and the current operating and capital cost expectations.

## **Environment and Sustainability**

### ***General***

The PVO Group’s work to mitigate any environmental impacts is guided by the PVO Group’s environmental and energy efficiency policy. The PVO Group’s environmental and energy efficiency policy dictates the identification and investigation of the environmental impact and risks as well as the natural values related to the PVO Group’s operations, and the opportunities for improving the efficiency of the production and utilisation of energy. When preparing impact assessments, the entire life cycle of the power plant, from project planning to decommissioning, is taken into account by the Issuer. The Issuer’s associated companies and joint ventures are governed by their own respective environmental and energy efficiency policies.

Majority of the Issuer’s subsidiaries’ environmental management systems are certified in accordance with ISO 14001:2015 (Environmental Management Systems), energy efficiency systems in accordance with EES+ (Energy Efficiency System:2014) and energy management system in accordance with ISO 50001 (Energy Management). The certificates ensure that environmental and energy efficiency targets are met and verify continuous improvement.

### ***Sustainability Programme***

In 2023, PVO established a new sustainability programme for 2024–2027, and it was implemented from the beginning of 2024. Under the newly established sustainability programme, the Issuer has started to monitor and report greenhouse gas emissions from its other operations than the combustion of fuels.

PVO’s sustainability themes and key aspects under its sustainability programme are (i) carbon neutral and sustainable energy, (ii) affordable and reliable energy, (iii) safe working and wellbeing of employees, and (iv) responsibility in networks and stakeholder relations.

To meet its target for carbon neutral and sustainable energy, PVO aims to develop its production assets so that it only uses fossil fuels and peat as startup and backup fuels to ensure the security of supply based on the market situation. Meanwhile, PVO aims to increase the share of renewable fuels. PVO’s long-term biodiversity vision is to identify its key impact on biodiversity and move towards net positivity. PVO aims to promote its skill set and update its target as knowledge increases.

To meet its target for affordable and reliable energy, PVO aims to ensure in its part that electricity and heat are produced reliably and that there is enough available balancing power needed for stabilising the electricity system both in customary and exceptional conditions. PVO aims to perform effective maintenance measures and carry out timely investments. PVO uses digitalisation to make its power plants even more energy efficient, emission-free and reliable. PVO’s operating model is based on strong networks, consisting of its owners, partners, technology suppliers, subcontractors, societal actors, non-governmental organisations and inhabitants of its operating areas. PVO’s operation in networks is guided by its values, which are “skilfully, reliably and together”.

To meet its target for safe working and wellbeing of employees, PVO aims to promote wellbeing at work and a proactive safety culture. PVO’s goal is zero accidents. PVO invests in the continuous improvement of occupational safety and health and wellbeing at work, for example, by reacting to observations and promoting the employees’ safety awareness. PVO pays special attention to the safety cultures of its subcontractors. PVO’s corporate culture is based on its shared values, and

it wants to be an inspiring workplace. PVO promotes continuous professional development of its employees and encourage them to search for new solutions. PVO regularly measures the employee experience and employee satisfaction to boost the development of a motivating corporate culture and promote the wellbeing of employees.

To meet its target for responsibility in networks and stakeholder relations, PVO promotes sustainable development together with its partners. PVO's operating model is based on strong networks, consisting of its owners, partners, technology suppliers, subcontractors, societal actors, non-governmental organisations and inhabitants of our operating areas. PVO's operation in networks is guided by its values.

According to the Issuer, PVO has been persistently reducing its carbon footprint since the late 1990s. The Issuer targeted to reach 99 percent carbon-neutral electricity production and 85 percent carbon-neutral heat production by 2025, but the target was achieved already in 2023, when 99 percent of the PVO Group's electricity production and 90 percent of the PVO Group's heat production was carbon-neutral. In 2022, 97 percent of the PVO Group's electricity production and 80 percent of the PVO Group's heat production was carbon-neutral. Of the PVO Group's electricity production, 96 percent was carbon-neutral in 2021 and 2020 and 94 percent in 2019. Of the PVO Group's carbon-neutral electricity production in 2023, 84.3 percent was derived from nuclear power, 10.6 percent from hydropower, 4.4 percent from wood-based fuels, 0.6 percent from fossil fuels, including peat, and 0.1 percent from solid-recovered fuels (the "SRF"). Of the PVO Group's carbon-neutral heat production in 2023, 86.4 percent was derived from wood-based fuels, 9.8 percent from fossil fuels, including peat, and 3.8 percent from SRF.

According to the Issuer, the Issuer's carbon-neutral electricity production capacity is expected to grow further as the shares of nuclear and hydropower in the Issuer's energy mix have increased. In addition, the regular electricity production at OL3 commenced on 16 April 2023, increasing the Issuer's carbon-neutral capacity. The divestment of Vaskiluodon Voima Oy from the PVO Group in 2023 also reduced the total emissions. In addition to its carbon-neutrality target, the Issuer is committed to improve biodiversity.

### ***Biodiversity Programme***

Climate change and biodiversity loss affects also the energy industry's operating environment. Biodiversity is included in PVO's strategy, and in 2023, PVO implemented its biodiversity programme for 2023-2027 focusing on hydropower and thermal power. In terms of nuclear power, the work on biodiversity is carried out by TVO. PVO's long-term biodiversity vision is to identify its key impact on biodiversity and move towards net positivity. PVO aims to promote its skill set and update its targets as knowledge increases. PVO has set long-term goals to achieve its vision. In addition to the vision, PVO has defined longer-term targets and annual targets for hydropower, thermal power and the Issuer in its biodiversity programme. The biodiversity programme was integrated into the sustainability programme in 2023.

The long-term goals for the Issuer are to (i) consider biodiversity in everything the Issuer does, and (ii) set up indicators for the effectiveness of the work on biodiversity. The long-term goals for hydropower are to (i) develop the natural migration patterns of migratory fish through extensive cooperation, (ii) strengthen stakeholder cooperation, and (iii) promote biodiversity on lands owned by PVO-Vesivoima Oy. The long-term goals for thermal power are to (i) ensure that the wood-based fuels are sustainable, and (ii) ensure that by-products and the circular economy are utilised.

### ***Circular Economy***

For PVO Group, the circular economy means the utilisation of by-products, using recycled fuels and reusing materials. At three of PVO's power plants, solid recovered fuel is used as one of the fuels replacing some of the other fuels at the power plants. Recycled fuel is used at Porin Prosessivoima, Rauman Biovoima and Alholmens Kraft plants.

Recycled fuel means combustible material that has been processed from separately collected energy waste from trade and industry. In practice, this means paper, cardboard, plastic and wood from demolished buildings, which is then finely chopped by the recycled fuel supplier. Solid recovered fuel does not consist of biowaste. In accordance with the principles of circular economy, waste can still be used as an energy source when it cannot be utilised in any other way. In addition, using recycled fuel will further reduce total emissions from power plants.

Most of the uranium procured by TVO stems from Australia, Canada and Kazakhstan and the nuclear fuel elements ordered by TVO are constructed and assembled in Germany, Spain or Sweden.

### ***Hydropower***

PVO-Vesivoima Oy is involved in several cooperation projects related to the development of waterways. The "Lohi Iijokeen" project between 2022 and 2024 is a continuation of a long chain of projects on migratory fish in the Iijoki river. Project measures include smolt monitoring in the Haapakoski and Pahkakoski rapids, testing and development of a downstream migration route, transfer of smolt and anadromous fish, a fry transplanting programme and production of a video on the Iijoki river. Preparation of a follow-up project, "Lohi Iijokeen 2", was commenced in late 2023. In addition, PVO participates in the use and study of Kalasydän fishway project at Raasakka in the Iijoki river between 2023 and 2025,

and in the reviving of migratory fish stocks in the Kemijoki and Ounasjoki rivers. PVO also participated in the project coordinated by the Natural Resources Institute of Finland to manage actions for migratory fish stocks in harnessed rivers between 2019 and 2023, and is participating in constructing natural fish passages in Portimokoski in the Tengeliönjoki river. PVO is also a party to the Iijoki Agreement that aims to implement the Iijoki River Vision and Action Plan for 2024–2028.

In December 2020, the Regional State Administrative Agency for Northern Finland granted a water management permit applied for by PVO-Vesivoima Oy and Metsähallitus for the Raasakka fishway. The Raasakka fishway project is currently awaiting the outcome of appeals by stakeholders against the construction licence, and potential alternative migration solutions for the Raasakka area were further explored in 2023. 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 2025 season. Measures to return migratory fish to the old natural riverbed of the Iijoki river at Raasakka continued also in 2023. In March 2022, the municipality of Ii, PVO-Vesivoima Oy, and the South and North Ii fishery collectives signed an agreement on the development of the old Iijoki riverbed at Raasakka concerning years 2022 and 2023. In 2023, PVO-Vesivoima Oy ran more water and arranged migratory fish monitoring at the Uiskari fishway, and an agreement to start preparing a two-year follow-up project for the development of the old Raasakka riverbed in early 2024 was made. Furthermore, a modelling project for the old Raasakka riverbed continued in 2023 with the aim of creating 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. Sounding of the riverbed is complete, and the project will continue in 2024 with flow and habitat modelling based on the sounding data.

In March 2017, the Centre for Economic Development, Transport and the Environment of Lapland (the “ELY Centre”) filed a petition of appeal with the Regional State Administrative Agency for Northern Finland concerning fish 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 new requirements, such as, for example, the requirement to extend the existing fish stocking obligations and to construct new fishways, these petitions include additions to the current obligations. The Regional State Administrative Agency gave public notices of the petitions concerning Iijoki in February 2020 and Kemijoki in June 2020. PVO-Vesivoima Oy submitted complaints regarding both petitions to the Regional State Administrative Agency. Multiple rejoinders by PVO-Vesivoima Oy and the petitioner were submitted in 2021 and 2022. In May 2023, the fisheries authority of the ELY Centre supplemented both applications with water resource and marine environment management plans and operation and management plans for the local fishery regions. PVO-Vesivoima Oy submitted rejoinders to the supplements in June 2023. The Regional State Administrative Agency for Northern Finland has not yet issued decisions on either matter.

### ***Thermal Power***

The PVO Group’s thermal power plants use wood fuel, peat, coal and SRF fuels as primary fuels and natural gas and oil as auxiliary fuels. The most significant environmental impact of thermal power production concerns the atmosphere. The power plants’ emissions into the air vary according to the fuel and the production volumes of electricity and thermal power.

As of the date of this Listing Prospectus, the most of PVO’s fossil fuel usage is peat and, thus, the Issuer considers the mitigation of the use of peat as a highly important step towards carbon-neutrality. In 2023, of PVO’s electricity production, the share of fossil fuels was 0.6 percent, of which 0.4 percent was peat and remaining 0.2 percent was non-carbon-neutral part of the SRF, and 0.02 percent was oil, gas and coal, together. In 2023, of PVO’s heat production fossil fuel share was 9.8 percent, of which 4.7 percent came from peat, 2.6 percent from the SRF, 0.5 percent from oil, 0.4 percent from gas and 0.2 percent from coal. The remaining 1.4 percent came from purchased process steam that PVO considers as fossil as PVO is not aware of the exact fuel mix used for such production.

PVO’s aim is to restrict the use of peat to backup fuel by 2025. PVO is currently examining the measures that are required for this transition in various power plants. PVO’s goal for the 2023–2027 strategy period is to use fossil fuels and peat only as startup and backup fuels to ensure the security of supply based on the market situation. However, according to the Issuer, emissions will vary from year to year, and the share of carbon-neutral production is not expected to increase linearly due to variation in weather conditions and price changes in the fuel market. In 2023, fossil fuels and peat accounted for 1 percent of PVO Group’s electricity production and 10 percent of its heat production. After the exceptional year of 2022, the use of peat decreased in line with PVO’s target, being 81 percent less than in the reference year 2019.

All the thermal power plants operated by the PVO Group fall within the application of the Emissions Trading Act (311/2011, as amended; Fi: *päästökauppalaki*). In 2023, PVO Group’s carbon dioxide emissions from the production of electricity and heat amounted to 0.2 million tonnes (0.6 million tonnes in 2022). In 2023, the CO<sub>2</sub> emissions of the Issuer’s subsidiaries accounted for 0.1 million tonnes (0.3 million tonnes in 2022). In 2023, PVO Group’s sulphur dioxide emissions amounted to 0.2 thousand tonnes (0.5 thousand tonnes in 2022), nitrogen oxide emissions to 1.3 thousand tonnes (1.5 thousand tonnes in 2022), and particle emissions to 0.05 thousand tonnes (0.1 thousand tonnes in 2022).

## **Ongoing and Future Investments**

### ***Hydropower***

PVO-Vesivoima Oy has decided to invest in an energy storage facility realised with a 3 MW ultracapacitor at the Kierikki hydropower plant in the Iijoki river. The project is expected to be completed at the end of 2024.

