

An aerial photograph of a wind farm. In the foreground, a large white wind turbine stands prominently on a small clearing within a dense green forest. The forest extends to the horizon. In the distance, a body of water is visible under a clear blue sky. The sun is low on the horizon, creating a soft glow. The word "FINGRID" is written in large, bold, red capital letters in the upper right corner of the image.

**FINGRID**



**Green Finance  
Report 2025**

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# Introduction

## Fingrid at a Glance

Fingrid is Finland's transmission system operator. Our mission is to secure the supply of energy in our society in all circumstances and to promote a clean, market-based power system.

We secure Finland's energy supply by transmitting electricity through the main grid – the high-voltage network or “highway” of the power system – from production facilities to industrial customers and electricity companies. The nationwide main grid forms the backbone of the electricity transmission network, connecting major electricity producers, factories with high energy consumption, and distribution networks.

Fingrid plays a key role in the operating environment transformation that will see Finland become carbon neutral by the year 2035. By planning, building and maintaining a secure and sufficient transmission grid and a rapidly developing power system, Fingrid enables the energy transformation. In doing this work, we take care of people, environmental impacts and good governance in a responsible manner.

## Fingrid Promotes Climate Goals

In 2025, Fingrid had over a hundred power line and substation projects underway to support the energy transition. We are building the grid more than ever before, as electricity consumption is expected to increase substantially by the end of this decade due to the electrification of industry, heating, and transportation. At the same time, the structure of electricity production is changing rapidly as traditional combustion-based energy is replaced by renewable, weather-dependent production.

Investments in grid infrastructure to connect clean electricity production with consumption are essential for Finland to achieve its climate goals. The climate benefit can be illustrated through the renewable energy connected to the grid. In 2025, we connected a total of 1,509 megawatts of wind and solar power to the grid, which will indirectly avoid approximately 98,459 tons of carbon dioxide equivalent emissions annually in the coming years. Most of the electricity used in Finland is already produced by clean energy sources.

# FINGRID

## 2025 Highlights

### The Aurora Line Completed

Fingrid's most important grid investment of the decade, the 400-kilovolt Aurora Line cross-border connection, was completed in November 2025. The Aurora Line, built together with the Swedish TSO Svenska kraftnät, increases the electricity transmission capacity between Finland and Sweden by nearly a thousand megawatts.

The Aurora Line now carries emission-free wind and hydro power from Northern Sweden to the Finnish market, further strengthening Finland's clean energy system. With increased electricity availability, the power system becomes more reliable. Aurora Line also stabilizes prices as the electricity market becomes more balanced with improved availability of electricity.

The total length of the Aurora Line connection is approximately 380 kilometers, of which Finland's share is 200 kilometers.

### Fingrid's Climate Targets Approved by the Science Based Targets initiative

Fingrid received approval from the Science Based Targets initiative (SBTi) for its greenhouse gas emission reduction targets, reinforcing its commitment to climate action.

With science-based short-term targets, the company commits to reducing its absolute direct Scope 1 greenhouse gas emissions by 42% and the indirect Scope 2 emissions by 53% from the 2022 baseline by 2030. In addition, Fingrid aims to cut other indirect Scope 3 emissions by 25% by 2030, primarily from upstream material procurement in its value chain. These emissions are linked to transmission grid investments—such as power lines and substations—that enable the green transition. These goals align with the global trajectory required to limit warming to 1.5°C above pre-industrial levels.

Through its operations, Fingrid plays a pivotal role in building a low-carbon society by ensuring the transmission of clean electricity. The company implements the largest investment program in its history with a strong focus on minimizing greenhouse gas emissions.

### Pilot Use of Low Carbon Concrete in Transmission Line Foundations

Fingrid has initiated efforts to reduce CO<sub>2</sub> emissions in its grid construction by deploying low carbon concrete in the foundations of the Herva–Nuojuankangas 400 kV transmission line in North Ostrobothnia. This 117 kilometre project will incorporate approximately 2,000 concrete foundation elements, with half produced using GWP.85 low carbon concrete. This material reduces emissions by around 15% compared to standard concrete, resulting in an estimated saving of 50 tonnes of CO<sub>2</sub> during production.

