4/2026 Fingrid Presentation

Finland's Transmission System Operator

FINGRID

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01

Executive summary

Fingrid is the sole transmission system operator (TSO) in continental Finland[1]

Fingrid transmits in its own network approximately

85%

of electricity transmitted in Finland

Fingrid manages cross-border connections between **Finland and Sweden, Estonia and Norway**

Fingrid continuously **ensures power system production and consumption balance** in Finland

[1]Kraftnät Åland is the transmission system operator of Åland

Fingrid's network covers entire continental Finland

14,900
km of transmission lines

46,200
towers

138
Substations

76.3 TWh
transmitted electricity

99.99995%
transmission reliability rate of the main grid

1,509 MW
new wind and solar power connected to grid

02

Company overview

Growth with electricity. Responsibly.

We secure reliable electricity for our customers and society, and are shaping the power system of the future.

Together with our customers, we develop the electricity grid and electricity markets.

We operate responsibly and efficiently, and harness new technology.

We strengthen the security and reliability of the power system.

STRATEGIC TARGETS

- NEW SOLUTIONS FOR CUSTOMER NEEDS
- A MODEL THAT RESPONDS TO CHANGE
- PRE-EMPTIVE SECURITY

Vision

Clean, secure, and the most competitive electricity system in Europe

Transparent Fair Efficient Responsible

FINGRID

Strategic choices

Focusing on the mission

We carry out our mission excellently in a changing operating environment. We do not expand into new business areas, nor do we participate in competitive commercial activities.

For the customer

We actively develop our business and operating models together with customers, always prioritizing the interests of society.

International activities

We are an active operator. We work closely with European, Nordic, and Baltic transmission system operators and stakeholders to promote well-functioning electricity markets.

Market focus

We rely on well-functioning markets to deliver the best solutions. We promote efficient electricity markets by developing the rules that govern them.

Productivity and world-class expertise

We anticipate change, set clear objectives, and ensure tangible results. We secure the required core competencies and collaborate with the best partners.

Security and responsibility

Amid the transformation of the electricity system, we maintain a level of system security that is essential for society. Responsibility and safety are emphasized in everything we do.

FINGRID

Fingrid's business model and value created by Fingrid

01
INPUTS

- Suppliers and business partners
- Income and debt financing
- Electricity from power plants and neighbouring countries
- Power system flexibility from electricity market participants
- Grid transmission lines, substations and reserve power plants
- Land required for transmission lines; natural resources and materials
- ICT structures and processes
- Knowledge capital on electricity, markets and customers
- Personnel & expertise

02
SERVICES AND BUSINESS PROCESSES

Services for customers	› Grid services › Electricity market services
Ensuring transmission capacity	› Identifying customer needs › Main grid design and development › Grid building › Grid maintenance
Promoting the electricity market	› Electricity market solutions in a changing operating environment › Ensuring the functioning of the electricity market › Maintaining the regional electricity markets
System security management	› Planning of the operation of the power system › Monitoring and control of the power system › Managing disturbances and the continuity of the power system

03
OUTPUTS

- Enabling a carbon neutral energy system and the achievement of climate goals
- Reliable and clean electricity for society and industry
- Efficiently functioning electricity market
- Power system growth and promoting Finland's competitiveness
- Developing the electricity sector and expertise
- Financial benefits for stakeholders and the national economy
- Employment impacts and other local benefits of investments
- Local changes in land use and the environment, and energy losses in electricity transmission

04
OUTCOMES (CREATION OF VALUE)

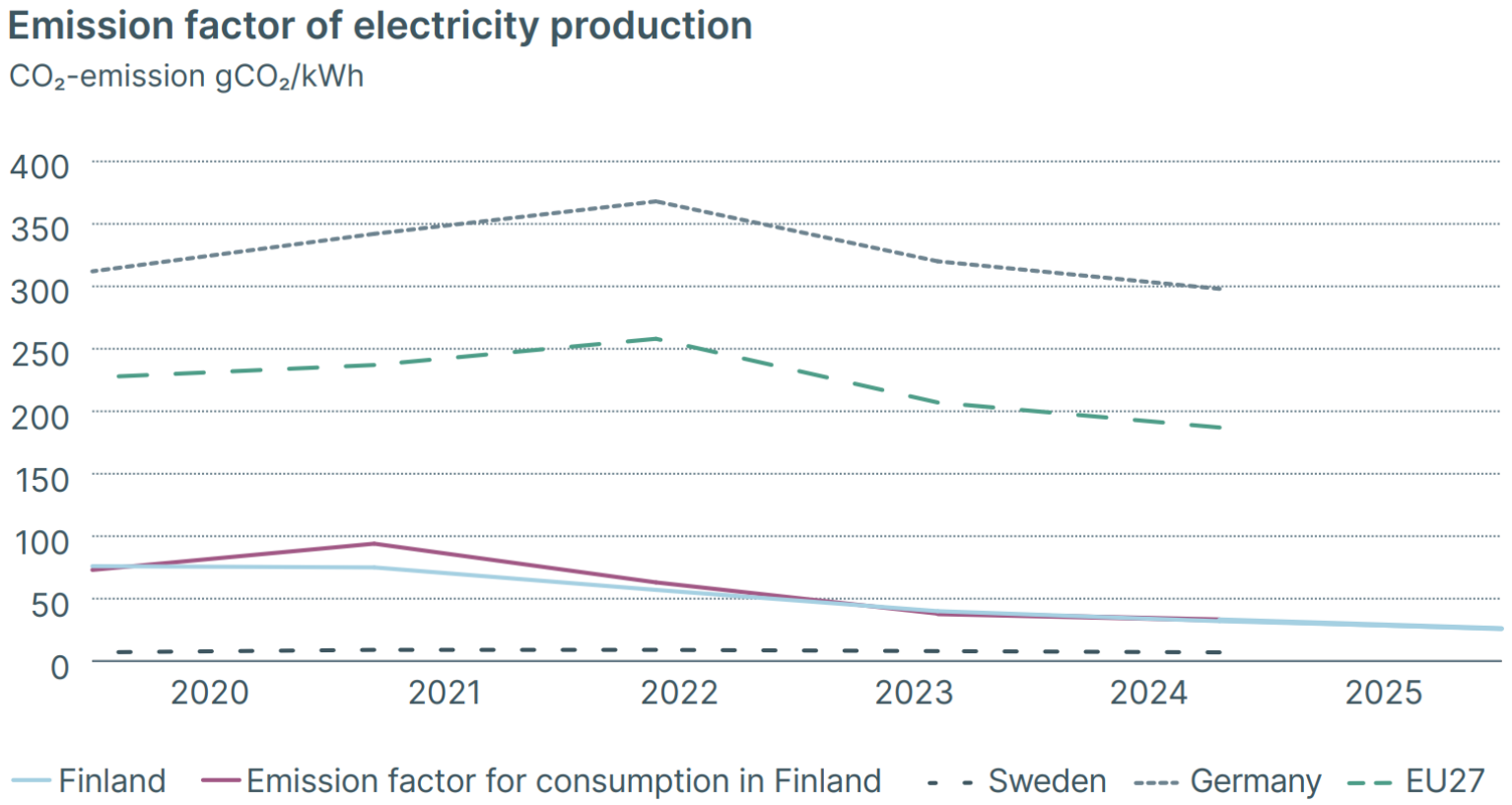
- Fingrid's nationwide main grid creates a platform for a clean power system. Around 341 kilometres of new grid transmission lines and 27 new or expanded substations. Total of 14,900 kilometres of transmission lines and 141 substations.
- Investments in the grid approx. EUR 464 million.
- Electricity transmission reliability 99.99995%.
- The average emission factor for the electricity consumed in Finland is 26 g CO_2/kWh.
- The electricity transmitted in Fingrid's network accounts for 85 % of Finland's electricity transmission.
- Wind and solar power was connected to the main grid in the amount of 1,509 megawatts, which will indirectly result in an annual emissions reduction of 98,459 carbon dioxide equivalent tonnes in the future. The reliability of cross-border transmission connections is 87.1%.
- Customers perceive that Fingrid works for the benefit of the whole of society (4.3/5).
- Personnel feel their work is meaningful and are willing to recommend their employer (eNPS 76). Combined lost time injury frequency (own personnel and service providers) 2.9.
- Dividends EUR 137.9 million (Board's proposal to the Annual General Meeting) and corporate income tax EUR 71.5 million. Payments to financers and shareholders EUR 188.1 million.
- Fingrid personnel's person-years 586 and service providers' person-years 866.
- Carbon dioxide emissions 240 903 carbon dioxide equivalent tonnes (Scope 1-3).

Corporate responsibility and the UN Sustainable Development Goals

- Fingrid has signed the United Nations' Global Compact corporate sustainability initiative and committed to its principles on human rights, labour, the environment and anti-corruption in 2016.
- Fingrid promotes the UN's Sustainable Development Goals (SDGs) in our operations. Out of the 17 goals, the ones pertaining to energy, infrastructure and climate actions are the most important for Fingrid.
- Since 2024, Fingrid has reported on corporate responsibility work in compliance with the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS).