In 2023, PVO-Vesivoima Oy acquired a new G2 stator for the Raasakka power plant and introduced the hydraulic Fishheart fishway at Raasakka power plant. PVO-Vesivoima Oy's investments in 2023 amounted to EUR 3.9 million.

PVO-Vesivoima Oy has a systematic basic refurbishment program where each hydropower plant will be refurbished approximately every 20 years.

### ***Combined Heat and Power***

The Issuer is building a flue gas condenser plant in connection with Porin Prosessivoima Oy's existing biofuel plant. The flue gas condenser plant is expected to be completed by the end of 2024.

### ***Nuclear Operations***

Between 2004 and 2023, the Issuer invested a total of EUR 991.6 million in OL3. The investments were based on the financing plan for the OL3 project, according to which the equity required for the investment was accumulated as the project progressed. The Issuer's last financial commitment to the project expired on 31 December 2023.

### **Personnel**

As of 31 December 2023, the number of employees working for the PVO Group was 40 (42 as of 31 December 2022).

## **Governmental, Legal and Arbitration Proceedings**

### ***The PVO Group***

Except as discussed below, neither the Issuer nor any other member of the PVO Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Listing Prospectus which may have or have in such period had a significant effect on the financial position or profitability of the Issuer or the PVO Group.

### ***Joint Ventures***

Due to the delays in the construction of the OL3 project, TVO was party to arbitration proceedings under the ICC with respect to costs and losses incurred in relation thereto. The Supplier had submitted claims to the ICC for an aggregate amount of approximately EUR 3.59 billion, which included a total amount of approximately EUR 1.58 billion in penalty interest (calculated up to 30 June 2017) and payments allegedly delayed by TVO under the Plant Contract, as well as approximately EUR 132 million of alleged loss of profit. TVO's estimated quantum of costs and losses in respect of the period ending in late 2018 (which was the Supplier's earlier estimate for the start of regular electricity production at OL3), which it had counter-claimed from the Supplier, was approximately EUR 2.6 billion, including TVO's actual claim and an estimate of certain costs and interest.

In 2016 and 2017, the ICC tribunal made three final and binding partial awards on the initial key issue areas in the arbitration. The partial awards resolved the great majority of the facts and matters covered in these proceedings in favour of TVO, and rejected the great majority of the Supplier's contentions in this regard. The partial awards do not take a position on the claimed monetary amounts.

In March 2018, Areva NP, Areva GmbH, the Areva Group parent company Areva SA, Siemens AG and TVO signed a global settlement agreement and certain ancillary agreements (the "GSA"). In the GSA, Areva NP, Areva GmbH, Areva group parent company Areva SA, Siemens AG and TVO agreed finally and irrevocably to settle the claims pending or reserved in the arbitration and any other existing disputes among TVO and the Supplier in relation to the OL3 project, whether or not raised in the arbitration, known and unknown claims between TVO and the Supplier arising out of or relating to events and circumstances regarding the OL3 project occurred prior to the signing date of the GSA, regardless of when the impact of such events and circumstances occurs, whether or not raised in the arbitration. In addition to settling all on-going legal actions related to the OL3 project, the GSA was aimed at securing the provision of adequate and competent technical and human resources as well as funds for completion and startup of the OL3 until the end of the applicable guarantee periods. Following delays in the OL3 project beyond the schedule agreed in the GSA, TVO negotiated with Areva NP, Areva GmbH, the Areva group parent company Areva SA and Siemens AG on the terms of the OL3 project completion. A consensus between the parties on the amendment to the GSA was reached in May 2021 and Areva NP,

Areva GmbH, Areva SA, Siemens AG and TVO signed on 2 June 2021 the amendment to GSA and amendments to the ancillary agreements concerning the completion of the OL3 project.

In 2023, the fund established in accordance with the GSA and funded by the Areva companies was used to cover costs incurred to the Areva companies for the completion of OL3 in accordance with the GSA.

In addition, the parties agreed in the GSA amendment on an additional delay compensation to TVO. As the Supplier did not complete the OL3 project by the end of February 2022, the Supplier had to pay to TVO an additional delay compensation until 30 September 2022. The amount of the additional compensation depended on the actual completion date of the project and in any case was limited to a maximum of EUR 56.7 million, which is expected to be paid at Final Takeover (the “FTO”) in April 2025 at the earliest. The parties covered their own costs for the period between July 2021 and 28 February 2022.

See also “*Information about TVO—Business and Operations of TVO—Nuclear Power—Olkiluoto 3 EPR—The Global Settlement Agreement*”.

### **Material Contracts**

Except as discussed in “*Ongoing and Future Investments—Nuclear Operations*” above and “*Financial Information and Future Outlook—Certain Financial Information—Financing Agreements and Liquidity Position*”, there are no material contracts that have not been entered into in the ordinary course of the Issuer’s business, which could result in any member of the PVO Group being under an obligation or entitlement that is material to the Issuer’s ability to meet its obligations to Noteholders in respect of the Notes.

## INFORMATION ABOUT TVO

*The information below has been derived from information made public by TVO, including TVO's annual report for the year ended 31 December 2023, interim report for the three months ended 31 March 2024 and the base prospectus relating to TVO's EMTN programme, dated 8 May 2024. See "General Information—Other Information Derived from Third-party Sources".*

### TVO Group

TVO is the ultimate parent company of the TVO group (the "**TVO Group**"). Its largest shareholder is the Issuer, with a total shareholding of 58.5 percent. Subsidiaries in the TVO Group are TVO Nuclear Services Oy and the joint venture Posiva Oy.

TVO's legal and commercial name is Teollisuuden Voima Oyj. TVO was incorporated as a limited liability company under the laws of the Republic of Finland and was registered with the Finnish Trade Register on 25 April 1969 (Trade Register number 196.448 and Business Identity Code 0196656-0). In 2007, TVO was registered as a public limited liability company, with no shares listed on a stock exchange. TVO operates under the laws of Republic of Finland. TVO's place of registered office is Helsinki, Finland and the principal place of business is at Olkiluoto, FI-27160 Eurajoki, Finland, the telephone number of its principal place of business is +358 2 8381 1 and its LEI is 743700LQ48IZBTZN4S52.

TVO's principal object, as set out in its Articles of Association, is the construction and procurement of power plants and power transmission equipment as well as, generation and supply of electricity at cost price to its shareholders. The shareholders consist mainly of electric utilities or their subsidiaries. TVO's objective is to produce electricity for the shareholders safely, economically and in an environmentally friendly manner.

### Operating Model of TVO

TVO operates on a Mankala Principle which is widely applied in the Finnish energy industry. The Mankala Principle is not defined in Finnish legislation or other regulation but is based on the Articles of Association of each company applying the Mankala Principle and, therefore, the detailed operating model, including the provision for coverage of costs by the shareholders, may differ between companies applying the Mankala Principle. The Mankala Principle applicable to TVO is described in Article 4 of the Articles of Association of TVO. Pursuant to the Articles of Association, amending Article 4 of the Articles of Association would require unanimous shareholder approval.

Under its Articles of Association, TVO supplies electricity to its shareholders at cost, which means that it delivers the electricity it has produced to its shareholders in proportion to their shareholdings in each series of TVO shares. Each of the shareholders of each series of TVO shares is liable for its proportionate share of the variable and fixed annual costs related to the nuclear power plant unit or other units of TVO represented by such series of shares, as specified in Article 4 of the Articles of Association of TVO, and other than in exceptional circumstances such as those described under "*Risk Factors—Risks Related to Nuclear Operations of TVO*" and "*Risk Factors—Risks Related to PVO's Financing*". In practice, TVO currently prepares an annual balance sheet divided into series of its shares. The balance sheet, which is presented each year to a meeting of TVO's shareholders, is prepared solely for management accounting purposes in order to allocate annual costs, incurred by TVO, to the different series of shares. As to day-to-day operations, TVO prepares, for each calendar year, a related cost budget, which consists of normal operating costs (variable and fixed), interest on TVO's entire loan portfolio (including hedging) and depreciation (based on TVO's total assets and expected lifetime of the assets) and is used as the basis for setting the amount of each shareholder's payment for electricity. Of such payments, the amount corresponding to the depreciation of assets (net of capital expenditures), which is a non-cash item, is used to amortise TVO's entire loan portfolio.

In addition to invoicing its shareholders on a monthly basis for fixed and variable costs in accordance with its Articles of Association, TVO finances its operations, including investments, through various types of financing from third parties, including loans under the Euro Medium Term Note programme, and has also received a number of equity capital injections and/or subordinated loans from its shareholders in the past. The EUR 400 million shareholder loan commitment in accordance with shareholder loan commitments signed by the B series shareholders in June 2013, December 2017, December 2020 and in December 2022, in order for TVO to maintain a sufficient equity ratio in relation to OL3 and to manage potential additional delays and costs in connection with the finalisation of the project (as anticipated at those times). There are no outstanding shareholder loan commitments as the last loan commitment of EUR 400 million signed in December 2022 expired in December 2023. In addition, pursuant to a facility agreement executed on 15 June 2022, TVO also currently maintains a revolving credit facility of EUR 1,000 million maturing in June 2026 (the "**TVO Revolving Credit Facility**"). The TVO Revolving Credit Facility also still includes a one-year extension option. In addition, in February 2019, the maturity of the EUR 300 million three-year tranche was further extended to 2022. As of 31 December 2023, the TVO Revolving Credit Facility was undrawn. In May 2023, TVO issued a EUR 600 million under its Euro Medium Term Note programme and announced a tender offer for its EUR 400 million bond maturing in May 2024, of which EUR 208 million was repurchased. In August 2023, TVO took out a total of SEK 2,300 million in private placement loans and bought back a total of SEK 900 million in Swedish krona denominated loans maturing in February

2024. In December 2023, TVO issued EUR 280 million directed green notes (US private placement) consisting of three bullet tranches (EUR 105 million, 10 years; EUR 85 million, 12 years; and EUR 90 million, 15 years).

TVO is a public limited liability company and its shareholders have no personal liability for the indebtedness or other obligations of TVO. Pursuant to its Articles of Association, TVO has the sole right to call upon the responsibilities of the shareholders in accordance with Article 4 of the Articles of Association.

In accordance with the Articles of Association of TVO, each shareholder's share of the liability for TVO's annual costs is always limited to the amount corresponding to the proportion of its shareholding in relation to all shares belonging in the same series, and another shareholder's failure will not increase the shareholder's liability based on its shareholding. The shareholders shall not be liable for costs other than costs of TVO specified in the Articles of Association, unless otherwise agreed in writing.

A prerequisite to the shareholder's right to receive electricity is, according to the Articles of Association of TVO, that it has paid its share of costs on time. If a shareholder neglects to observe its payment obligation, TVO will have the right to immediately cut off the distribution of electricity to the shareholder and to sell the shareholder's portion of electricity to a party submitting the best offer, primarily to another shareholder of TVO. To date, TVO has never experienced payment delays by its shareholders. By applying the Mankala Principle, TVO supplies electricity only to its shareholders and at cost price. Consequently, in principle the profit/loss for the financial year is usually zero or close to zero. As a result, TVO is not exposed to fluctuations in the market price for electricity. Furthermore, TVO is not subject to price regulation.

The costs of production (*i.e.*, the price of the electricity) is charged in two or three stages: fixed costs are collected monthly in advance and variable costs are charged monthly in arrear and are determined according to the amount of electricity actually supplied. Any further operating costs incurred, if any, are funded on an annual basis. Currently, approximately 25 percent of any new large investments, such as the OL3 construction project, come from equity capital injections or subordinated shareholder loans (hybrid equity under the IFRS Accounting Standards as adopted by the EU (the "IFRS Accounting Standards")). A shareholder could buy less electricity than it is entitled to, however, such a shareholder would still be required to pay the fixed costs, although, the variable costs related to that electricity produced, would be reduced.

## TVO's Shareholders

TVO has five shareholders, and its share capital is divided into two share series, A and B. The A series entitles shareholders to electricity generated by OL1 and OL2 and gas-fired plants at Olkiluoto. The B series entitles shareholders to the electricity generated by OL3. Existing shareholders have a pre-emptive right to any shares to be issued in proportion to their current shareholdings in TVO. None of the shareholders have majority rights and important decisions such as investment plans and cost budgets require a three-quarters' majority vote of the Board of Directors of TVO. However, a change in the Mankala Principle-based business model of TVO, would require unanimous shareholder approval. The shareholder structure has been stable since TVO's inception, with no significant shareholder changes over the last 20 years.

As of 31 March 2024, the share series were held as follows:

	<u>A series</u>	<u>B series</u> (percent)	<u>Total</u>
<b>TVO's shareholders</b>			
EPV Energia Oy .....	6.5	6.6	6.6
Fortum Power and Heat Oy <sup>(1)</sup> .....	26.6	25.0	25.8
Kemira Oyj .....	1.9	–	0.9
Oy Mankala Ab <sup>(2)</sup> .....	8.2	8.2	8.2
Pohjolan Voima Oyj .....	<u>56.8</u>	<u>60.2</u>	<u>58.5</u>
<b>Total</b> .....	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>

(1) Fortum Power and Heat Oy is a subsidiary of Fortum Oyj.