The low carbon concrete maintains equivalent performance characteristics to conventional concrete, with only a slightly slower initial strength gain that does not affect the final structural integrity. As construction progresses toward its 2027 completion, Fingrid will monitor the suitability of the foundations and adjust technical requirements based on project outcomes, aligning with national classification standards to reduce the carbon footprint of concrete infrastructure.

### Fingrid's Green Finance Framework

Fingrid pioneered green financing in Finland with the launch of its inaugural Green Bond Framework in 2017, followed by the issuance of the first corporate green bond in the country. In 2023, in response to significant market developments and evolving best practices, Fingrid published its updated Green Finance Framework<sup>1</sup> to reflect the most recently applicable market guidelines and enhanced environmental benefits from eligible green projects.

Under the Framework, Fingrid can allocate proceeds from green finance instruments to assets, capex and opex for the construction and operation of infrastructure to support renewable energy transmission and distribution.

Fingrid has obtained an independent second party opinion from ISS Corporate Solutions<sup>2</sup>, dated 7 July 2023, confirming alignment of the Framework with the ICMA Green Bond Principles 2021 (including the updated Appendix I of June 2022) and the LMA/APLMA/LSTA Green Loan Principles 2023.

In March 2024, Fingrid issued its first green bond under the 2023 Green Finance Framework, followed by the issuance of a second green bond in December 2024. Prior to that in 2017, Fingrid had issued its inaugural green bond under the previous version of the Green Finance Framework.

With this Green Finance Report, Fingrid complies with the commitment assumed in the Framework to report on the allocation of net proceeds and the associated environmental impacts annually and at least until full allocation. The allocation and the impact indicators have been subject to limited assurance as stated in the assurance report included on page 11.



<sup>1</sup> [Fingrid Green Finance Framework 2023](#)

<sup>2</sup> [ISS Corporate Solutions Second Party Opinion](#)

# Reporting on the Allocation of Green Finance Proceeds

## Use of Proceeds Allocation Table (Portfolio date: 31st December 2025)

### Eligible Green Project Portfolio

Eligible Green Category	EU Taxonomy Economic Activity <sup>3</sup>	Total Eligible Green Project Portfolio (MEUR)
Renewable Energy	4.9. Transmission and distribution of electricity	2,489
<b>Total Green Project Portfolio</b>		<b>2,489</b>

The Eligible Green Project Portfolio consists of fixed assets, evaluated and selected by Fingrid's Green Finance Working Group in line with the eligibility criteria described in our Green Finance Framework<sup>4</sup>. All assets are located in Finland and included in the portfolio at their current book value, as reported on the balance sheet under IFRS,

and this value will be updated annually to reflect any changes in investment, depreciation or amortization. In line with our portfolio approach for the management of proceeds, we do not differentiate between refinancing and new financing of the green eligible projects.



<sup>3</sup> Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

<sup>4</sup> [Fingrid Green Finance Framework 2023](#)

Green Finance Instruments			
Instrument (ISIN)	Issuance Date	Maturity Date	Principal sum (MEUR)
Green Bond: XS1722899918 <sup>5</sup>	23/11/2017	23/11/2027	100
Green Bond: XS2784700671	20/03/2024	20/03/2034	500
Green Bond: XS2950696869	04/12/2024	04/12/2029	500
Green Loan	22/11/2021	22/11/2036	62
Green Commercial Paper <sup>6</sup>	N/A	N/A	270
<b>Total Green Financing</b>			<b>1,432</b>

<b>Percentage of Eligible Green Project Portfolio allocated to Green Finance Instruments</b>	58%
<b>Percentage of Eligible Green Project Portfolio unallocated</b>	42%
<b>Percentage of Unallocated Green Finance Proceeds</b>	0%
<b>Available Green Project Portfolio (MEUR)</b>	1,058

The net proceeds from the green finance instruments are managed by Fingrid in a portfolio approach and tracked and monitored accordingly.

<sup>5</sup> Impact and allocation reported separately in Green Bond Investor Letter and Impact Report  
<sup>6</sup> For reference, in 2025 the average monthly outstanding of Fingrid's Green Commercial Paper was 67 €million



# Reporting on the Impact of Green Finance Proceeds

The Impact Report is guided by the ICMA Handbook – Harmonized Framework for Impact Reporting (June 2024)<sup>7</sup> on a best effort basis. The impact is calculated from the total green portfolio. The total achieved impact of the entire green portfolio for estimated<sup>8</sup> annual avoided CO<sub>2</sub> emissions was 1.316 Mt CO<sub>2</sub> in 2025.