See full report: Fingrid Sustainability Statement

Emission factor decline continued



The emission factor continued to decline, reaching 26 gCO_2/kWh, which was 21% lower than the previous year, indicating positive progress toward achieving Finland's climate targets.

Fingrid uses qualified suppliers only

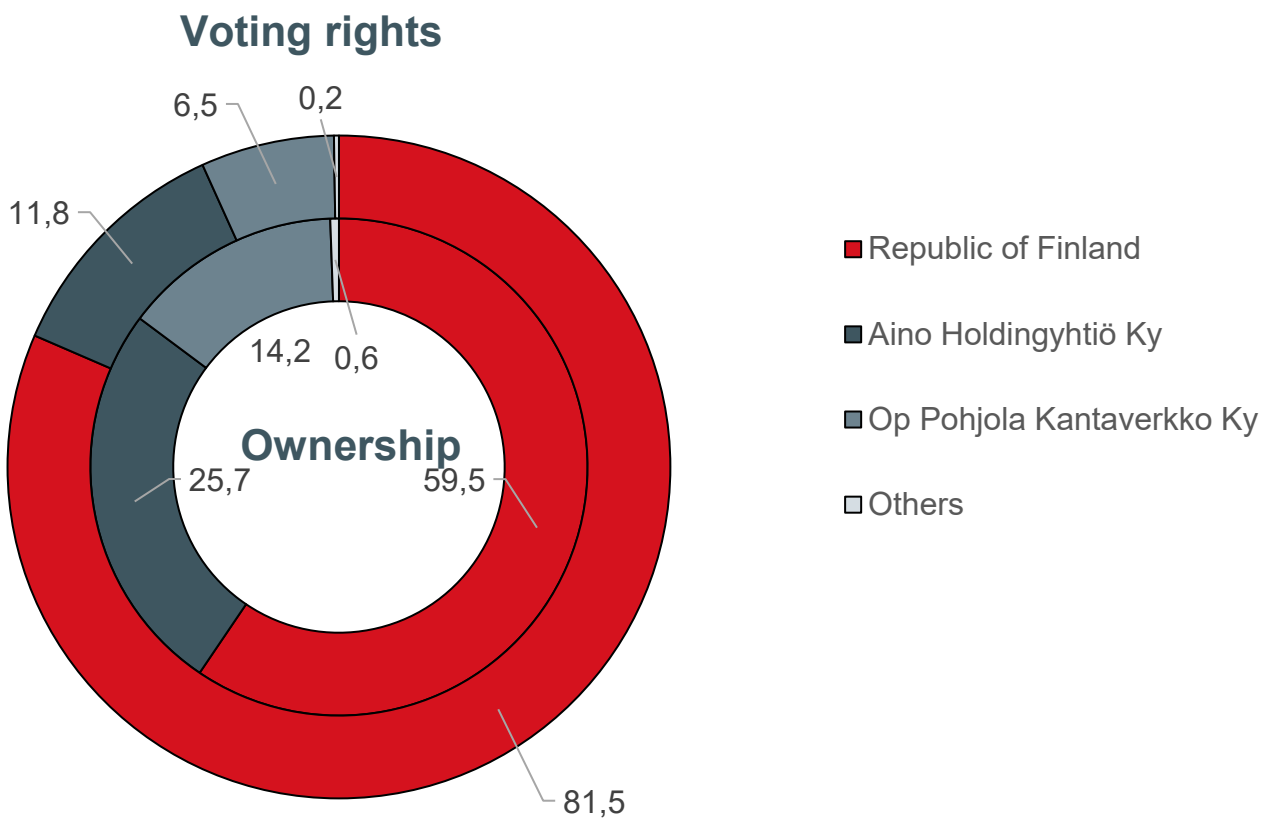
- A defined qualification process* for equipment suppliers, service providers and contractors.
- An evaluation process for qualified suppliers is done annually.
- Only qualified suppliers in Fingrid's supplier register are invited to bid for outsourced works.
- Sustainability audits are conducted among suppliers.
- Suppliers must comply with Fingrid's Supplier Code of Conduct.

* In accordance with the EU based public procurement legislation for the sector

High operational efficiency and flexibility are achieved through comprehensive outsourcing arrangements.

Hyvinkää – Hikiä transmission line construction site.

Ownership and voting rights



The State's minimum shareholding requirement in Fingrid is 50.1%.

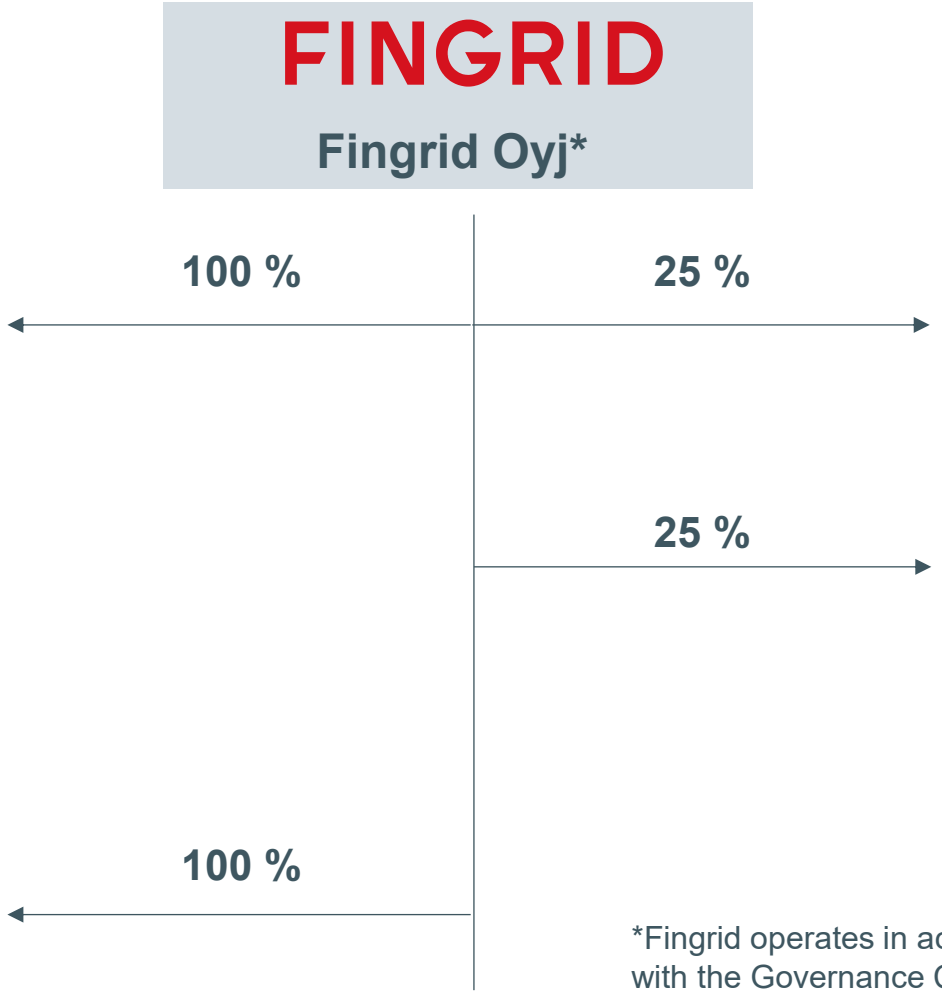
Current ownership structure: https://www.fingrid.fi/en/investors/shares-and-shareholders/

Legal structure

Subsidiaries

Finextra Oy
Peak load capacity and guarantee of origin service

Fingrid Datahub Oy
Centralized information exchange in the Finnish power market. Datahub's operations began in February 2022



Associated companies

eSett Oy
Balance settlement process on behalf of Nordic TSOs

Nordic RCC A/S
Company established in January 2022 for the incorporation of the operational planning office of the four Nordic TSOs. The company started its operations in July 2022 assuming the tasks of RSC

*Fingrid operates in accordance with good governance and complies with the Governance Code for listed companies in Finland

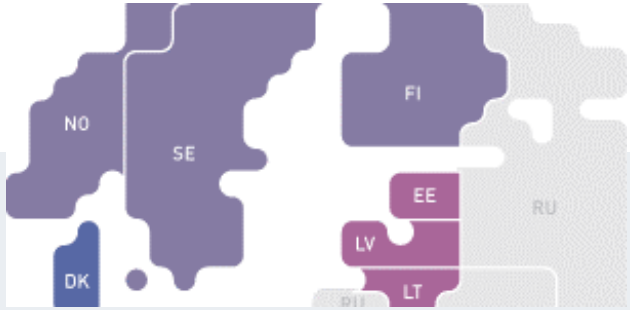
03

Operating environment

Fingrid's operating environment on three geographical levels

Europe

- Vision: integrated electricity market working on one European grid.
- Europe is replacing Russian energy with LNG and renewables, in the future hydrogen economy will have an important role.
- Big changes in the generation fleet (increase in renewables and electrification, reduction of fossil fuel use).