(2) Oy Mankala Ab is wholly-owned by Helen Oy, the parent company of the municipal energy group of the City of Helsinki.

## Business and Operations of TVO

### Nuclear Power

TVO currently operates three nuclear power plant units, OL1, OL2 and OL3. In 2023, OL1, OL2 and OL3 nuclear power plant units combined produced approximately 31 percent of the electricity consumed and produced in Finland.

The following table sets forth the annual output and capacity of TVO's power plants for the years indicated:

	For the year ended 31 December			
	2023		2022	
	Net production (GWh)	Capacity (percent)	Net production (GWh)	Capacity (percent)
OL1.....	7,417	95.4	6,918	89.1
OL2.....	6,855	88.3	7,532	96.8
OL3 <sup>(1)</sup> .....	10,361	75.2	—	—
<b>Total</b> .....	<b>24,633</b>		<b>14,463</b>	

(1) On 16 April 2023, regular energy production started at OL3 and commercial operations started in May 2023.

### *Olkiluoto 1 and Olkiluoto 2*

The rated net output of the nuclear power plant units are 890 MW for OL1 and 890 MW for OL2. OL1 and OL2 are in constant operation, aside from planned maintenance outages, for the supply of base-load electricity. In addition to regular annual outages, TVO also carries out extensive service outages approximately once every 10 years in order to implement major modifications. TVO maintains OL1 and OL2 according to best practices to ensure highest safety standards and efficient power generation until the end of the economic lifetimes of the units, which is estimated to be approximately 60 years.

OL1 and OL2 have historically achieved load factors among the highest within their global peer group in accordance with the International Atomic Energy Agency's studies (*Source: International Atomic Energy Agency*). High load factors indicate stability and safety of operations. In addition, more than 20 years of high stability also spreads fixed costs over a maximum volume output.

In 2024, the service outage for OL1 commenced on 12 May 2024, and it is expected to end on 16 June 2024. In addition to the refuelling, the most significant jobs during the service outage include the reactor instrumentation and control system ("I&C") renovation project, isolation valve leak rate tests, control rod drive replacements, main transformer and generator breaker service, feedwater pump and condensate pump service, recirculation pump service and the renovation of the containment's electrical penetrations.

In 2024, the refuelling outage for OL2 began on 28 April 2024, and the duration of the outage was 10 days. During the refuelling outage, in addition to fuel replacement, annual electrical and automation system periodic inspections, maintenance and tests were carried out. Among the most significant individual tasks were leak tests of isolation valves and the addition of a low-voltage criterion to the diesel generator changeover automation.

### *Olkiluoto 3 EPR*

In 2005, the Finnish Government granted a construction licence for OL3 to be constructed at the Olkiluoto site. The OL3 project was completed in April 2023. The companies Areva NP, Areva GmbH and Siemens AG constituting the Supplier are jointly and severally liable for the turnkey delivery of OL3.

OL3 comprises a European Pressurised Water Reactor which has an installed capacity of approximately 1,600 MW and is more efficient than OL1 or OL2 as it produces less radioactive waste per MWh of electricity produced, with the planned operating life being at least 60 years. However, no assurance can be given about the actual operating life of a nuclear power plant.

According to the Plant Contract, the Supplier was responsible for the design, engineering, equipment procurement, equipment manufacture, construction, erection, testing, commissioning, licensing, initial fuel supply and remedying of defects, as well as project management and schedule of the OL3 project on a turnkey basis. Due to the Supplier's turnkey responsibility, TVO only had responsibility for a limited scope of work under the Plant Contract. The Plant Contract includes contractual securities for TVO, including a contract performance bond, a guarantee period bond and liquidated damages for delays, plant performance and plant availability.

On 16 April 2023, regular energy production started at OL3 and commercial operations started in May 2023. According to TVO, OL1, OL2 and OL3 is estimated to produce approximately 30 percent of Finland's electricity annually and OL3 alone is estimated to cover approximately 14 percent of annual electricity demand in Finland being, according to public statements by TVO, the third most powerful nuclear power unit in the world in 2023. As a producer of carbon-neutral energy, TVO believes OL3 to have a significant impact on Finland's efforts to combat climate change and meet its emissions reduction targets. According to public statements by TVO, TVO believes OL3 being the most significant contribution to the climate effort in Finland. The Issuer expects that the commencement of OL3's regular electricity production and commercial operations have a positive impact on the volume of electricity supplied by the PVO Group, its turnover, material and service costs, as well as current receivables and current liabilities. In addition, through the

completion of OL3, TVO has begun to depreciate the assets, and PVO as TVO's largest shareholder has commenced charging its shareholders for such TVO-related depreciations, leading to improving financial metrics and deleveraging directly at the TVO level and also indirectly at the PVO level. As a result of the commencement of the regular electricity production at OL3 in April 2023, the Issuer's annual increase in nuclear production was 56 percent and annual increase in revenue was 41 percent as compared to April 2022.

The first service outage at OL3 commenced on 2 March 2024. The outage was originally meant to take 37 days, but in the end lasted for approximately 74 days and 9 hours. In addition to refuelling, the most important activities carried out at OL3 during the annual outage included preventive maintenance on the protection system, washing of steam generators, generator maintenance, pressure equipment inspections, leak-tightness tests on containment isolation valves, and servicing of pressuriser safety relief valves.

### The Global Settlement Agreement

In March 2018, Areva NP, Areva GmbH, the Areva Group parent company Areva SA, Siemens AG and TVO signed the GSA. In addition to settling all ongoing legal actions related to the OL3 project, the GSA aims to secure the provision of adequate and competent technical and human resources as well as funds for completion and startup of OL3 until the end of the applicable guarantee periods.

Following delays in the OL3 project beyond the schedule agreed in the GSA, TVO negotiated with Areva NP, Areva GmbH, the Areva group parent company Areva SA and Siemens AG on the terms of the OL3 project completion. A consensus between the parties on the amendment to GSA was reached in May 2021 and Areva NP, Areva GmbH, Areva SA, Siemens AG and TVO signed on 2 June 2021 the amendment to GSA and amendments to the ancillary agreements concerning the completion of the OL3 project (see "*Risk Factors—Risks Related to Nuclear Operations of TVO—There are post-project risks in OL3*" and "*Information about PVO—Governmental, Legal and Arbitration Proceedings—Joint Ventures*"). The amendment to the GSA entered into force in July 2021. The GSA as amended in June 2021 stipulates as follows, according to public statements by TVO:

- The turnkey principle of the Plant Contract and the joint and several liability of the Supplier consortium companies remained in full force.
- In order to provide and maintain adequate and competent technical and human resources for the OL3 project completion, Areva was obliged to continue to source needed additional resources from Framatome, whose majority owner is EDF.
- The Areva companies' trust mechanisms, established in GSA remained and was further replenished by Areva with approximately EUR 600 million as of the beginning of January 2021.
- As the Supplier did not complete the OL3 project by the end of June 2021, TVO became entitled to receive the maximum penalty compensation of EUR 400 million under the GSA. The penalty amount was paid in two instalments: approximately EUR 200 million was paid in connection with the execution of the GSA amendments and the remaining approximately EUR 200 million in connection with the last milestone payment in May 2023.

In 2023, the fund established in accordance with the GSA and funded by the Areva companies was used to cover costs incurred to the Areva companies for the completion of OL3 in accordance with the GSA.

In addition, the parties agreed in the GSA amendment on an additional delay compensation to TVO. As the Supplier did not complete the OL3 project by the end of February 2022, the Supplier had to pay to TVO an additional delay compensation until 30 September 2022. The amount of the additional compensation depended on the actual completion date of the project and in any case was limited to a maximum of EUR 56.7 million, which is expected to be paid at FTO in April 2025 at the earliest. The parties covered their own costs for the period between July 2021 and 28 February 2022.

Following the GSA and its amendments, TVO's total investment for OL3 is estimated by TVO to be approximately EUR 5.8 billion, which includes nuclear fuel to be used during electricity production, the first core loading to the reactor and fuel/uranium for the following reload batches, totalling approximately EUR 250 million, which are part of current assets of OL3.

### Project Main Activities

Construction works for OL3 have been completed. The installation of the electrical systems, I&C, and mechanical systems have been completed. Simulator training for the operating personnel commenced in February 2017. The operating personnel was granted operator licences by the Finnish Radiation and Nuclear Safety Authority ("**STUK**") at the end of 2018. Hot functional tests were completed in May 2018. During the hot functional tests, it was noticed that the pressuriser surge line vibrates. In May 2019, STUK approved the solution to eliminate the vibration and the absorbers have been installed. STUK approved the structures of the absorbers before nuclear fuel was loaded into the reactor. Further technical

issues, I&C cable damage, issues in emergency diesel generators and cracks in the pressurisers' safety valves' control valves, were discovered during the tests in 2020. These issues have been resolved and TVO was granted the fuel loading permit from STUK in March 2021.

Hot functional tests were repeated during the nuclear commissioning phase. The purpose of the hot functional tests was to ensure the functionality of all technical solutions and to test the plant with various temperature and pressure levels to ensure the functionality of the plant as a whole. During hot functional tests, a turbine overhaul was carried out at OL3 from July 2021 to November 2021 because of a jammed turbine. Inspections revealed that the inner casing and rotor in one low pressure turbine were damaged. The damages had been caused by the rotor touching the turbine's inner casing. During the overhaul, the low-pressure turbine's rotor was replaced, and inspection work and small modifications took place at all three of the low-pressure turbines. As a result of the turbine overhaul, the scheduled start of regular electricity production was delayed with approximately three to four months. In February 2022, it was observed that there is a need for modifications in the plant unit's automation related to control functions, as well as further testing related to the modifications, before continuing the test program.

In April 2022, when OL3 was driven down in accordance with the test program, the boron pumps were turned on due to a false automation signal. During inspections, a need to repair the cooling system of OL3's generator was also observed, which is not related to the boron pump issue. Furthermore, in May 2022, foreign material detached from the steam guide plates was found in the turbine's steam reheater, which required inspection and repair work. The work was completed in August 2022. Later in August 2022, TVO communicated that a turbine automation update of approximately two weeks would be carried out. The test production continued at the end of August 2022 with tests at a 60 percent power level.

In September 2022, STUK granted permission to increase OL3's power level to over 60 percent and from thereon to 100 percent. Tests at an 80 percent power level were started in September 2022. Tests at full power, approximately 1,600 MW, were started on 30 September 2022. Test production was interrupted in October 2022 due to damage detected in the internals of the feedwater pumps at the turbine island. Test production was continued in December 2022 after investigations into the damage were mainly completed. Test production phase was interrupted in January 2023 for replacement of the feedwater pump impellers and maintenance of the pressuriser safety valves. Test production phase continued on 15 March 2023 with a 24 hour performance test and final test production phase was completed on 16 April 2023 after successful demonstration run.

On 20 April 2023, TVO submitted to the Supplier the Provisional Takeover Certificate. A two-year supplier warranty period commenced on 18 April 2023 with certain items benefitting from up to eight years of warranty. In addition, TVO confirmed that the commercial operation of the plant started on 1 May 2023 and capitalisation of the costs of the OL3 project ended. Following the start of OL3 commercial operation, TVO now bears full responsibility for operating the OL3 plant unit.

## STUK

TVO submitted its application for the operating licence for OL3 to the Ministry of Economic Affairs and Employment of Finland (the "MEE") on 14 April 2016. On 25 February 2019, STUK gave its statement on the operating licence application of OL3. In its statement, STUK did not see any obstacles to grant the licence as applied until the end of 2038. Following STUK's statement, the Finnish Government granted the operating licence for OL3 on 7 March 2019. The operating licence for OL3 is valid until 31 December 2038.

In April 2020, TVO submitted a permission application to the STUK for a nuclear fuel loading of OL3. The STUK granted the fuel loading permit for OL3 on 26 March 2021. The fuel loading started on 27 March 2021 and was completed on 1 April 2021. Upon the fuel loading OL3 became a nuclear power plant. STUK states in its permission decision that OL3 fulfils the safety requirements set for it, and its safety and emergency preparedness arrangements and measures are sufficient to load fuel into the reactor. STUK also states that the necessary surveillance for the prevention of the spread of nuclear weapons is organised appropriately, and that the licensee's liability for a nuclear incident is organised as stipulated.

In December 2021, STUK granted TVO permission for making the OL3 reactor critical and conducting low power tests. Making the reactor critical means the first startup of the reactor. The first criticality of OL3 was reached on 21 December 2021. OL3's electricity production started on 12 March 2022, when the plant unit was connected to the national grid for the first time.