**Use of Proceeds Impact Table (Portfolio date: 31st December 2025)**

ICMA GBP Eligible Green Category	Eligible Green Project Portfolio	Share of Total Portfolio Financing	Eligibility for Green Finance Instrument	Estimated Annual GHG Emissions Avoided	Emissions of the Transmission Losses	Transmission Reliability in the Grid	SF6 leakage rate	Contribution to UN SDGs	Contribution to EU Environmental Objective
	MEUR	%	%	tCO <sub>2</sub>	tCO <sub>2</sub> e/year	%	%		
Renewable Energy	2,489	100	100	1,315,682	39,069	99.99995	0.05	7, 9, 13	Climate Change Mitigation

<sup>7</sup> June 2024 ICMA Harmonised Framework for Impact Reporting

<sup>8</sup> Calculation methodology of impact indicator described further on page 9

### Calculation Methodology of the Impact Indicators

The main impact indicator Fingrid reports is annual avoided CO<sub>2</sub> emissions, which are estimated based on a theoretical approach in view of the emissions avoidance effect of the eligible green projects by continuously enabling the feed-in and transmission of renewable and low-carbon electricity.

The calculation for the avoided CO<sub>2</sub> emissions resulting from the green project portfolio considers the following factors:

- Electricity production received by Fingrid into its network as a share of Finland's total electricity production.
- Total electricity production in Finland from renewable and low-carbon sources. The impact calculation considers electricity generation technologies with median lifecycle emissions below the threshold of 100gCO<sub>2</sub>e/kWh as per the IPCC assessments<sup>9</sup>, including hydroelectric, nuclear, wind and solar power.
- CO<sub>2</sub> baseline of 26 kg CO<sub>2</sub>/MWh, which is the 2025 average of CO<sub>2</sub> emission coefficient (baseline) for electricity consumption in Finland estimated by Fingrid<sup>10</sup>.

Additionally, Fingrid reports the following impact indicators:

- Emissions of the transmission losses (tCO<sub>2</sub>e/year),
- Transmission reliability in the grid (%), and
- SF6 leakage rate (%).

The calculation of the additional impact indicators is described further in Fingrid's Sustainability Statement.



<sup>9</sup> Contribution of Working Group III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change

<sup>10</sup> Fingrid real-time CO<sub>2</sub> estimate

## Building a Platform for Clean Power System



Fingrid's operating environment is undergoing profound changes driven by the energy transition. Electricity consumption in Finland is expected to double over the next decade as industry, transportation, and heating become increasingly electrified. At the same time, the structure of electricity production has shifted from traditional combustion-based energy to renewable, weather-dependent production. Today, most of the electricity consumed in Finland already comes from clean energy sources.

To meet these changes, the backbone of Finland's electricity system must be reinforced by significantly increasing transmission capacity. It is essential because production and consumption are not geographically aligned: electricity demand is concentrated in southern Finland's urban areas, while renewable generation, particularly wind power, is primarily located in northern Finland and along the west coast. In addition to expanding transmission capacity, we also need more power system reserves and solutions for managing the grid during changes and disturbances.

Fingrid currently has more than one hundred investment projects underway to support the energy transition. Alongside new transmission lines, Fingrid is building and modernising a record number of substations across Finland, enabling clean energy to be connected to the main grid.

In 2025, Fingrid published a main grid development plan that presents the development needs of Fingrid's main grid and planned investments for the next ten years. The plan is aligned with the European Union's Ten-Year Network Development Plan (TYNDP), including the plan for the Baltic Sea region. The investments will enable the electrification of existing industries and dozens of new electricity-intensive initiatives, such as data centres, hydrogen production, and e-fuel facilities. The development of the transmission grid also supports the electrification of district heating and transportation.

In addition to infrastructure, we aim to enhance the use of the transmission grid through other means as well. For example, Fingrid aims to create incentives for more efficient use of the transmission grid by reforming the main grid tariff structure.

All these measures are critical to securing a strong, reliable, and clean transmission system. A modern main grid is not only the foundation of Finland's energy transition but also a competitive advantage for the country, attracting investment and supporting sustainable growth.