Baltic Sea region

- Strong connection between the Nordic region, Baltic states, Germany and Poland.
- Baltic synchronised to continental Europe in February 2025.
- The transmission capacity between Nordic region and Central Europe has increased substantially in recent years.

Finland

- Finland's target is to be carbon neutral by 2035.
- Share of renewable wind power increases without subsidies.
- Decarbonization efforts increase electricity demand when clean electricity replaces fossil fuels.
- Role of cross-border connections increases.

Towards a highly developed electricity market in Europe

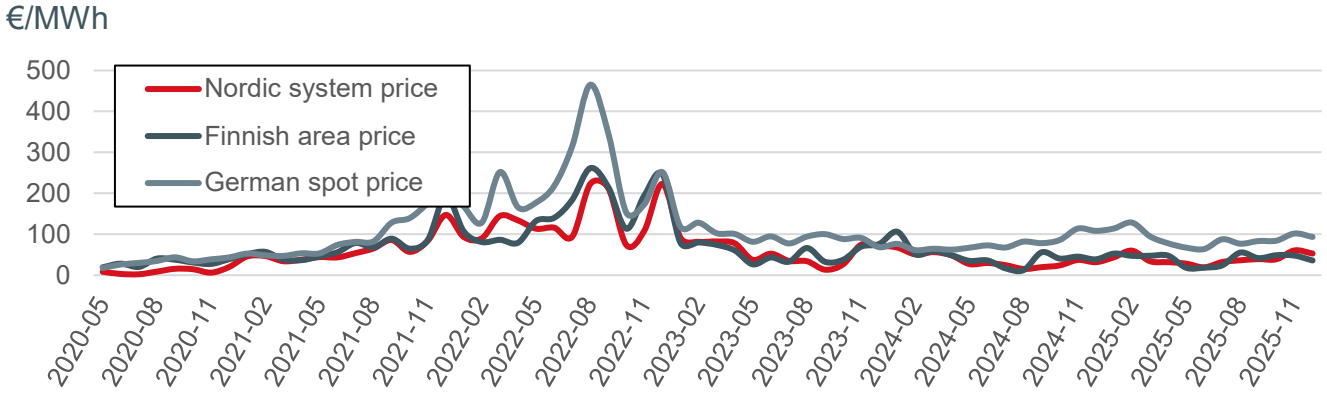
- Improving efficiency and competitiveness of the power sector
  - efficient market price
  - cross-border trade
  - efficient dispatching via "the invisible hand" of the markets
- Delivering benefits for end-users and trust to market players
- Contributing to the security of supply
- Supporting Green Deal and reaching the climate targets of the EU

Electricity market from Helsinki to Lisbon since 2014

Market coupling

Development of Nordic electricity spot prices

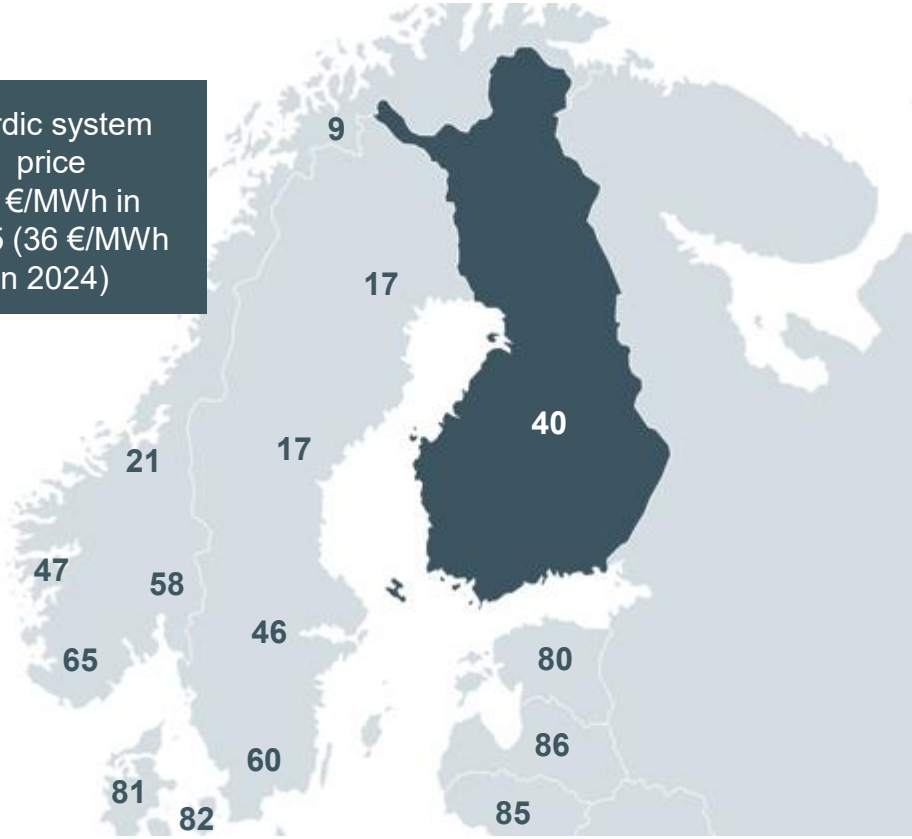
Monthly average prices in Day-ahead market



- The price of electricity has stabilized after the peak prices of the crisis winter of 2022.
- Although the average price of electricity has decreased, the variation in electricity prices has been significant. This is due to factors such as fluctuations in weather-dependent production and the availability of production facilities and transmission connections.
- In 2025, the average electricity price in Finland was 40.5 €/MWh, the lowest amongst European countries.

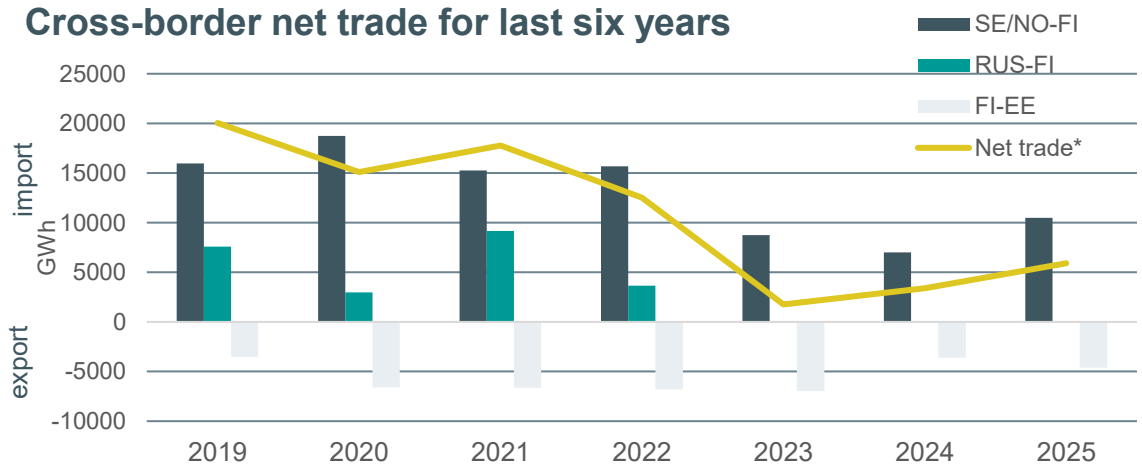
Nordic 2025 average Day-ahead prices

Nordic system price
40 €/MWh in 2025 (36 €/MWh in 2024)