In addition to the normal monitoring of deliveries and manufacture, several quality audits have been conducted (including by TVO and STUK) in order to inspect the activities of the Supplier and the Supplier's subcontractors.

## *Operating Licences*

An operating licence for a nuclear power plant is granted for a fixed period in accordance with Section 20 of the Nuclear Energy Act. On 20 September 2018, the Finnish Government granted TVO an operating licence under Section 20 of the Nuclear Energy Act for OL1 and OL2. The licence decision also allows TVO to use the current interim storage facilities

for spent nuclear fuel located at TVO's Olkiluoto site for the interim storage of nuclear waste generated in the operation of OL1 and OL2 until 31 December 2038. The operating license for OL1 and OL2 is valid until 31 December 2038. The new licence replaced TVO's previous operating licence for OL1 and OL2 granted on 20 August 1998. According to public statements by TVO, TVO is exploring the extension of the operational lifespan of OL1 and OL2 units to 2048 or 2058, and investigating the possibility of increasing the power output of OL1 and OL2 units.

The licence decisions for OL1 and OL2 as well as OL3 were based particularly on the statement and safety assessment of STUK. In its safety assessment, STUK concluded that the operations at OL1 and OL2 as well as OL3 are safe and meet the relevant legislative requirements. Both the operating licences for OL1 and OL2 as well as OL3 include licence conditions relating to the possession, production, processing and storage of nuclear material, and nuclear waste management. The licence conditions also include an obligation for TVO to carry out a periodic safety assessment of OL1 and OL2 as well as OL3 by 31 December 2028. The operating licences do not cover the operation of the final disposal facilities, but they are considered separate nuclear facilities and need their own licence.

In October 2023, TVO announced that it has launched the preparation of an environmental impact assessment procedure concerning the possible operating licence extension for OL1 and OL2 by either ten or twenty years. Opportunities to uprate the power of the plant units are being investigated by TVO. An uprating of 80 MW is being considered by TVO for OL1 and OL2, bringing power levels from 890 MW to approximately 970 MW. The possible power uprating would not be the first of its kind as OL1 and OL2 originally operated at an output of 660 MW.

### *Fuel Procurement*

Procurement of nuclear fuel involves the following three main elements: the purchase of raw uranium, uranium conversion and enrichment services, and nuclear fuel manufacture. TVO itself is not involved in the uranium acquisition, enrichment or manufacture processes and only receives the final product which has been sufficiently enriched to be used as a fuel, but has not been enriched further. TVO maintains relationships with a number of suppliers in each field which results in reliable and cost efficient fuel sourcing, diversified supply sources and competitive pricing. Most of the above services are being procured under long-term contracts. TVO has a long-term supply contract of enriched uranium with a Russian supplier, which has represented historically approximately a fifth of total enriched uranium deliveries. Currently, the upcoming batches have been fully replaced by increasing the deliveries from western suppliers.

### *Nuclear Waste Management – Disposal*

According to the Nuclear Energy Act, each nuclear operator is fully responsible for the costs of waste management and the final cost of decommissioning. Estimates of these future costs are assessed annually and reviewed by the MEE. TVO bears full legal and financial responsibility for the management and disposal of nuclear waste produced by the Olkiluoto nuclear power plant units.

After removal from the reactor, spent nuclear fuel is placed in pools within the reactor halls to cool for a few years. Thereafter the spent fuel is packed in a strong transfer container filled with water. This container is transported on a purpose-built vehicle to the on-site interim storage facility where the spent fuel will stay for 40 years in storage pools before being transferred to the final repository. The expansion construction work of the interim storage facility to double the storage capacity which began in the summer of 2010 has been completed.

TVO currently operates permanent final repositories for low-level and intermediate-level radioactive waste at the Olkiluoto site. Low-level waste is miscellaneous waste contaminated with radioactive material (including flame-retardant fabrics, plastics, protective clothing, tools and machine parts and pipes removed from the power plant). Intermediate-level waste consists of the ion-exchange resins used to purify the water used in the nuclear power production processes.

In order to reduce the risk of nuclear irradiation, multi-layered containment systems and sophisticated safety protocols are used to isolate radioactive materials from the surrounding environment during the process of interim storage, packaging, transport, relocation and encasement of nuclear waste in the final disposal repositories. The operating waste is packed into steel drums. Soft low-level waste is packed into 200 litre drums, which are then compacted to about half their original size and packed into concrete boxes. Low-level scrap metal waste is cut up or crushed and packed directly into the concrete boxes. The ion-exchange resins are dried and solidified with bitumen, and then cast into 200 litre drums. These drums are also packed into concrete boxes.

The repository for low and medium level waste (“**VLJ repository**”) is on the Olkiluoto site. Packed into concrete boxes, the waste is transported by a radiation-shielded vehicle into the repository, where it is transferred to low and medium level silos excavated into the bedrock at a depth of 60 to 100 metres. There is also a separate space in the VLJ repository for storing the small quantities of radioactive waste that are generated as a result of scientific research and health care in Finland. The VLJ repository will also house irradiated equipment and construction material when the respective nuclear facilities are decommissioned. In November 2012, the Finnish Government granted TVO a licence amendment for the final disposal of low and medium level nuclear waste from OL3 in the VLJ repository. The expansion of the VLJ repository is estimated to take place in the 2030s, when there will be no more room left in the existing final disposal silos.

TVO and Fortum Power and Heat Oy own a company, Posiva Oy, which will dispose of high-level nuclear waste from the Olkiluoto nuclear power plants (OL1, OL2 and OL3) owned by TVO and the Loviisa nuclear power plants (Loviisa 1 and Loviisa 2) owned by Fortum Power and Heat Oy (the high-level waste will be stored for approximately 40 years in interim storage facilities on site at the respective nuclear power plants). Posiva Oy will dispose of the nuclear waste at a purpose-built nuclear waste repository. TVO's operations (OL1, OL2 and OL3) will account for approximately 74 percent of the waste deposited at the site, and TVO will contribute the same proportion of the costs. The spent nuclear fuel will be packed into copper/cast iron canisters and stored approximately 420 metres below ground.

Posiva Oy submitted an application to the Finnish Government regarding the construction licence for the final disposal repository for spent nuclear fuel in December 2021 (although the application was supplemented by additional clarifications). According to public statements by TVO, Posiva Oy was the first company in the world to submit such application. In its statement submitted to the MEE in February 2015, the STUK noted that the encapsulation plant and final disposal facility designed by Posiva Oy could safely be constructed as a repository for spent nuclear fuel. STUK's safety assessment is required for the decision on the construction licence that MEE will propose to the Finnish Government. The Finnish Government granted a construction licence for Posiva Oy's final disposal repository and encapsulation plant in November 2015. After STUK issued a decision in November 2016 confirming that Posiva Oy was in a position to initiate the works under the construction licence, Posiva Oy began the construction of the final disposal facility for spent nuclear fuel. Construction work of the encapsulation plant and the final disposal facility which are designed for spent fuel handling are ongoing. The project covers the full completion of the encapsulation facility, supplementary excavation works of the final disposal facility, installation of the systems needed to start the final disposal, the operating license process and preparation of supply chains needed in the production phase.

Excavation of the vehicle access tunnels leading to the final disposal facility, technical rooms and excavation of the central tunnel for the integrated systems test were completed in 2018. The full-scale in-situ system test ("FISST") commenced in the final disposal repository at the end of June 2018 and the backfilling has been completed. The aim of the FISST is to demonstrate that the safe final disposal concept can be implemented as designed by Posiva Oy. The test monitoring is ongoing. The final disposal project has advanced to the building phase of the encapsulation plant and the underground final disposal repository designed for the final disposal of spent nuclear fuel. The excavation of the first five actual deposition tunnels was completed in June 2022. Civil works at the encapsulation plant were completed at the end of May 2022. Thereafter, work has continued with different equipment and system installations. Posiva submitted the application for the operating licence for the encapsulation and final disposal facility to the MEE in December 2021. During 2023, work with the installation and commissioning of systems at the encapsulation plant progressed as planned. In the first actual deposition tunnel, investigations relating to verifying the suitability of the tunnel and defining the locations of the deposition holes for the final disposal of nuclear fuel were completed. Due to delays in the delivery of certain systems, the start of the joint functional test (practicing final disposal using non-irradiated dummy fuel elements), was postponed until late 2024. The final disposal of spent nuclear fuel is expected to start in Olkiluoto site in the mid-2020s.

#### *Nuclear Waste Management – Funding*

In Finland, the future costs of the final disposal of spent fuel, the management of low and intermediate-level radioactive waste and nuclear power plant decommissioning are provided for by the Nuclear Waste Management Fund to which nuclear power plant operators make annual contributions. MEE calculates annually TVO's total liability for nuclear waste management and the contribution TVO must make to the Nuclear Waste Management Fund based on the actual total cost of containing the nuclear waste over time.

As of 31 March 2024, TVO's legal liability for nuclear waste management according to the Nuclear Energy Act was EUR 1,928.5 million (compared with EUR 1,918.2 million as of 31 December 2023) and TVO's funding target obligation as of 31 March 2024 to the Nuclear Waste Management Fund was EUR 1,525.1 million (compared with EUR 1,525.1 million as of 31 December 2023). As of 31 March 2024, TVO's share in the Nuclear Waste Management Fund was EUR 1,525.1 million. The difference between TVO's legal liability calculated according to the Nuclear Energy Act and TVO's funding target obligation is covered by collateral securities. The liabilities in the consolidated financial statements show a provision related to nuclear waste management liability of EUR 1,294.1 million as of 31 March 2024 (compared with EUR 1,289.4 million as of 31 December 2023), calculated according to IFRS Accounting Standards. A corresponding amount, under assets, represents TVO's share in the Nuclear Waste Management Fund. TVO utilises the right to borrow funds back from the Nuclear Waste Management Fund in accordance with the law. As of 31 March 2024, the amount of the loan was EUR 727.5 million. The loan has been lent to TVO's shareholders.

Although TVO's contributions to the Nuclear Waste Management Fund are calculated to cover estimated future costs of the final disposal of spent fuel; the management of low and medium level radioactive waste; and plant decommissioning (and includes a safety margin in respect of such estimated future costs), the possibility exists that actual costs could exceed the provisions of the Nuclear Waste Management Fund. If this were to occur, TVO would be responsible for its proportion of any such excess costs.

## Nuclear Liability

Under the Finnish Nuclear Liability Act (484/1972, as amended; Fi: *ydinvastuulaki*) (the “FNLA”), TVO has strict third-party liability in relation to nuclear accidents. As to nuclear damage occurring in Finland, TVO’s liability is unlimited. In respect of nuclear damage suffered outside of Finland, TVO’s liability is EUR 1,200 million. Thereafter, the compensation community (composed of the countries which are party to the Paris and Brussels conventions) are liable for further damages up to EUR 300 million for any nuclear incident, so that the total maximum amount of compensation is EUR 1,500 million. As to damage occurring in Finland and exceeding EUR 1,500 million, TVO bears liability based on its unlimited liability. As a result of the amendments to the FNLA that entered into force on 1 January 2022, TVO’s liability for nuclear damage suffered outside of Finland due to a nuclear incident at TVO’s nuclear power plant increased from 600 million Special Drawing Rights to EUR 1,200 million. In respect of nuclear damage occurring in Finland, TVO has unlimited liability already prior to the latest amendments to the FNLA. TVO is obliged under statute to have private insurance to cover up to EUR 1,200 million. TVO maintains insurance in compliance with its statutory obligations. Hence, TVO’s liability is insured up to EUR 1,200 million for each nuclear incident that may occur during each insurance period.

The above mentioned amendments to the FNLA increasing the plant operator’s insurance obligation from 600 million Special Drawing Rights<sup>(1)</sup> to EUR 1,200 million have increased TVO’s cost of third-party nuclear liability insurance. As from 1 January 2023, the plant operator became obliged to have insurance coverage up to EUR 1,200 million for personal injury suffered due to nuclear damage up to 30 years from the occurrence of the nuclear incident. However, the increase in insurance costs due to this obligation is not material in relation to TVO’s production cost.

## Reserve Capacity

TVO owns a 50 percent share of the gas turbine power unit at the Olkiluoto plant, which has an installed capacity of 100 MW. The gas unit is a reserve unit and is not currently in operation other than for the purpose of periodic testing.

Hitachi Energy (previously Hitachi ABB Power Grids) and TVO have signed a contract about delivering one of Europe’s largest battery energy storage systems to Olkiluoto. The 90-megawatt system supports the entire energy network in a potential production disturbance of OL3, thus minimising the effect of power fluctuations on the grid together with national transmission system operator Fingrid’s system protection. The project of the battery energy storage system has been heavily delayed and the date of the transfer of the ownership from the Hitachi Energy to TVO has not yet been met.