**Timo Kiiveri**  
Deputy CEO  
Fingrid Oyj

# Independent Practitioner's Assurance Report

## To the management of Fingrid Oyj

### Scope of Assurance

We have been engaged by the management of Fingrid Oyj (business ID 1072894-3) (hereafter "Fingrid") to provide limited assurance on selected green finance information specified below.

### Information Subject to Assurance

The green finance information presented in Fingrid's "Green Finance Report 2025" for the reporting period 1.1.–31.12.2025 subject to the limited assurance (hereafter "Green Finance Information") consists of the following information:

- "Total Eligible Green Project Portfolio" as of 31 December 2025 on page 6 under Section titled 'Reporting on the Allocation of Green Finance Proceeds';
- "Green Finance Instruments", amounts presented in column 'Principal sum' as of 31 December 2025 on page 7 under Section titled 'Reporting on the Allocation of Green Finance Proceeds';
- "Estimated annual GHG emissions avoided" in 2025 on page 8 in the table under Section 'Reporting on the Impact of Green Finance Proceeds';

- "Emissions of the transmission losses" in 2025 on page 8 in the table under Section 'Reporting on the Impact of Green Finance Proceeds';
- "Transmission reliability in the grid" in 2025 on page 8 in the table under Section 'Reporting on the Impact of Green Finance Proceeds'; and
- "SF6 leakage rate" in 2025 on page 8 in the table under Section 'Reporting on the Impact of Green Finance Proceeds'.

### Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Green Finance Information for the reporting period 1.1.–31.12.2025 subject to the limited assurance engagement is not prepared, in all material respects, in accordance with the Reporting Criteria defined later in the report.

### Basis for Conclusion

We performed the assurance of the Green Finance Information as a limited assurance engagement in compliance with the International Standard on Assurance Engagements

(ISAE) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

Our responsibilities under this standard are further described in the *Responsibilities of the Independent Practitioner* section of our report.

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

### Independent Practitioner's Independence and Quality Management

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

KPMG Oy Ab applies International Standard on Quality Management ISQM 1, which requires the authorized audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Management's Responsibilities

The management of Fingrid Oyj is responsible for the preparation and presentation of the Green Finance Information in accordance with the reporting criteria i.e. Fingrid's Finance Framework of July 2023 published on Fingrid's webpage and Fingrid's own internal reporting principles described on page 9 of the Report ("Reporting Criteria" in this assurance report). This responsibility also includes such internal control as the management determine is necessary to enable the preparation of Green Finance Information that is free from material misstatement, whether due to fraud or error.

### Inherent Limitations in the Preparation of Sustainability Information

It is characteristic to reporting on Green Finance Information that reporting of this kind of information includes estimates and assumptions as well as measurement and estimation uncertainty. The determination of greenhouse gases is subject to inherent uncertainty due to the incomplete scientific data used to determine the emission factors.

### Responsibilities of the Independent Practitioner

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the Green Finance Information subject to the limited assurance is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the Green Finance Information.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional scepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the Green Finance Information, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. The procedures performed in a limited assurance engagement primarily consist of making inquiries and applying analytical procedures.

Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included, among others, the following:

- We interviewed the company's management and persons responsible for collecting and preparing the Green Finance Information.
- Through interviews we gained understanding of the key processes, information systems, and practical procedures related to collecting and consolidating the Green Finance Information.
- We assessed whether the assets to which the total allocated gross proceeds have been allocated are eligible assets as per the Reporting Criteria.
- We assessed the accuracy of the Green Finance Information through an inspection of the background documentation and documents prepared by the company on a sample basis and assessed whether they support the presented Green Finance Information.
- We assessed the application of the reporting principles of the Reporting Criteria in disclosing the Green Finance Information.

Helsinki, 3 March 2026

KPMG OY AB  
Heidi Hyry, Authorised Public Accountant

# Fingrid delivers. Responsibly.

For more detailed information on Fingrid and the contact persons for various functions, see the company's website at [www.fingrid.fi](http://www.fingrid.fi)

## **Fingrid Oyj**

Läkkisepäntie 21, 00620 Helsinki  
P.O.Box 530, FI-00101 Helsinki, Finland  
Telephone +358 30 395 5000



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