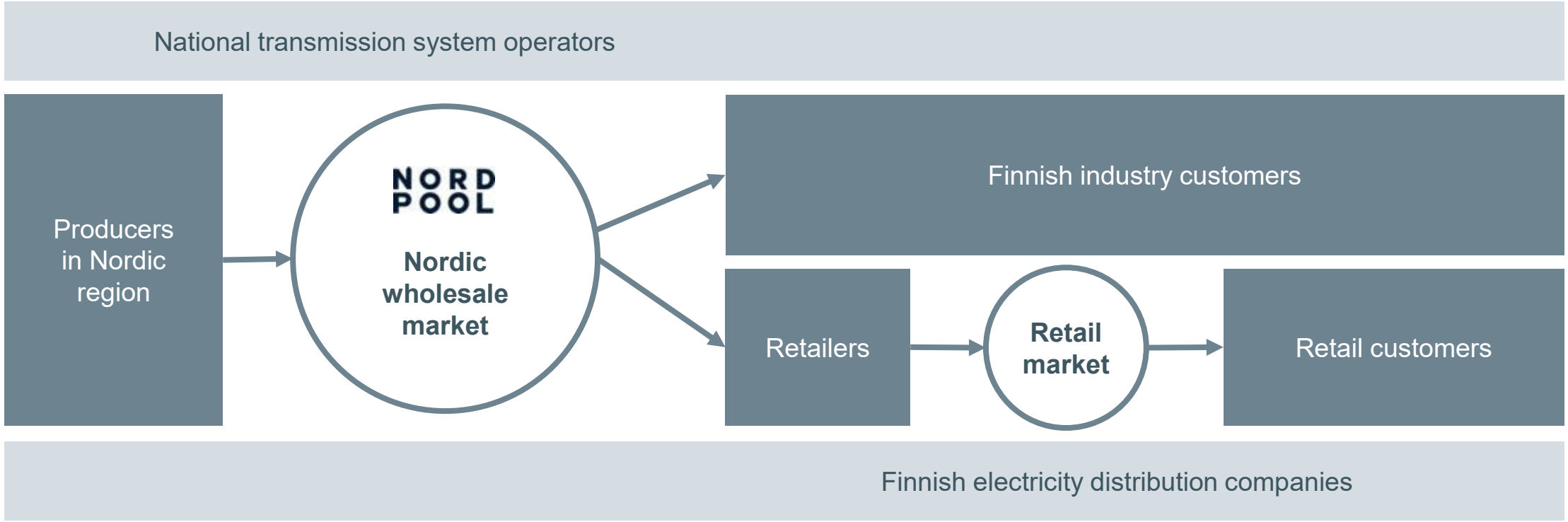
Finland is well-connected in Nordic and Baltic Sea power market

- Electricity production (79 TWh) in Finland nearly covered consumption (85 TWh) in 2025 on an annual level, although daily variation can be significant.
- Net trade increased from the previous year.
  - In 2012-2021, net imports to Finland amounted to approximately 15-20 TWh per year.
- Cross-border lines have a crucial role of limiting price differentials between the markets.
- The 400-kilovolt Aurora Line electricity transmission connection between Finland and Northern Sweden was commissioned ahead of schedule in November 2025. The Aurora Line is the most significant investment in Finland's transmission grid in a decade. The connection strengthens cross-border transmission capacity, improves electricity adequacy, and enhances the resilience of the power system.



Physical electricity market structure and business areas in the Baltic Sea area

Power generation is unregulated whereas transmission and distribution are regulated by national authorities.

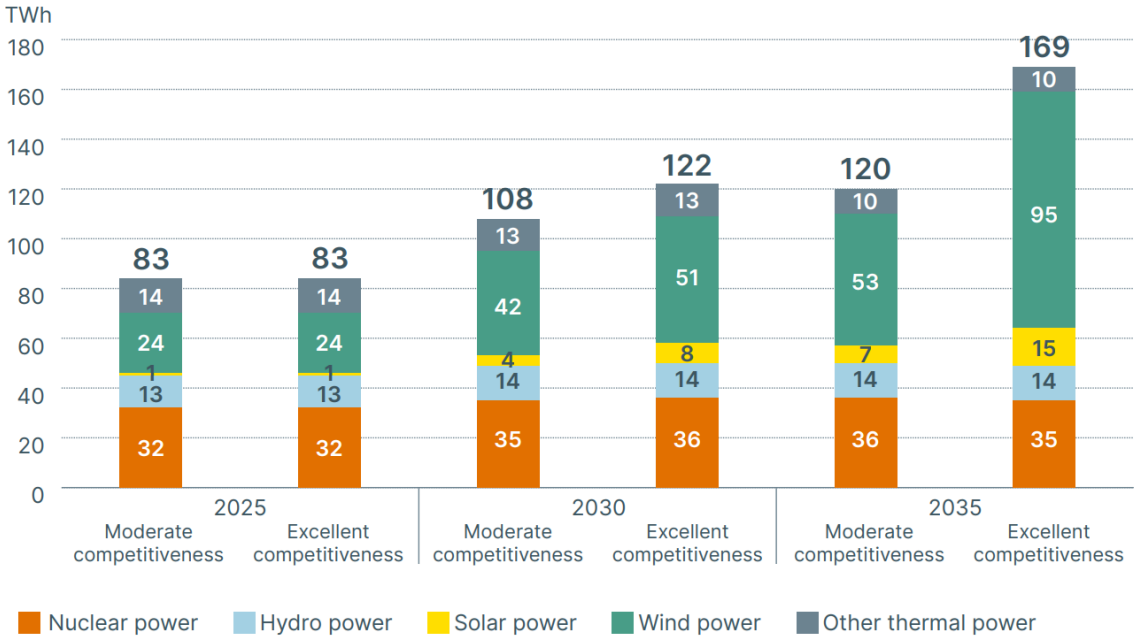


Significant increase in electricity production projected under two scenarios until 2035

- Electricity production in Finland has grown significantly. Between 2012 and 2022, production ranged between 65–70 terawatt-hours, and has since increased to over 80 TWh.
- In addition to this growth, electricity generation has become more weather-dependent, and its geographical focus has shifted increasingly toward Western and Northern Finland. This trend is expected to continue, with growth being based on wind and solar power.
- By 2030, electricity production is forecasted to reach 108–122 TWh, and by 2035, 120–169 TWh. This growth is dependent on the increase in domestic electricity consumption, which enables market-based expansion of production.

Projected development of electricity production (TWh)

Fingrid estimate, September 2025.



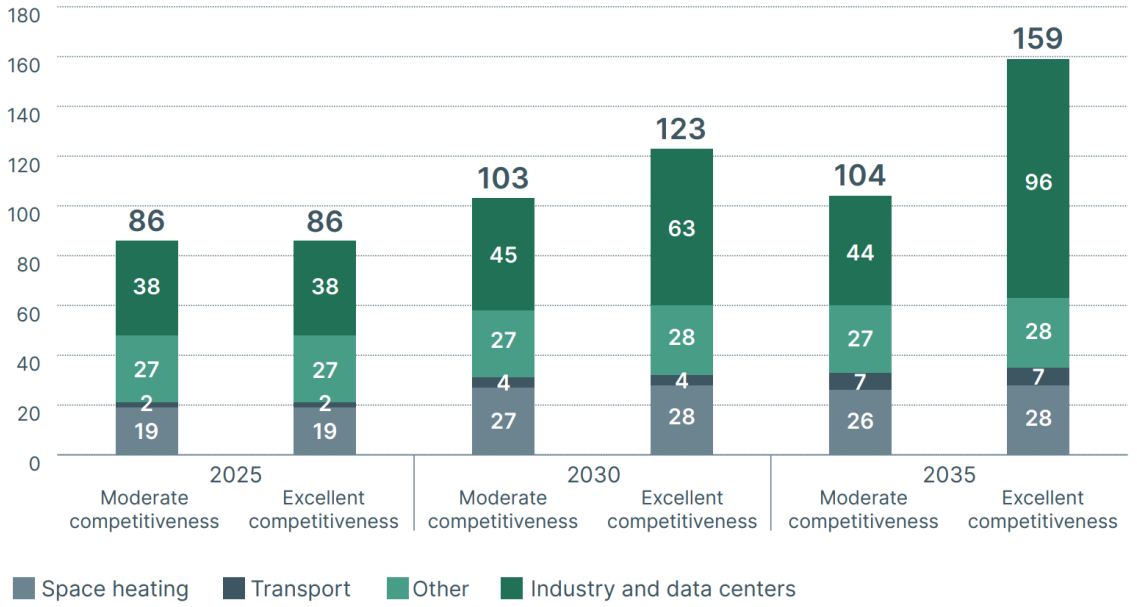
Source: https://www.fingrid.fi/globalassets/dokumentit/fi/kantaverkko/kantaverkon-kehittaminen/fingrid_energiaennuste-q3-2025-eng.pdf

Industrial electrification and data centers are the main drivers of projected electricity demand growth until 2035

- Electricity consumption is expected to increase in industry, heating, and transport. The majority of the growth included in the forecast is based on electrification of industrial processes, data centers, and the production of hydrogen and hydrogen-based derivatives.
- Connection inquiries to Fingrid related to electricity consumption have increased significantly. In 2025, Fingrid received grid connection enquiries on electricity consumption for roughly 37 gigawatts. The total peak consumption of the electricity system of Finland has been below 16 gigawatts.
- The forecasted annual growth rate of electricity consumption is approximately 6 % in the high competitiveness scenario and approximately 2 % in the moderate competitiveness scenario for the years 2024–2035.

Development of electricity consumption (TWh)

Fingrid estimate, September 2025.