## Regulatory Environment

The use of nuclear energy is subject to licensing. Applications are made to the Finnish Government for decisions in-principle, construction licences and operating licences. STUK is responsible for monitoring the safe use of nuclear energy and it is also responsible for monitoring safety and emergency arrangements and nuclear material in Finland. TVO’s environmental system complies with the international ISO 14001:2015 standard. TVO has the licences relevant to its business, such as but not limited to operating licences for OL1, OL2 and OL3 as well as the necessary environmental and water permits. There is no reason to believe that any of these licences will be revoked.

A fundamental principle behind the Finnish legislation on nuclear energy is that its use must be for the overall good of the society as a whole. The main rules on the use of nuclear energy, monitoring of that use and nuclear safety, are contained in the Nuclear Energy Act and the Nuclear Energy Decree (161/1988, as amended; Fi: *ydinenergia-asetus*), as well as lower level statutes and regulations enacted pursuant to them such as the general safety regulations issued by STUK. The general safety regulations relating to the use of nuclear energy issued by STUK entered into force on 1 January 2016. Some of them were replaced by new ones in December 2018 and further in 2020 and in 2024. The general safety regulations of STUK include Regulation on the Safety of a Nuclear Power Plant (Fi: *Säteilyturvakeskuksen määräys ydinvoimalaitoksen turvallisuudesta*, STUK Y/1/2016), Regulation on the Emergency Arrangements of a Nuclear Power Plant (Fi: *Säteilyturvakeskuksen määräys ydinvoimalaitoksen valmiusjärjestelystä*, STUK Y/2/2024), Regulation on the Security in the Use of Nuclear Energy (Fi: *Säteilyturvakeskuksen määräys ydinenergian käytön turvajärjestelystä*, STUK Y/3/2020), Regulation on the Safety of Disposal of Nuclear Waste (Fi: *Säteilyturvakeskuksen määräys ydinjätteiden loppusijoituksen turvallisuudesta*, STUK Y/4/2018) and Regulation on the Safety of Mining and Milling Operations Aimed at Producing Uranium or Thorium (Fi: *Säteilyturvakeskuksen määräys uraanin tai toriumin tuottamiseksi harjoitettavan kaivostoiminnan ja malminrikastustoiminnan turvallisuudesta*, STUK Y/5/2016). In addition, the FNLA regulates the liability of an operator in charge of a nuclear plant in the event of a nuclear accident. No such changes in the regulatory framework are foreseeable that would significantly affect the operation of TVO.

On 1 January 2024 a technical amendment to the Nuclear Energy Act updating the reference to the Supervision Fees Act (1209/2023, as amended; Fi: *laki Finanssivalvonnan valvontamaksuista*) entered into force. Further, on 1 January 2025, a

<sup>(1)</sup> The currency value of the Special Drawing Rights is determined by summing the values in U.S. dollars, based on market exchange rates, of a basket of major currencies (the U.S. dollar, euro, Japanese yen, pound sterling and the Chinese renminbi). The Special Drawing Rights currency value is calculated daily and the valuation basket is reviewed and adjusted every five years. The exchange rate on 17 April 2024 was 1 SDR = 1.236 euros.

technical amendment updating the reference to the Land Use and Building Act (Land Use Act in the future) (132/1999, as amended; Fi: *maankäyttö- ja rakennuslaki*) will enter into force.

As of the date of this Listing Prospectus, the MEE is preparing a comprehensive reform of the Nuclear Energy Act. The work started by MEE that aims at a comprehensive reform of the Nuclear Energy Act continued during 2023. The objective is that the production of nuclear energy will continue to be in line with the overall good of society, safe and financially profitable. The draft legislation is expected to enter the consultation phase in spring 2025 and the Finnish Government proposal to the Finnish Parliament is then expected to follow early 2026, and then the new Nuclear Energy Act would thereafter enter into force in 2028.

On 1 January 2022, amendments to the Nuclear Energy Act concerning the investment activities of the Nuclear Waste Management Fund entered into force. With the amendment, the amount of relending available to a party with a nuclear waste management obligation was limited to 60 percent, and the investment activities were expanded to also include other asset classes than Finnish government bonds.

On 31 December 2021, technical amendments to the Nuclear Energy Act concerning references to the Environmental Impact Assessment Act entered into force.

On 1 May 2021, amendments to the Nuclear Energy Act relating mainly to the investment of the funds in the Nuclear Waste Management Fund, the utilities' right to borrow the funds back from the Nuclear Waste Management Fund, and the administration model of the Nuclear Waste Management Fund entered into force.

On 21 December 2020, amendments to the Nuclear Energy Act relating to the security arrangements in the use of nuclear energy entered into force. The amendments stem mainly from the need to address new security threats and to regulate certain issues more precisely from the civil rights point of view.

On 15 December 2018, amendments to the Nuclear Energy Act relating to radiation safety entered into force. The new provisions include an obligation for a licence holder to establish dose constraints for the employees at a nuclear power plant and provide the respective information to STUK, an exemption from administrative supervision for nuclear waste (other than nuclear fuel) if its radioactivity is below set threshold values and a prohibition on diluting nuclear waste for the purposes of avoiding the statutory obligations.

On 1 January 2018, a legislative amendment to the Nuclear Energy Act entered into force introducing, among others, a new requirement for a license for the decommissioning of nuclear facilities that is granted by the Finnish Government. The new legislation also transposed the amended Nuclear Safety Directive 2009/71/EURATOM into national law. Licensee's responsibility to ensure the compliance of products and services produced by suppliers and subcontractors that are significant from the viewpoint of nuclear safety of the facility was also included in the regulations. It is considered that the new legislation would not significantly affect the operation of TVO.

The previous amendments to the Nuclear Energy Act came into force on 16 May 2017 in respect of the handling of license applications in relation to nuclear installations. The amendments came into force due to the entry into force of the new Act on Environmental Impact Assessment Procedure (5252/2017, as amended; Fi: *laki ympäristövaikutusten arviointimenettelystä*), implementing the Environmental Impact Assessment Directive (2014/52/EU). It is considered that the legislation will not significantly affect the operation of TVO. The changes in the Nuclear Energy Act that took effect on 1 January 2016 increased the nuclear safety research fee collected from the operators of nuclear facilities and waste management fee collected from those liable for waste management with different fee levels for fixed periods of 2016–2020 and 2021–2025. For TVO this caused an increase in fees by an additional EUR 4 million per year during the period of 2016–2020.

Additional regulations pertaining to the exploitation of nuclear energy are set out in the Finnish Radiation Act (859/2018, as amended; Fi: *säteilylaki*) which entered into force on 15 December 2018 as well as lower level statutes enacted pursuant to the Radiation Act. The new Radiation Act, among others, transposed the EU Directive 2013/59/EURATOM of the European Council of 5 December 2013 into national law in Finland.

TVO maintains insurance for nuclear liability in accordance with requirements of Finnish laws and regulations that are based on the international conventions on nuclear liability to which Finland is a party.

As a result of the European Commission's review of safety measures in the nuclear industry, certain legislative amendments have been made which aim to strengthen the powers and independence of national safety authorities and introduce EU-wide safety objectives. See "*Risk Factors—Risks Related to Nuclear Operations of TVO*". Changes to the European legislative landscape have precipitated changes at a domestic level.

STUK has issued updated regulatory guides on nuclear safety ("**YVL Guides**") that came into force in 2013, and which are subject to on-going evaluation and revisions. Most of the current versions of the YVL Guides have been issued by STUK during the years 2019–2020. During 2023, the updated YVL Guide B.8 was introduced at OL3. The final updated

YVL Guide E.6 will be introduced at OL1, OL2 and OL3 in the near future. The YVL Guides are applied as they stand to all new nuclear power plant units. The implementation of the YVL Guides and their revisions to existing nuclear power plant units, such as OL1, OL2 and OL3, and to nuclear power plant units under construction is subject to a separate STUK decision.

The EU Taxonomy Regulation (EU) 2020/852 (the “**EU Taxonomy Regulation**”) and its delegated acts (the “**EU Taxonomy**”) formulate a robust and science-based framework for companies and investors that provides environmental criteria for determining which economic activities can be classified as environmentally sustainable in the EU. In the EU Taxonomy Regulation, nuclear energy related economic activities are qualified as so-called transitional activities. Nuclear energy facilitates the deployment of renewable energy sources and does not hamper the development of low carbon alternatives. As of 31 December 2023, 99.6 percent of TVO’s turnover, 100 percent of operating expenditure and 100 percent of capital expenditure was aligned with EU Taxonomy.

According to public statements by TVO, the above-mentioned changes in the regulatory environment have not had a material impact on TVO and TVO’s operations.

### **Governance of TVO**

Under its Articles of Association, TVO operates on a Mankala Principle, which means delivering the electricity produced or procured to its shareholders in proportion to their shareholdings in each series of shares. Each of the shareholders of each series bears their share of the variable and fixed annual costs as specified in the Articles of Association. The shareholders have concluded a mutual shareholders’ agreement, which contains more detailed regulations on corporate governance.

TVO observes on a voluntary basis the Corporate Governance Code for listed companies, issued by the Finnish Securities Market Association in 2015, where applicable.<sup>(2)</sup> However, TVO is not obliged to observe the Corporate Governance Code nor, therefore, the Comply or Explain principle. According to the Finnish Securities Markets Act, the issuer of a security subject to public trading must provide a corporate governance statement in its annual report or separately. TVO publishes a separate Responsibility report on its website ([www.tvof.fi](http://www.tvof.fi)), which is updated on a yearly basis.

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(2) The Corporate Governance Code has been prepared in accordance with the so-called ‘Comply or Explain’ principle, which means that a company must comply with all recommendations of the code unless it accounts for a deviation from an individual recommendation and provides an explanation for it. A listed company may depart from an individual recommendation, if it accounts for such a departure and provides an explanation for it. The code is available at [www.cgfinland.fi](http://www.cgfinland.fi).

## FINANCIAL INFORMATION AND FUTURE OUTLOOK

### Historical Financial Information

Historical financial information set forth in this Listing Prospectus has been derived from the Issuer’s audited consolidated financial statements as of and for the years ended 31 December 2023 and 2022 incorporated by reference into this Listing Prospectus (see “*Documents Incorporated by Reference*”) and from the Issuer’s audited consolidated financial statements as of and for the years ended 31 December 2021, 2020 and 2019 that have not been incorporated by reference into this Listing Prospectus. The Issuer’s audited consolidated financial statements as of and for the years ended 31 December 2023, 2022, 2021, 2020 and 2019 have been prepared in accordance with the IFRS Accounting Standards as adopted by the European Union (the “**IFRS Accounting Standards**”).

Financial information set forth in this Listing Prospectus has been rounded. Accordingly, in certain instances, the sum of the numbers in a column or row may not conform exactly to the total figure given for that column or row.

### Alternative Performance Measures

This Listing Prospectus includes certain financial measures, which, in accordance with the “*Alternative Performance Measures*” guidance issued by ESMA, are not accounting measures defined or specified in the IFRS Accounting Standards and are, therefore, considered alternative performance measures (“**Alternative Performance Measures**”). These Alternative Performance Measures are (i) operating profit or loss; (ii) equity ratio; (iii) investments; (iv) interest-bearing liabilities; and (v) net interest-bearing liabilities. For detailed calculation formulas and reasons for use of the Alternative Performance Measures, see “—*Reconciliation of and Calculation Formulas for Certain Alternative Performance Measures*” below.

The Issuer presents the Alternative Performance Measures as additional information to the financial measures presented in the consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of cash flows and the notes to the consolidated financial statements, all prepared in accordance with the IFRS Accounting Standards. In the Issuer’s view, Alternative Performance Measures provide management, investors, securities market analysts and other parties with relevant and useful additional information on the results of operations, financial position and cash flows of the Issuer.

Alternative Performance Measures are not accounting measures defined or specified in the IFRS Accounting Standards and, therefore, they should not be viewed in isolation or as a substitute to the measures defined in the IFRS Accounting Standards. Companies do not calculate Alternative Performance Measures in a uniform way and, therefore, the Alternative Performance Measures presented in this Listing Prospectus may not be comparable with similarly named measures presented by other companies. Furthermore, these Alternative Performance Measures may not be indicative of the Issuer’s historical results of operations and are not meant to be predictive of potential future results. Accordingly, undue reliance should not be placed on the Alternative Performance Measures presented in this Listing Prospectus.

### Certain Financial Information

The following table sets forth certain the Issuer’s key figures as of and for the years indicated:

	<b>As of and for the year ended 31 December</b>				
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<b>(unaudited, unless otherwise indicated)</b>				
	<b>(EUR in millions, unless otherwise indicated)</b>				
Sales, continuing operations <sup>(1)</sup> .....	840 <sup>(2)</sup>	610 <sup>(3)</sup>	471	411	417
Operating profit or loss, continuing operations <sup>(1)</sup>	120 <sup>(4)</sup>	(16)	(20)	(3)	45
Net interest-bearing liabilities <sup>(1)(5)</sup> .....	560	586	600	629	738
Equity ratio, percent .....	45	44	41	41	39
Total assets <sup>(1)</sup> .....	2,317	2,242	2,174	2,189	2,106
Investments .....	8	7	7	8	4
Average number of personnel .....	40	42	54	82	89

(1) Audited.