Source: https://www.fingrid.fi/globalassets/dokumentit/fi/kantaverkko/kantaverkon-kehittaminen/fingrid_energiaennuste-q3-2025-eng.pdf

04

Operations

Description of operations

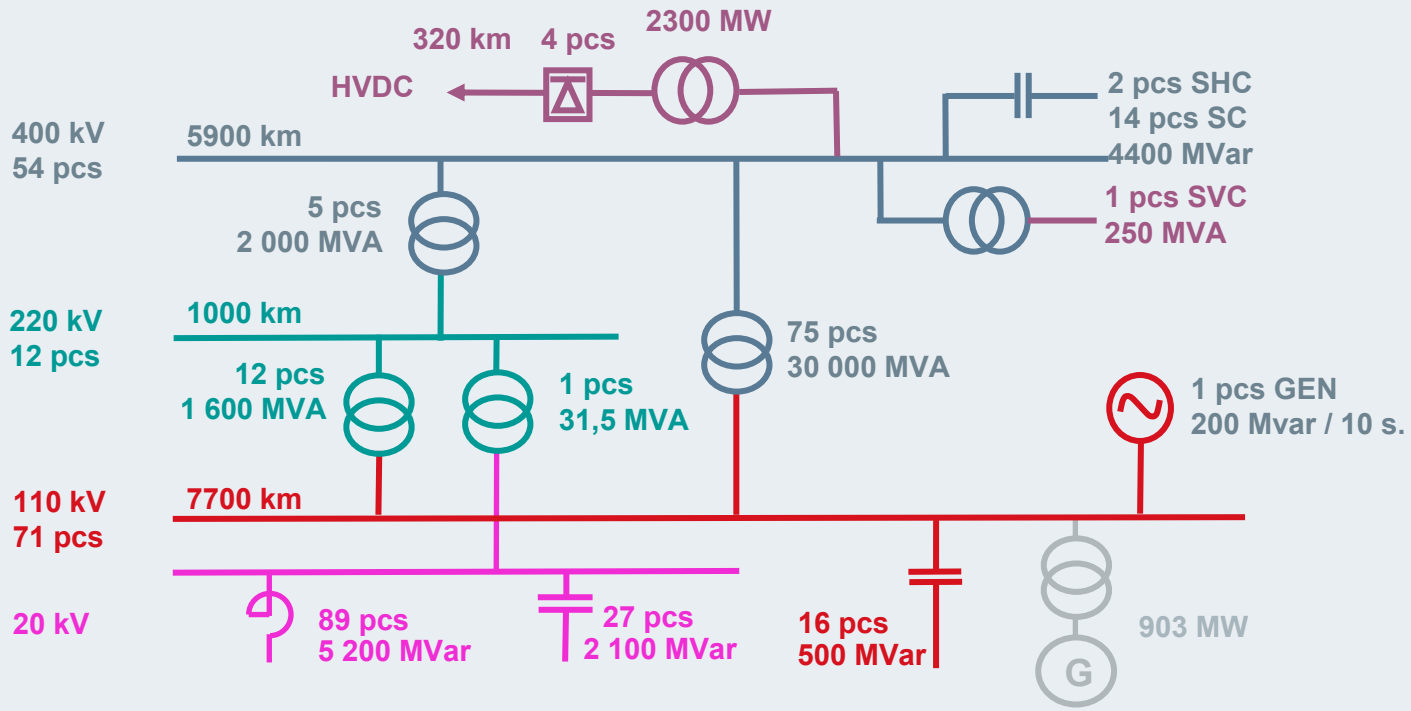
Fingrid owns and operates the transmission network in Finland

Fingrid's 400 kV power lines form the backbone of the electricity transmission network in Finland.

Fingrid also owns and operates 220 kV and 110 kV power lines.

Fingrid transmits in its own network approximately **85 %** of electricity transmitted in Finland.

Fingrid is a part of ENTSO-E, European Network of Transmission System Operators for Electricity.

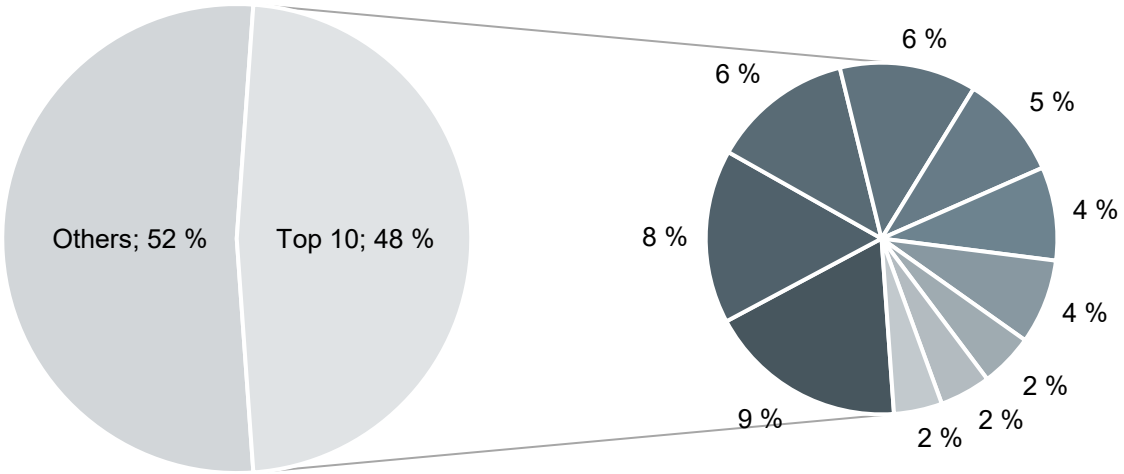


Grid service customer base consists of more than 190 entities

Credit quality of customer base is solid.

Top 10 customers 2025

* based on grid service income



- Customers comprise mainly of electricity producers, process industry and electricity distribution companies.
- Fingrid is obligated to provide its customers a network connection point .
- Ten largest customers account for 48 percent of grid service income.

Fingrid continuously maintains the production and consumption balance

- Fingrid fulfils its responsibility to maintain real-time balance in all market conditions.
- Holders of electricity production and loads can submit bids to the balancing market concerning their capacity.
- Fingrid has created a common Nordic balancing market together with other TSOs in the region.
- Fingrid's core task is to ensure network functionality with automatic and manual reserves in imbalance situations.

With clean energy transition, the procurement in the reserve markets is increasing, and significantly more supply is needed to cover this increase.

State of the power system – *illustrative example*

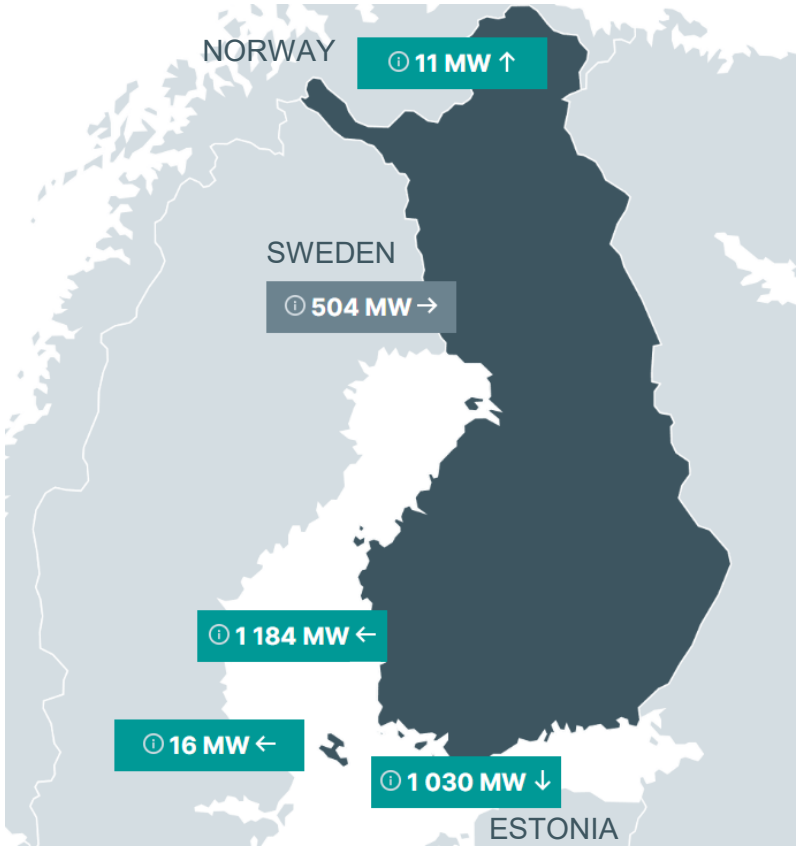
Fingrid procures the needed amount of reserve capacity to maintain the balance of the power system.