(2) The Issuer’s turnover increased significantly in 2023 as a regular electricity production commenced at OL3.

(3) The Issuer’s turnover increased significantly in 2022 as a test production phase commenced at OL3.

(4) Given the Issuer’s operating model, the target for the operating profit is zero, but high operating profit was recorded in 2023 due to the positive results of both the Issuer and TVO.

(5) The Issuer’s net interest-bearing liabilities have continuously decreased since 2018 due to scheduled repayments and prepayments of debt as well as changes in capital structure.

### Financing Agreements and Liquidity Position

Financing and liquidity management within the PVO Group is managed centrally by the PVO Group Treasury. All excess cash positions are centralised to the Issuer either through internal cash-pools or by internal deposits. The Issuer raises

external debt financing it needs in its own name and each subsidiary's long-term debt financing needs are mainly obtained in the name of each subsidiary. According to its financial policy, the PVO Group seeks to have a balanced interest-bearing debt portfolio both in terms of funding sources and maturities. According to the PVO Group's financial policy, the Issuer may also lend to subsidiaries. The Issuer also maintains liquidity lines available for its subsidiaries. According to the PVO Group's financial policy, all subsidiaries should maintain equity to assets ratio above 27 percent.

As of 31 December 2023, the PVO Group's cash and cash equivalents amounted to EUR 70.1 million (EUR 35.5 million as of 31 December 2022). As of 31 December 2023, the PVO Group had EUR 560 million of shareholder loan receivables from TVO.

As of 31 December 2023, the PVO Group's interest-bearing liabilities amounted to EUR 1,190 million, of which EUR 447 million was loans from financial institutions and EUR 350 million loan related to the Nuclear Waste Management Fund. On 18 November 2019, the Issuer issued an EUR 150 million 1.25 percent unsecured bond listed on Nasdaq Helsinki, which matures on 20 January 2025. Lease liabilities in the consolidated balance sheet as of 31 December 2023 amounted to EUR 113 million, of which EUR 105 million related to the Issuer's subsidiaries' financing of power plant investments, such as boiler and turbines, at the CHP plants, and EUR 9 million related to land lease and property leases. Furthermore, the Issuer has a domestic commercial paper program of EUR 300 million, of which EUR 132 million, including incurred interests of EUR 3 million, was used as of 31 December 2023.

In addition, the Issuer had an undrawn EUR 350 million sustainability-linked committed revolving credit facility (the "Issuer Revolving Credit Facility") available for liquidity purposes. The Issuer Revolving Credit Facility matures in June 2028 and includes a one-year extension option. The margin of the Issuer Revolving Credit Facility is linked to the achievement of the Issuer's key sustainability targets of carbon neutrality in electricity and heat production. As of the date of this Listing Prospectus, Issuer Revolving Credit Facility remains undrawn. The financing arrangements of the PVO Group do not include any financial covenants.

As of 31 December 2023, the equity ratio of the PVO Group was 45 percent (44 percent as of 31 December 2022).

The following table sets forth the PVO Group's maturity profile with undiscounted cash flows of financial liabilities as of 31 December 2023:

<b>As of 31 December 2023</b>							<b>Balance sheet</b>
<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028–</b>	<b>Total</b>		
(unaudited)							
(EUR in millions)							
Loans from financial institutions <sup>(1)</sup> .....	4.3	127.0	246.0	–	70.0	<b>447.3</b>	447.3
Finance costs <sup>(2)</sup> .....	21.3	18.5	11.9	3.7	3.2	<b>58.6</b>	–
Bonds.....	–	150.0	–	–	–	<b>150.0</b>	149.9
Finance costs.....	1.9	1.9	–	–	–	<b>3.8</b>	–
Loan from the Nuclear Waste Management Fund (TVO) <sup>(3)</sup> .....	–	–	–	–	350.0	<b>350.0</b>	350.0
Finance costs.....	14.2	9.9	9.9	9.9	9.9	<b>53.9</b>	–
Lease liabilities <sup>(4)</sup> .....	10.6	15.9	18.1	7.0	63.7	<b>115.3</b>	113.4
Finance costs.....	4.8	4.4	3.7	2.9	8.0	<b>23.7</b>	–
Commercial papers.....	129.4	–	–	–	–	<b>129.4</b>	129.4
Finance costs.....	2.6	–	–	–	–	<b>2.6</b>	–
Interest rate derivatives.....	5.2	2.3	1.6	1.5	2.1	<b>12.6</b>	(7.3)
Shareholder loan interests...	4.7	–	–	–	–	<b>4.7</b>	–
<b>Total</b> .....	<b><u>199.0</u></b>	<b><u>329.9</u></b>	<b><u>291.1</u></b>	<b><u>25.0</u></b>	<b><u>506.8</u></b>	<b><u>1,351.8</u></b>	

(1) Repayments to be made in 2024 are included in current liabilities. The tenor of PVO Group's loans from financial institutions is generally 3 to 5 years with extension options, if any. Most of the loans from financial institutions maturing in 2026 have one extension option to be used in 2024.

(2) In addition to interest expenses, finance costs also include a commitment fee.

(3) The loan from the 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 five years. According to the Section 52 of the Nuclear Energy Act, TVO is entitled to borrow from the Nuclear Waste Management Fund against securing guarantees the amount, which can be a maximum of 60 percent of the latest confirmed TVO's share in the Nuclear Waste Management Fund. TVO has borrowed this amount from the Nuclear Waste Management Fund and has granted a loan with the corresponding amount to the Issuer. The loan is renewed with three years intervals, next time in March 2026.

(4) EUR 105 million of lease liabilities are secured by relevant CHP assets, but all other liabilities are unsecured.

Under the Nuclear Energy Act, the licensee under a nuclear waste management obligation is entitled to receive a loan against full securities for a fixed period from the Nuclear Waste Management Fund. The amount borrowed from Nuclear Waste Management Fund may not exceed 60 percent of the Nuclear Waste Management Fund holding last confirmed for the said licensee under a nuclear waste management obligation. The shareholders of the licensee have the right to use the

right of the licensee to the extent not used by the licensee itself. The amount to be lent from the Nuclear Waste Management Fund to the shareholders at any given time shall be lent to the shareholders requesting it in proportion to their shareholding, as specified by the Nuclear Waste Management Fund in greater detail, if necessary.

### Reconciliation of and Calculation Formulas for Certain Alternative Performance Measures

The following table sets forth the reconciliation of certain Alternative Performance Measures as of and for the years indicated:

	<b>As of and for the year ended 31 December</b>				
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<b>(audited, unless otherwise indicated)</b>				
	<b>(EUR in millions, unless otherwise indicated)</b>				
<b>Net interest-bearing liabilities<sup>(1)</sup></b>					
<i>Interest-bearing liabilities</i>					
<i>Non-current borrowings</i>					
Borrowings from associates and joint ventures <sup>(2)</sup>	350	350	350	350	195
Borrowings from financial institutions .....	443	331	337	273	346
Bonds.....	150	275	274	274	274
Leases .....	<u>103</u>	<u>112</u>	<u>121</u>	<u>154</u>	<u>166</u>
Total.....	1,046	1,068	1,082	1,051	982
<i>Current borrowings</i>					
Borrowings from financial institutions .....	4	5	6	71	107
Other interest-bearing current liabilities .....	129	98	100	99	100
Leases .....	<u>10</u>	<u>10</u>	<u>10</u>	<u>13</u>	<u>21</u>
Total.....	<u>144</u>	<u>113</u>	<u>116</u>	<u>183</u>	<u>228</u>
Interest-bearing liabilities total .....	<u>1,190</u>	<u>1,181</u>	<u>1,198</u>	<u>1,234</u>	<u>1,210</u>
<i>Interest-bearing financial assets</i>					
<i>Non-current</i>					
Loan receivables .....	<u>560</u>	<u>560</u>	<u>560</u>	<u>560</u>	<u>409</u>
Total.....	560	560	560	560	409
<i>Current</i>					
Pledged cash deposits .....	0	0	0	0	0
Cash and cash equivalents .....	<u>70</u>	<u>36</u>	<u>38</u>	<u>44</u>	<u>62</u>
Total.....	<u>70</u>	<u>36</u>	<u>39</u>	<u>44</u>	<u>63</u>
Interest-bearing financial assets total .....	<u>630</u>	<u>595</u>	<u>598</u>	<u>604</u>	<u>472</u>
Net interest-bearing liabilities <sup>(1)</sup> .....	560	586	600	629	738
<b>Investments<sup>(3)</sup></b>					
Additions in the Intangible rights.....	–	–	–	0	–
Additions in the Other intangible rights.....	–	–	–	0	1
Additions in the Prepayments of Property, plant and equipment.....	8	7	7	8	4
Investments <sup>(3)(4)</sup> .....	8	7	7	8	4
<b>Equity ratio<sup>(5)</sup></b>					
Total equity.....	1,041	994	882	891	831
Total assets .....	2,317	2,242	2,174	2,189	2,106
Equity ratio, percent <sup>(4)(5)</sup> .....	45	44	41	41	39

(1) Net interest-bearing liabilities = Interest-bearing liabilities total (Non-current borrowings from associates and joint ventures + Non-current borrowings from financial institutions + Current borrowings from financial institutions + Bonds + Non-current leases + Current leases + Other interest-bearing current liabilities) - Interest-bearing financial assets total (Non-current loan receivables + Pledged cash deposits + Cash and cash equivalents)

Reason for use: Net interest-bearing liabilities is one of the Issuer's key figures to monitor financing of the PVO Group.

(2) According to public statements by TVO, TVO bears full legal and financial responsibility for the management and disposal of nuclear waste produced by the Olkiluoto nuclear power plant units. The future cost of containing the nuclear waste and maintaining the storage facilities over time is to be paid for from the Nuclear Waste Management Fund to which the nuclear power producers in Finland, including TVO, make annual contributions. This obligation entitles TVO to borrow a certain percentage of its holdings in the Nuclear Waste Management Fund. TVO has granted corresponding loans to its shareholders. The Issuer's share of such loans is presented as the line item Borrowings from associates and joint ventures.

(3) Investments = "Additions" in the prepayments of property, plant and equipment and in the intangible rights and other intangible assets as presented in related notes to the Issuer's audited consolidated financial statements.

Reason for use: Investments presents the total investments of the PVO Group, excluding financial investments and the purchase of emission allowances.

(4) Unaudited

(5)	Equity ratio	=	$\frac{\text{Total equity}}{\text{Total assets}}$	× 100
	Reason for use:		Equity ratio measures the share of equity-based financing in the PVO Group.	

### Material Adverse Changes in the Prospects of the Issuer

There has been no material adverse change in the prospects of the Issuer since 31 December 2023, which is the last day of the financial period in respect of which the most recent audited financial statements of the Issuer have been published.

### Significant Changes in the PVO Group's Financial Performance or Position

There has been no significant change in the PVO Group's financial performance or position since 31 December 2023, which is the last day of the financial period in respect of which the most recent financial statements of the Issuer have been published.

### Future Outlook

The following outlook for 2024 and assumptions behind the short-term market outlook are included in the Issuer's Report of the Board of Directors 2023:

"During the current financial period, power and heat production are expected to continue as normal. TVO is preparing for OL3's first annual outage in March. It will be followed by the maintenance and refuelling outages of OL1 and OL2. TVO will closely monitor compliance with the terms and conditions of the settlement agreement, which was signed in March 2018 and supplemented in June 2021. The terms and conditions apply until the end of the warranty period."

***The above statements include forward-looking statements. These statements are not guarantees of future financial performance of the Issuer. The Issuer's actual results and financial position could differ materially from those expressed or implied by these forward-looking statements as a result of many factors. The Issuer cautions prospective investors not to place undue reliance on these forward-looking statements.***

The Issuer confirms that the above information on the guidance has been properly prepared on the basis stated that is both comparable with the Issuer's historical financial information and consistent with the Issuer's accounting principles. The guidance is the best considered view and understanding at the time based on the forecasts and estimates received. The assumptions upon which the Issuer has based its conclusions and which the Board of Directors of the Issuer and the Corporate Executive Team of the PVO Group can influence typically include pricing of products and services, costs and risk management. Factors outside the control of the Issuer that affect the above-mentioned forward-looking statements are mostly related to macroeconomic conditions, geopolitics, demand for electricity and heat and unexpected adverse events related to the production capacity.