Consumption and production in Finland	Info
Consumption	**11,161 MW**
Production	**12,840 MW**
• Hydro power	1,017 MW
• Nuclear power	4,030 MW
• Solar power	3 MW
• Cogeneration district heating	383 MW
• Cogeneration industry	905 MW
• Wind power	6,317 MW
• Other production	176 MW
• Peak load power	0 MW
Net import/export	**1,679 MW**

Power balance	Info
Production surplus/deficit in Finland	115 MW
Surplus/deficit, cumulative	2 MWh
Instantaneous freq. measurement	49,978 Hz
Time deviation	14,19 s

Electricity price in Finland	Info
Elspot area price	31,48 EUR/MWh

Normal power balance	Info



Real-time information is available at: https://www.fingrid.fi/en/electricity-market/power-system/

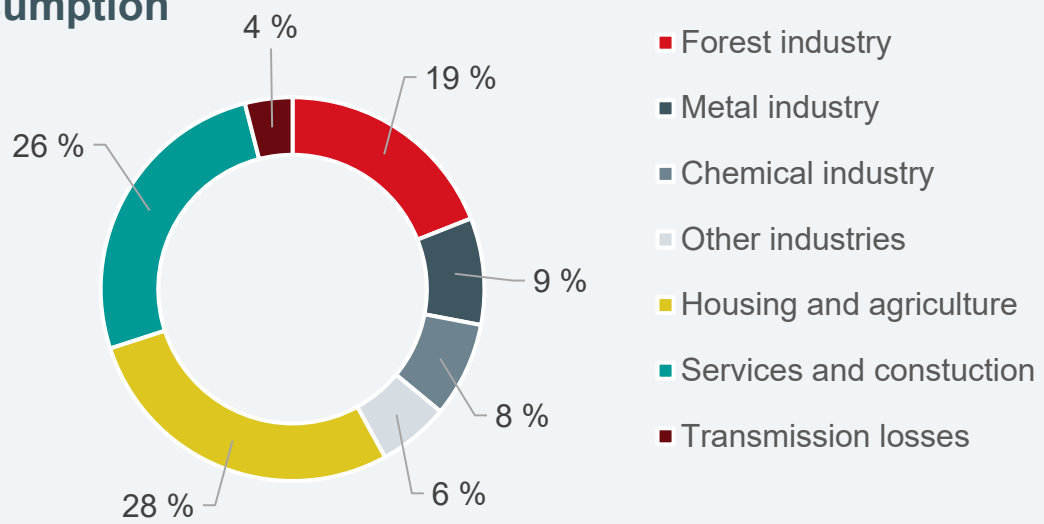
Electricity consumption in Finland

Energy-intensive industry is a major consumer in Finland accounting for 42 % of consumption in 2025.

Fingrid continuously maintains production and consumption balance.

Electricity consumption was 85 TWh in Finland in 2025. Electricity net imports accounted for 6 TWh or 6,6 % of total consumption.

Consumption



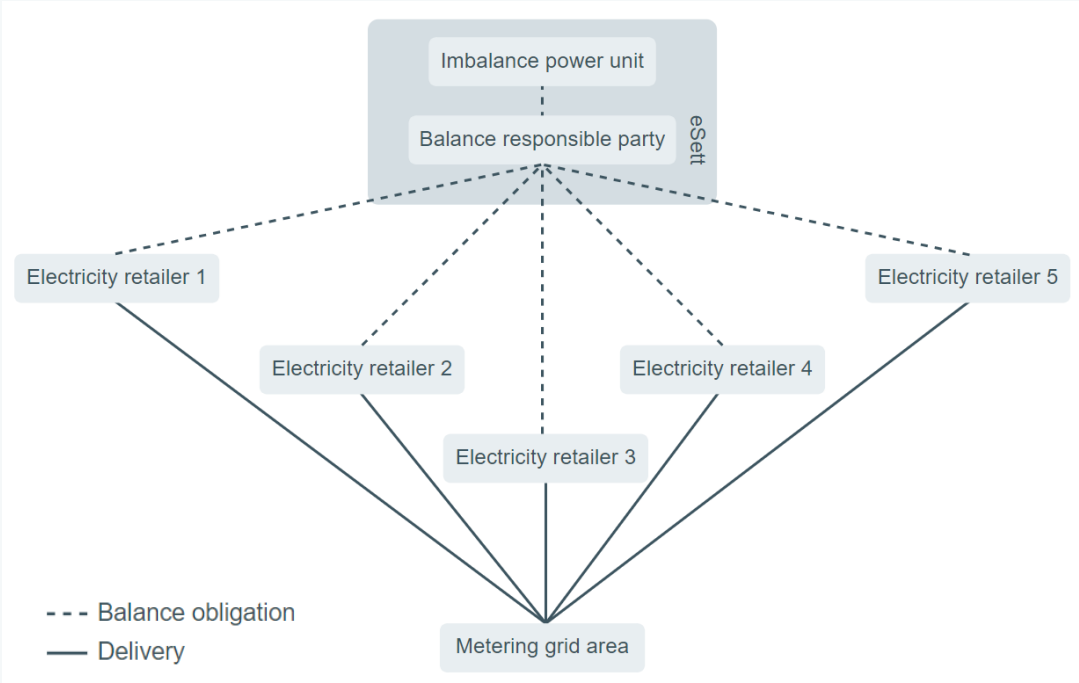
Source: https://energia.fi/wp-content/uploads/2026/01/Electricity-Year-2025-1.pdf

Advanced markets for all time frames

Financial market exchange	Nominated electricity market operator		FINGRID Statnett SVENSKA KRAFTNÄT ENERGINET eSett		
Financial market	Day-ahead market	Intra-day market	Regulating power market	Delivery	Imbalance power
			Reserve markets		
TRADING					
10 years- one day ahead	Auction: Tomorrow	Continuous trading: Tomorrow and present day	Real-time		Past−time
PRODUCTS					
Futures, DS futures, options Annual, quarterly, monthly and weekly	15 min	15 min	1-60 min		Imbalance settlement

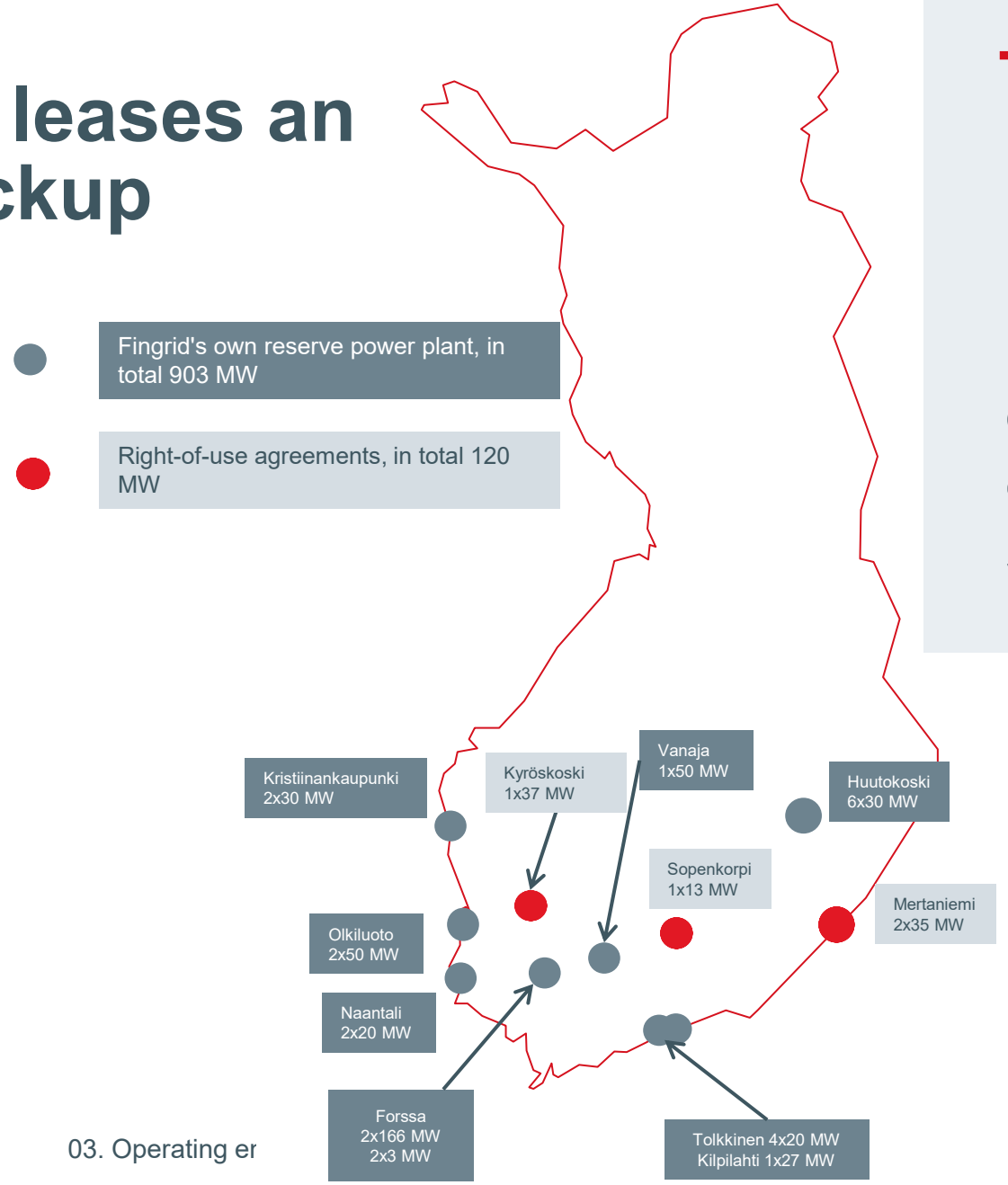
Fingrid is responsible for the imbalance settlement after delivery

- Each party operating in the electricity market must take continuous care of its power balance. In practice, an electricity market party cannot do this by itself, which is why it must have an open supplier that balances the party's power balance. A party whose open supplier is Fingrid is referred to as a balance responsible party.
- Imbalance settlement determines the electricity deliveries between the parties operating in the electricity market. The calculations carried out within imbalance settlement are based on 15-minute energies obtained from 15-minute energy measurements, load profiles and fixed deliveries.
- A service company, eSett, is responsible for the financial settlement of imbalances on behalf of Fingrid.
- eSett is equally owned by TSOs in Finland, Sweden, Norway and Denmark.



Fingrid owns and leases an assortment of backup power plants

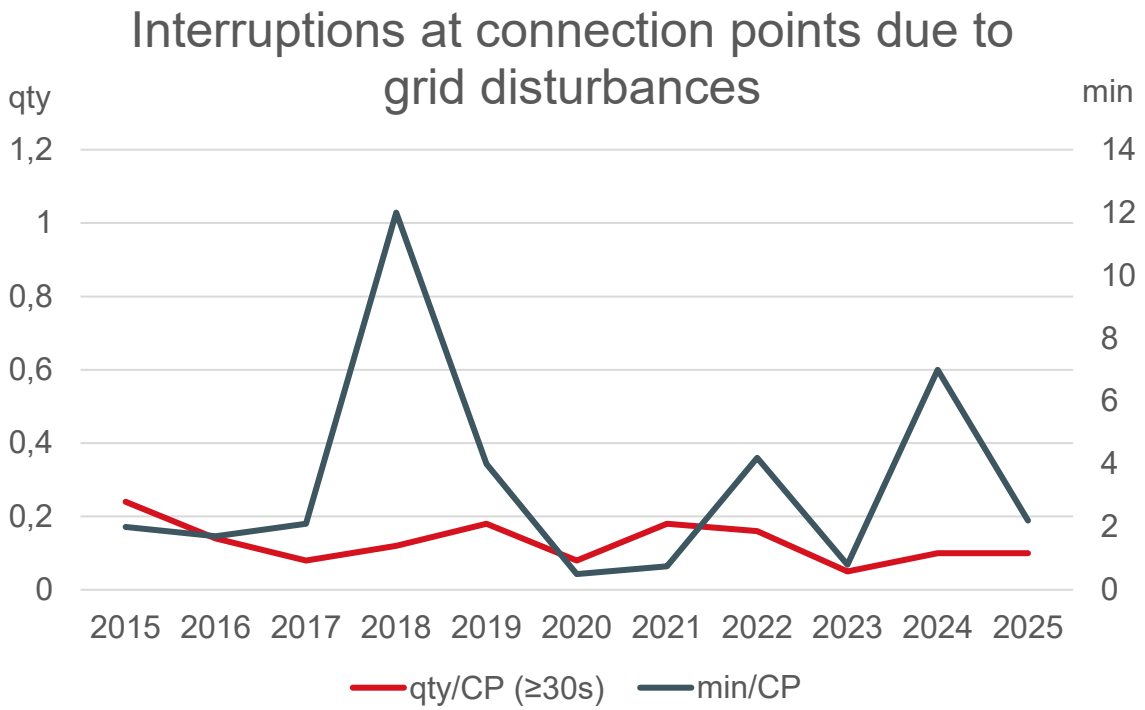
- Fingrid owns and operates 903 MW of backup power plants and has right-of-use agreements for further 120 MW. All plants can be activated within minutes.
- Backup power plants are not used to sell energy to market but solely as a reserve for imbalances and disturbances in power system.
- Fingrid's own power plants are included in the regulatory asset base.



Fingrid's own backup power plants ensure reliable activation of reserves in disturbance situations

The reliability of the Finnish power system is top class

In 2025, main grid transmission reliability remained on a high level.



- The power system generally withstands a fault in any individual component (N-1).
- The main reasons for disturbances have been lightning and other weather-related incidents (storms).
- Major part of the disturbances are cleared with automatic reclosure schemes without any manual switching operations.
- The average duration of the connection point outages is usually a couple of minutes per year.

04

Operations

Efficiency of operations

Fingrid’s world-class efficiency

Outsourced grid construction and maintenance

- Core feature of Fingrid's operating model is outsourcing e.g. grid construction and maintenance are outsourced.
- Regional maintenance is tendered among external service providers.
- Fingrid has around 84 core suppliers, of which 20 account for around 89 percent of total financial value of procurements.
- Grid construction projects are tendered among prequalified contractors (system of qualification of contractors).

High operational efficiency and flexibility are achieved through timely competitive tendering of works.

Grid maintenance is outsourced

Fingrid's efficient operations are highly recognized

Excellent results from international benchmark studies.

* 22 TSOs from around the world participated in the 2025 study

- Fingrid's Asset Management maintains an **ISO55001** Certificate
- Fingrid has continuously ranked among the best TSOs in the International Transmission Operations and Maintenance Study (**ITOMS**)*
- Fingrid took second place in an International Asset Management Study (**ITAMS)** in 2022

ISO55001
ISO 55001 is a framework for an asset management system that will help your business to pro-actively manage the lifecycle of your assets, from acquisition to decommission. This system helps you to manage the risks and costs associated with owning assets, in a structured, efficient manner that supports continual improvement and on-going value creation.

Benefits of ISO 55001
An asset management system provides a structured, best practice approach to managing the lifecycle of assets.

- Reduced risks associated with ownership of assets – anything from unnecessary maintenance costs and inefficiency to accident prevention
- Improved quality assurance for customers/regulators – where assets play a key role in the provision and quality of products and services
- New business acquisition - stakeholders gain confidence from the knowledge that a strategy is in place to ensure assets meet the necessary safety and performance requirements

Source: https://www.bsigroup.com/en-GB/Asset-Management/Getting-started-with-ISO-55001/

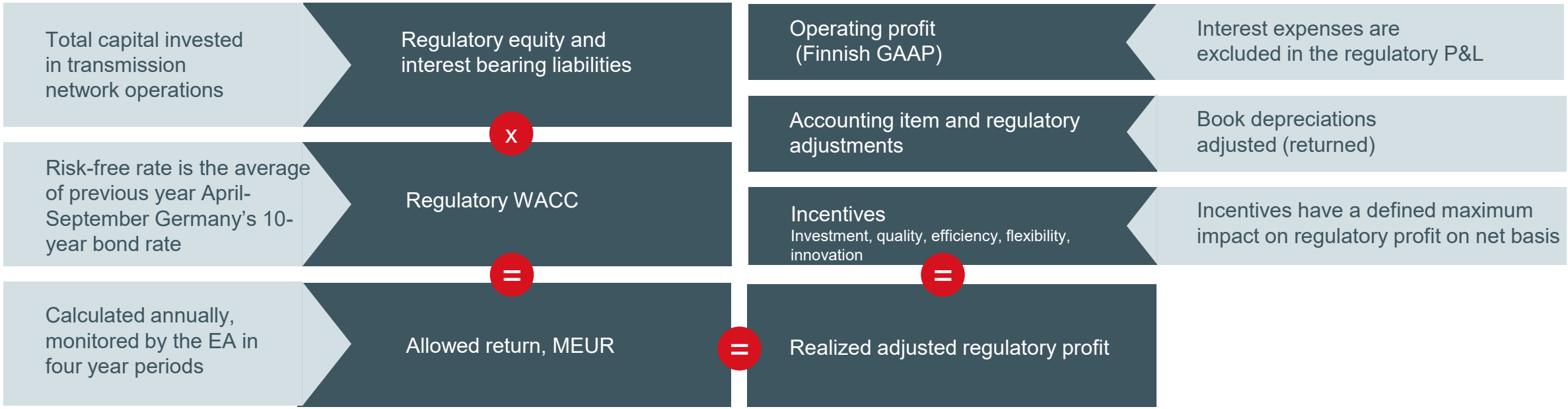
04

Operations

Earnings model

Regulatory capital and WACC defined by the Energy Authority set the allowed return

Fingrid aims to match realized regulatory profit and allowed return over the regulatory period.