## SUMMARY OF RECENT DISCLOSURES

*The following summary sets forth information disclosed by the Issuer pursuant to the Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (the “Market Abuse Regulation”) as well as certain other information disclosed by the Issuer pursuant to the rules of Nasdaq Helsinki, over the last 12 months preceding the date of this Listing Prospectus, which is to the Issuer’s knowledge still relevant as of the date of this Listing Prospectus. The following summary does not discuss periodic financial reporting nor other disclosure obligations not pertaining to the Market Abuse Regulation or the rules of Nasdaq Helsinki. Therefore, the following summary is not exhaustive and does not discuss all stock exchange releases issued by the Issuer during the above-mentioned period of time.*

### Decisions of General Meetings of Shareholders and Unanimous Decisions of Shareholders

On 30 June 2023, the Issuer announced that the extraordinary General Meeting of Shareholders of the Issuer had approved Porin Prosessivoima Oy’s (“**Porin Prosessivoima**”) investment in the flue gas condenser plant and related share issue. The investment was targeted to start in July 2023 and estimated costs were EUR 16.5 million. In connection with the investment, two series of shares, V series and L series, were to be established. The current shares of Porin Prosessivoima are converted into V series shares entitling to heat and electricity produced in Porin Prosessivoima’s power plant. Share capital of Porin Prosessivoima was to be raised by EUR 4.5 million in a directed share issue of new L series shares to Pori Energia Oy. After the directed share issue, the Issuer was to own approximately 89 percent and Pori Energia Oy approximately 11 percent of the shares in Porin Prosessivoima.

On 30 October 2023, the Issuer announced that the Board of Directors of the Issuer had proposed to the extraordinary General Meeting of Shareholders of the Issuer held on 28 November 2023, a reduction of the restricted shareholders’ equity in C2 series, M series and V series of shares and an acquisition of shares in the same series of shares.

On 28 November 2023, the Issuer announced that the extraordinary General Meeting of Shareholders of the Issuer had approved a reduction of the restricted shareholders’ equity in C2 series, M series and V series of shares, and an acquisition of shares in the same share series. Changes were announced to reduce the Issuer’s share capital by EUR 5,285,641.97 and the share premium fund by EUR 12,272,648.99. The Issuer’s share capital was announced to be EUR 49,676,067.27 and the share premium fund EUR 191,592,407.63 after the reduction. Further, the extraordinary General Meeting of Shareholders of the Issuer had approved the issuance of a binding rule to the Board of Directors of the Issuer stipulated in Article 13 of the Issuer’s Articles of Association. According to the binding rule, share capital of Kaukaan Voima Oy was to be reduced by EUR 10,000,000 which was to be paid to the shareholders as capital return.

On 21 March 2024, the Issuer announced the decisions of the annual General Meeting of Shareholders of the Issuer. In addition to approving the Issuer’s annual accounts and discharging the members of the Board of Directors of the Issuer from liability, the annual General Meeting of Shareholders of the Issuer resolved: (i) that a total dividend of EUR 21,050,000 will be distributed from the distributable funds incurred from the sale of the shares of Fingrid in 2011, and that the dividend is to be distributed to the shares of C, C2, M and V series of shares that are entitled to the dividend from the funds incurred from Fingrid share sale; (ii) on re-election of certain members of the Board of Directors of the Issuer, and that Maija Ruska, Heikki Liukas and Kirsi Hautala are elected as new members of the Board of Directors of the Issuer; (iii) that PricewaterhouseCoopers Oy is re-elected as the auditor of the Issuer, Authorised Public Accountant Pasi Karppinen acting as the principal auditor; and (iv) that the Issuer’s Articles of Association is amended in accordance with the proposal of the Board of Directors of the Issuer so that the General Meeting of Shareholders may be arranged as a virtual meeting without a meeting venue as an alternative for a physical meeting or a hybrid meeting.

On 21 May 2024, the Issuer announced that all shareholders of the Issuer had, without convening a meeting, passed certain resolutions. The Issuer’s extraordinary General Meeting of Shareholders had resolved on 28 November 2023, among other things, on a reduction of the restricted shareholders’ equity in M series of shares, and an acquisition of shares in the same share series and that, according to the binding rule, share capital of Kaukaan Voima Oy was to be reduced by EUR 10,000,000, which was to be paid to the shareholders as capital return, and as a shareholder of Kaukaan Voima Oy, the Issuer would receive EUR 5,400,000 as a capital return from the reduction of the share capital of Kaukaan Voima Oy. The shareholders resolved that a return of capital of EUR 4,255,615.80 from the reserve for invested unrestricted equity of the Issuer’s M share series was to be paid to the shareholders of the Issuer’s M share series in proportion to their shareholding. In addition, the shareholders resolved that a return of capital of EUR 5,400,000 from the reserve for invested unrestricted equity of the G9 share series was to be paid to the shareholder of the G9 share series.

### Issue of the Notes

On 29 May 2024, the Issuer announced that it issues the Notes.

**Other Information**

On 20 April 2023, the Issuer announced that TVO had announced it confirming the acceptance of OL3 and the start of warranty period. In addition, TVO had confirmed that the commercial operation of the plant was to start on 1 May 2023. The final acceptance of the plant unit was announced to take place upon termination of the two-year warranty period.

## GOVERNANCE OF THE ISSUER

The Issuer is a public limited liability company incorporated and domiciled in Finland. The Issuer’s governance is based on the Finnish Companies Act (624/2006, as amended; Fi: *osakeyhtiölaki*) (the “**Finnish Companies Act**”), its Articles of Associations and the Shareholders’ Agreement, which give more detailed stipulations on the PVO Group’s governance. See “*Shareholders—Shareholders’ Agreement Relating to the Issuer*”. Even though the Issuer is a non-listed company, it observes the Corporate Governance Code, where applicable. However, the Issuer is not obliged to observe the Corporate Governance Code nor, therefore, the Corporate Governance Code’s “comply or explain” principle.

### General Meeting of Shareholders

Shareholders participate in the control and management of the Issuer through resolutions passed at the General Meetings of Shareholders. The General Meeting of Shareholders decides on statutory matters. It also elects the members of the Board of Directors, in accordance with the procedure specified in the corporate documents, and issues binding directives to the Board of Directors regarding the elections of the members of the Boards of Directors of the PVO Group companies and any significant investments.

Pursuant to the Articles of Association, the Annual General Meeting of Shareholders also elects the members of the Board of Directors and the auditor and decides on the remuneration of the members of the Board of Directors.

### Management and Administration

#### Board of Directors

Under the Articles of Association, the Issuer’s Board of Directors consists of a minimum of five and a maximum of 13 ordinary members. The members of the Board of Directors are elected on an annual basis for a term beginning after the close of the General Meeting of Shareholders executing the election and ending at the close of the next General Meeting of Shareholders executing the election. According to the Articles of Association, a personal deputy member may be elected to each member of the Board of Directors.

According to the Articles of Association, the Board of Directors is responsible for managing the administration of the Issuer and arranging its operations appropriately and for supervising that the operations of the Issuer are carried out in accordance with the law, the Articles of Associations and directives and decisions by the General Meeting of Shareholders. In addition, the Board of Directors decides, unless it has authorised the President and CEO to do so, on purchases and sales of real estate and other investments and on borrowing and granting security. The Board of Directors discusses and approves, for example, the code of conduct and the policies defining corporate responsibility and risk management of the Issuer. The Board of Directors annually assesses its own activities. The Board of Directors has prepared a written charter including the Board’s main tasks and operating principles.

The Annual General Meeting of the Issuer was held on 21 March 2024. The Annual General Meeting elected the following nine persons as members of the Board of Directors and the following nine persons as their personal deputy members.

The following table sets forth the members of the Board of Directors as of the date of this Listing Prospectus:

Name	Position	Born	Qualifications	Other positions of trust
<b>Ordinary members</b>				
Tapio Korpeinen / Chair of the Board .....	Chief Financial Officer, UPM-Kymmene Corporation,; Executive Vice President, UPM Energy Oy	1963	M.Sc. (Tech.), MBA	Vice Chair of the Board: Kemijoki Oy Member of the Board: TVO Member of the Supervisory Board: Varma Mutual Pension Insurance Company
Seppo Parvi / Deputy Chair .....	Chief Financial Officer, Deputy to the CEO and Country Manager, Stora Enso Oyj	1964	M.Sc. (Econ.)	Member of the Board: Finnish Forest Industries Federation, Ilmarinen Mutual Pension Insurance Company
Rami Vuola / Board Member .....	President & Chief Executive Officer, EPV Energy Ltd	1968	M.Sc. (Eng.)	Chair of the Board of several EPV Group companies Member of the Board: TVO, Voimapiha Oy
Jukka Hakki / Board Member .....	Group General Counsel and Managing Director’s Deputy, Kemira Oyj	1960	LL.M.	Member of the Board of several Kemira Group companies
Anders Renvall / Board Member .....	Managing Director, Kymmipivoima Oy	1973	M.Sc. (Eng.)	Chair of the Board: Kosalankankaan Tuulivoimapuisto Oy, Voimapiha Oy, Voimapiha Ab, PVO-Lämpövoima Oy Member of the Board: TVO, EPV Energy Ltd, Vattenfall Indalsälven Ab

<b>Name</b>	<b>Position</b>	<b>Born</b>	<b>Qualifications</b>	<b>Other positions of trust</b>
Esa Kaikkonen / Board Member .	CEO, Metsä Tissue Corporation	1969	LL.M., trained on the bench	Chair of the Board: Metsä Greaseproof Papers Oy Member of the Board: Metsä Fibre Oy, Metsä Spring Oy, TVO, Finnish Forest Industries Federation
Maija Ruska / Board Member .....	Director, Finance & Control and Strategy, UPM Energy Oy	1977	M.Sc. (Eng.)	Member of the Board of several UPM-Kymmene Group companies
Heikki Liukas / Board Member...	Investment Director, Yara Suomen Eläkesäätiö	1958	M.Sc. (Eng.), M.Sc. (Econ.)	–
Kirsi Tuulikki Hautala / Board Member.....	CEO, Kokkolan Voima Oy	1968	M.Sc. (Eng.), D.Sc. (Technology)	Member of the Board: KIP Ry
<b>Deputy members</b>				
Juha Mäkelä, Personal substitute for Tapio Korpeinen.....	General Counsel, UPM-Kymmene Corporation	1962	LL.M	–
Kaarlo Höysniemi, Personal substitute for Seppo Parvi .....	Executive Vice President, Group Treasury, Stora Enso Oyj	1971	M.Sc. (Eng.)	Member of the Board: TVO
Stefan Damlin, Personal substitute for Rami Vuola.....	CEO, Vaasan Sähkö Oy	1968	M.Sc. (Econ.)	–
Seppo Tuomisto, Personal substitute for Jukka Hakkila .....	Manager, Energy Business Support and Development, Kemira Oyj	1962	M.Sc. (Eng.)	–
Tuure Aho, Personal substitute for Anders Renvall .....	CEO, Pohjois-Karjalan Sähkö Oy	1975	M.Sc. (Eng.)	–
Ilkka Hämälä, Personal substitute for Esa Kaikkonen .....	President and CEO, Metsä Group	1961	M.Sc. (Eng.)	–
Pekka Tynkkynen, Personal substitute for Maija Ruska.....	Director, Optimization & Physical Trading, UPM Energy Oy	1968	M.Sc. (Eng.)	–
Jussi Lehto, Personal substitute for Heikki Liukas .....	CEO, Keravan Energia Oy	1967	M.Sc. (Eng.), MBA	–
Roger Holm, Personal substitute for Kirsi Hautala .....	CEO, Katternö group	1967	M.Sc. (Eng.), Lic.Sc. (Econ.)	–

### **Board Committees**

The Board of Directors has established an Audit and Finance Committee and a Remuneration and Nomination Committee, assisting and reporting to the Board of Directors and consisting of at least three members of the Board. The Board of Directors nominates the members of the committees, appoints their chair and approves each Committee's charter.

The Audit and Finance Committee provides assistance to the Board of Directors in processing and preparing matters that are the responsibility of the Board of Directors concerning financing, financial reporting, monitoring and auditing.

The following table sets forth the members of the Board Committees:

	<b>Position</b>
<b>Audit and Finance Committee</b>	
Maija Ruska.....	Chair
Rami Vuola.....	Member
Jukka Hakkila.....	Member
<b>Remuneration and Nomination Committee</b>	
Tapio Korpeinen.....	Member
Seppo Parvi.....	Member
Anders Renvall.....	Member

In addition to the two Committees referred to above, the Board of Directors nominates certain other committees to assist the Board of Directors and the Corporate Executive Team when deemed necessary.

### ***President and CEO***

The President and CEO deals with the Issuer's day-to-day management in accordance with the Finnish Companies Act and the instructions and orders issued by the Board of Directors.

Ilkka Tykkyläinen (1966) serves as the Issuer's President and CEO. He holds a M.Sc. (Eng.). He serves as the Chair of the Boards of Directors of TVO and several PVO Group companies and as a member of the Boards of Directors of Alholms Kraft AB and PVO-Lämpövoima Oy.

### ***Corporate Executive Team***

In operational management, the President and CEO is supported by the Corporate Executive Team, which discusses the main principles related to the operations of the PVO Group and the Issuer.

The following table sets forth the members of the Corporate Executive Team as of the date of this Listing Prospectus:

<b>Name</b>	<b>Position</b>	<b>Born</b>	<b>Qualifications</b>	<b>Other positions of trust</b>
Ilkka Tykkyläinen.....	President and CEO	1966	M.Sc. (Eng.), TKK, eMBA	Deputy Chair of the Board of TVO and several PVO Group companies and a member of the Board of Alholms Kraft AB and PVO Lämpövoima Oy
Minna Laakso.....	Chief Financial Officer, Finance, Risk Management, IT	1967	M.Sc. (Business and Economics)	A member of the Board of Posiva Oy and several PVO Group companies and Finnish Energy
Riitta Larnimaa.....	Communications, Public Affairs and Responsible Corporate Operations	1963	M.Sc.	A member of the Board of PVO-Vesivoima Oy and a member of the Electricity Production Committee of Finnish Energy
Tiina Nyström.....	Human Resources and Legal Affairs	1966	LL.M, eMBA	A member of the Legal Affairs Committee of the Confederation of Finnish Industries
Jani Pulli.....	Balancing Power and Energy Management, Hydropower	1975	B.Sc. (Eng.)	President of PVO-Vesivoima Oy
Kaj Rätts.....	Production Asset Management	1982	M.Sc. (Eng.)	President of Kymin Voima Oy
Jarmo Tervo.....	Technology and Projects	1962	M.Sc. (Eng.)	President of Kaukaan Voima Oy

### **Business Address**

The business address of the members of the Board of Directors and the Corporate Executive Team is c/o Pohjolan Voima Oyj, Mikonkatu 7A 5, FI-00100 Helsinki, Finland.

### **Internal Control, Risk Management and Internal Auditing**

The Board of Directors and the management are responsible for the Issuer's internal control and risk management system. The purpose of internal control and risk management is to ensure the efficiency and effectivity of the operations, the reliability of information, as well as compliance with the regulations and operating principles. The Issuer's governance and internal control system is based on the Articles of Association, Shareholders' Agreement as well as code of conduct and other company policies, approved by the Board of Directors.

The key principles of risk management are defined in the PVO 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 of Directors 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 Issuer's strategy and operations.

According to the PVO Group's insurance policy, the PVO Group assures its assets and operations against possible financial losses caused by unforeseen events and accidents. Property is insured at replacement value. In addition, the PVO Group maintains insurances with requirements of Finnish laws and regulations or otherwise mandatory obligations. The PVO Group's insurance policy is approved by the Board of Directors of the Issuer.

The operating principles and principal procedures of the Issuer's internal audit have been defined in the audit charter approved by the Board of Directors. Internal audit assists the Issuer in achieving its objectives by providing a systematic approach to evaluate and improve governance processes, risk management and internal control. Internal audit reports functionally under the Audit and Finance Committee and reports summaries of its plans and findings to the Issuer's Board of Directors.

#### **Absence of Conflicts of Interest**

Provisions regarding conflicts of interest of the management of a Finnish company are set forth in the Finnish Companies Act. Pursuant to Chapter 6, Section 4 of the Finnish Companies Act, a member of the Board of Directors may not participate in the handling of a contract between himself/herself and the company, nor may he/she participate in the handling of a contract between the company and a third party if he/she may thereby receive a material benefit which may be in contradiction with the interests of the company. The above provision regarding contracts shall correspondingly apply to other legal acts and to other legal proceedings and other similar matters. The same provisions are applied with regard to the President and CEO.

None of the members of the Board of Directors, the President and CEO or the other members of the Corporate Executive Team have any conflicts of interests between any duties to the Issuer and their private interests and/or their other duties.

## SHAREHOLDERS

The Issuer is owned by Finnish industrial companies as well as private and municipal energy companies. As of the date of this Listing Prospectus, the Issuer has 23 shareholders, and its share capital is divided into 10 share series, which relate to a specific power production unit.

The following table sets forth the shareholders of the Issuer and their respective shareholdings in the Issuer as of the date of this Listing Prospectus:

	<u>Shareholding</u> (percent)
UPM Energy Ltd <sup>(1)</sup> .....	49.82
Stora Enso Oyj.....	16.14
Kemira Oyj (including pension fund Eläkesäätiö Neliapila).....	5.34
EPV Energy Ltd.....	5.03
Kymppivoima Oy.....	5.02
UPM Communication Papers Ltd <sup>(1)</sup> .....	3.68
Metsä Group (including Metsäliitto Cooperative, Metsä Fibre and Metsä Board Oyj).....	3.05
Perhonjoki Ltd.....	2.09
Yara Suomi Oy (including pension fund Yara Suomen Eläkesäätiö).....	1.93
Kokkolan Voima Oy.....	1.53
Finnish Power Ltd.....	1.47
Ilmarinen Mutual Pension Insurance Company.....	1.31
City of Pori.....	1.29
Oulun Energia Ltd.....	0.81
Myllykoski Oyj <sup>(1)</sup> .....	0.55
Helen Ltd.....	0.55
Vantaa Energy Ltd.....	0.20
Outokumpu Oyj.....	0.10
Rautaruukki Corporation.....	<u>0.10</u>
Total.....	<u>100.00</u>
<b>Shareholders by sector</b>	
Forest industry.....	73.23
Energy companies.....	16.69
Chemical industry.....	7.28
Metal industry.....	0.20
Other.....	<u>2.60</u>
Total.....	<u>100.00</u>

(1) Wholly-owned subsidiary of UPM-Kymmene Corporation.

The Shareholders' Agreement includes provisions on, among other things, the shareholders' rights and obligations. Taking into consideration both the Issuer's Articles of Association and the Shareholders' Agreement, which state the basis for the decision making and governance of the Issuer, none of the shareholders are deemed to have direct or indirect control over the Issuer. For more information, see "*Information about PVO—Operating Model of the Issuer*" and "*—Shareholders' Agreement Relating to the Issuer*" below.

### Shareholders' Agreement Relating to the Issuer

Pursuant to the Shareholders' Agreement, its provisions prevail over the Issuer's Articles of Association in matters concerning the relationships between the parties to the Shareholders' Agreement. Pursuant to the Issuer's Articles of Association, the Board of Directors of the Issuer consists of no less than five and no more than 13 members. Pursuant to the Shareholders' Agreement, shareholders' right to appoint members is determined based on the amount of shares owned, with the largest shareholder having the right to appoint two ordinary members and two deputy members, the five next largest shareholders having the right to appoint one ordinary and one deputy member each and the rest of the shareholders together having the right to appoint two ordinary and two deputy members. In addition, each shareholder that owns at least 3 percent of the Issuer's shares that entitle their holder to receive nuclear power has the right to appoint one ordinary member. As the maximum number of members of the Board of Directors of the Issuer cannot be exceeded, the right to appoint a member is determined based on the amount of shares owned. Pursuant to the Shareholders' Agreement, the largest shareholder of the Issuer has the right to appoint the Chair of the Board of Directors from the chosen members and the second largest shareholder of the Issuer has the right to appoint the Deputy Chair of the Board of Directors.

According to the Issuer's Articles of Association and the Shareholders' Agreement, certain amendments to the Articles of Association of the Issuer require unanimous decision by the shareholders of the Issuer. Certain major decisions, such as major transactions, share issues and repurchase of own shares, require at least three-quarters of the votes cast at the relevant General Meeting of Shareholders and at least three-quarters of the votes cast in respect of the series of the Issuer's shares that the decision concerns, as the case may be. In addition, certain decisions relating to the production companies require

at least a majority of the votes cast at the relevant General Meeting of Shareholders and at least three-quarters of the votes cast in respect of the series of the Issuer's shares that the decision concerns.

According to the Issuer's Articles of Association and the Shareholders' Agreement, the shares in the Issuer are not freely transferable to third parties. The purchase of shares in the Issuer requires an approval from the Board of Directors of the Issuer. If a shareholder wishes to transfer its shares in the Issuer, other shareholders have a pre-emption right to such shares in accordance with the Issuer's Articles of Association and the Shareholders' Agreement.

## FINNISH TAXATION

*The following summary is based on the tax laws of Finland as in effect on the date of this Listing Prospectus, and is subject to changes in Finnish law, including changes that could have a retroactive effect. The following summary does not take into account or discuss the tax laws of any country other than Finland and does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.*

### **Finnish Resident Noteholders**

#### ***Individual***

If the recipient of interest paid on the Notes is an individual (natural person) residing in Finland or an undistributed estate of a deceased Finnish resident, such interest is, when paid by the Issuer or securities dealer (*i.e.*, a Finnish financial institution making the payment), subject to an advance withholding tax in accordance with the Finnish Withholding Tax Act (1118/1996, as amended; Fi: *ennakkoperintälaki*) and final taxation as capital income in accordance with the Finnish Income Tax Act (1535/1992, as amended; Fi: *tuloverolaki*). The current withholding tax and capital income tax rate is 30 percent. Should the amount of capital income received by a resident natural person exceed EUR 30,000 in a calendar year, the capital income tax rate is 34 percent on the amount that exceeds the EUR 30,000 threshold. However, advance tax withholdings will still be made at the rate of 30 percent.

If Notes are disposed of during the loan period, any capital gain as well as accrued interest received (secondary market compensation) is taxed as capital income. The Issuer or a securities dealer (*i.e.*, a Finnish financial institution making the payment) must deduct an advance withholding tax from the secondary market compensation paid to an individual (natural person) residing in Finland or an undistributed estate of a deceased Finnish resident.

An individual (natural person) residing in Finland or an undistributed estate of a deceased Finnish resident may deduct eventual capital losses from its taxable capital gains in the year of disposal and in the five subsequent calendar years.

If Notes are acquired in the secondary market, any accrued interest paid (secondary market compensation) is deductible from the capital income or, to the extent exceeding capital income, from earned income subject to the limitations of the Finnish Income Tax Act.

#### ***Corporate Entity or Partnership***

Interest paid to Finnish corporate entities (other than non-profit associations) and to Finnish partnerships is deemed to be taxable income of the recipient of interest. Any gain or loss realised following a disposal of the Notes will be taxable income or a tax deductible loss for the relevant Noteholder. The current tax rate for corporate entities is 20 percent. Interest paid to such Noteholders is not subject to any withholding tax.

#### ***Non-Resident Noteholders (Individuals and Corporate Entities)***

Interest paid to an individual or a corporate entity who is non-resident in Finland for tax purposes is exempt from Finnish withholding tax in accordance with the Finnish Income Tax Act (1535/1992, as amended; Fi: *tuloverolaki*) when the interest is paid on, for example, a bond. However, if a non-resident Noteholder is engaged in trade or business through a permanent establishment or a fixed place of business in Finland, the Noteholder is liable to pay income tax on all income attributable to that permanent establishment.

Capital gain arising from the disposal of the Notes is not subject to taxation in Finland for the non-resident Noteholder.

## DOCUMENTS INCORPORATED BY REFERENCE

The documents listed in paragraphs (i)–(ii) below have been incorporated by reference into this Listing Prospectus. The non-incorporated information in the documents incorporated by reference into this Listing Prospectus is not relevant for investors or can be found elsewhere in this Listing Prospectus. The documents incorporated by reference are available on the Issuer’s website:

- (i) the Issuer’s audited consolidated financial statements, including auditor’s report and the Issuer’s key figures as of and for the year ended 31 December 2023, as set out on pages 14 to 86 of the Issuer’s Financial Statements 2023: [www.pohjolanvoima.fi/wp-content/uploads/2024/03/pvo\\_financialstatements-2023.pdf](http://www.pohjolanvoima.fi/wp-content/uploads/2024/03/pvo_financialstatements-2023.pdf); and
- (ii) the Issuer’s audited consolidated financial statements, including auditor’s report and the Issuer’s key figures as of and for the year ended 31 December 2022 as set out on pages 71 to 143 of the Issuer’s Annual Report 2022: [www.pohjolanvoima.fi/wp-content/uploads/2023/03/pohjolan\\_voima\\_annual\\_report-2022.pdf](http://www.pohjolanvoima.fi/wp-content/uploads/2023/03/pohjolan_voima_annual_report-2022.pdf).

## DOCUMENTS ON DISPLAY AND AVAILABLE INFORMATION

In addition to the documents incorporated by reference, the Issuer’s Articles of Association are available on the Issuer’s website at [www.pohjolanvoima.fi/en/about-us/administration-and-organisation/](http://www.pohjolanvoima.fi/en/about-us/administration-and-organisation/).

The Issuer publishes annual reports, including audited consolidated financial statements, unaudited half-year interim financial information and other information as required by the Finnish Securities Markets Act and the rules of Nasdaq Helsinki. All annual reports, interim reports and stock exchange releases are published in Finnish and English. Such information will be available on the Issuer’s website at [www.pohjolanvoima.fi/en/investors](http://www.pohjolanvoima.fi/en/investors).

**ISSUER**

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