Calculation of WACC in the regulatory model 2024-2031

Risk-free rate is the average of previous year April-September Germany's 10-year bond rate

Cost of equity

$C_E = R_f + \beta_{unlevered} \times (1 + (1 - t) \times D/E) \times MRP + LP + CRP$

$C_E = R_f + \beta_{levered} \times MRP + LP + CRP$

$C_{E\ 2026} = 7.16\%$

Cost of debt

$C_D = R_f + DP + CRP$

$C_{D\ 2026} = 4.21\%$

WACC

$WACC_{post\text{-}tax} = C_E \times 59/100 + C_D \times (1 - t) \times 41/100$

$WACC_{post\text{-}tax\ 2026} = 5.58\%$

$WACC_{pre\text{-}tax} = WACC_{post\text{-}tax} / (1 - t)$

$WACC_{pre\text{-}tax\ 2026} = 6.98\%$

Parameter	Parameter to be updated	Value to be applied for 2026
Risk-free rate (R_f)	Annually	2.63 %
Asset beta ($\beta_{unlevered}$)	Once every two years	0.491
Equity beta ($\beta_{levered}$)	Once every two years	0.771
Market risk premium (MRP)	Once every four years	4.61 %
Liquidity premium (LP)	Once every eight years	0.60 %
Capital structure (D/E)	Once every two years	*41/59*
Risk premium of debt (DP)	Once every two years	1.20 %
Tax rate (t)	Annually if needed	20 %
Country risk premium (CRP)	Annually	0.38 %

Energy Authority: https://energiavirasto.fi/en/pricing-regulation

Calculating the allowed return

Allowed return = WACC x Adjusted Regulatory Capital

$R_{pre\text{-}tax} = WACC_{pre\text{-}tax} \times (D+E)$

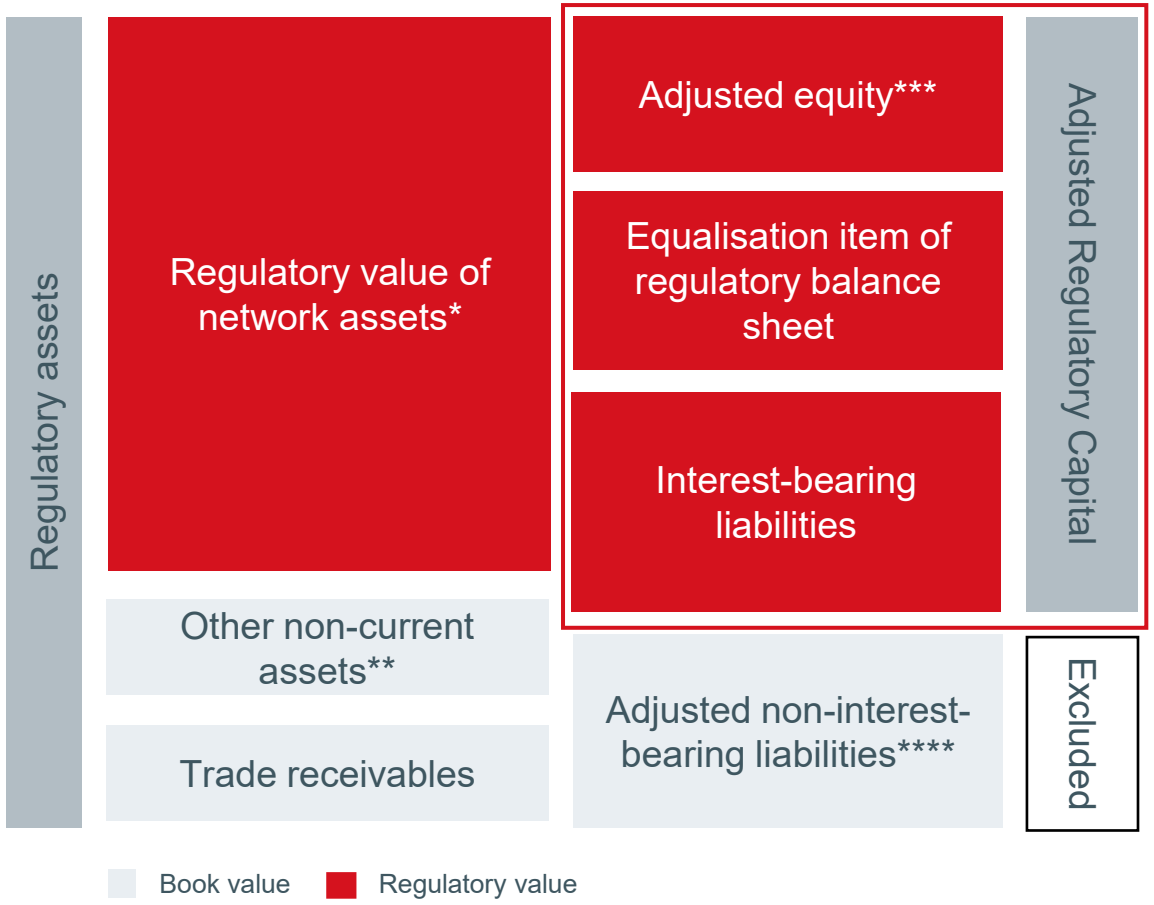
$R_{pre\text{-}tax}$ = allowed return pre-tax in euros

E = regulatory amount of equity
D = regulatory amount of interest-bearing debt

D+E = adjusted regulatory capital

$R_{pre\text{-}tax\ 2025}$ = 6.49% x ~3,800 M€ = ~245 M€[1]

Regulatory balance sheet 2024-2031



[1] Fingrid's own estimate of the realised adjusted profit for 2025
* Entire network revalued as at 31.12.2023 with 2022 unit prices. From 1.1.2024 onwards existing regulatory assets will no longer be revalued. New assets enter the regulatory asset base at the unit prices specific for the year when an asset is commissioned.
**Including investments under construction
*** Including adjustments such accumulated congestion income and accumulated depreciations difference less deferred tax liabilities
**** Including adjustments such as deferred tax liabilities of the accumulated depreciations difference and congestion income. Excluded from regulatory capital.

Deriving regulatory adjusted capital 2024-2031

- Regulatory Adjusted capital, (RAB) is derived from the adjusted replacement value of the electricity network assets, certain other assets and an equalization item in equity.
- The adjusted replacement value for investments made prior to 2024 is valued by using grid component unit prices for 2022 and grid components in use in 2024. For new investments made from 2024 onwards, the adjusted replacement value is achieved by using the grid component unit prices of the investments at the year when commissioned.
- All components have expected lifetimes and frozen unit prices which determine the regulatory present value of the electricity network and with other non-current assets and trade receivable form regulatory asset at any given year.
- An equalisation item of regulatory equity is used to match regulatory equity and liabilities with regulatory assets.
- Regulatory Adjusted capital (RAB) for calculating allowed return consists of regulatory equity and regulatory liabilities excluding non-interest bearing regulatory liabilities.

ADJUSTED REPLACEMENT VALUE (RV) OF THE ELECTRICITY NETWORK

$$RV_n = RV_{<2024} + \sum_{2024}^{n} \left(INV_{amount_t} * Unit\ price_t - Decomissions_t\right)$$

(for all grid components)

Adjustment by using expected lifetimes of grid components

REGULATORY PRESENT VALUE (PV) OF THE ELECTRICITY NETWORK

$$PV_n = \left(1 - \frac{average\ age_n}{lifetime}\right) * RV_{<2024_n} + \left(1 - \frac{age_n}{lifetime}\right) * RV_{t_n}$$

(for all grid components)

Other noncurrent assets and trade receivables are added

REGULATORY ASSETS

$$= regulatory\ present\ value\ of\ the\ electricity\ network + other\ noncurrent\ assets + trade\ receivables$$

The equalisation item in the equity section of balance sheet balances regulatory equity and liabilities with regulatory assets

REGULATORY ADJUSTED CAPITAL

$$= regulatory\ equity + regulatory\ liabilities\ (excluding\ non - interest\ bearing\ regulatory\ liabilities\ from\ allowed\ return\ calculation$$

Limited contribution from incentives and adjustments to allowed return 1/2

Incentives in calculation of realized regulatory profit in regulatory model 2024-2031	
Investment incentive	Promotes reasonable and cost-efficient investments by allowing straight-line depreciations based on the replacement value of the transmission network assets. Benefit from investment incentive is obtained if the investments are made on average at lower than regulatory unit prices. Benefit is shared between TSO and customer 85/15.
Quality incentive	Cost for the society from non-delivered electricity caused by disturbances and fast reclosing operation, max +/- 3 % of allowed return.
Effiency incentive	Max +/- 10% of allowed return. General efficiency target is 0% in regulatory period 2024-2027 and 1% in regulatory period 2028-2031.
Innovation incentive	Max + 0,5% of turnover is reimbursed in allowed return.
Flexibility incentive	Max + 1% of turnover in regulatory period 2024-2027 and max +/-2% of turnover in regulatory period 2028-2031.

Limited contribution from incentives and adjustments to allowed return 2/2

Adjustments in calculation of realized regulatory profit in regulatory model 2024-2031	
Congestion income	Treated separately from the regulatory allowed return but congestion income booked through profit and loss to cover costs or to reduce tariffs affect realized regulatory profit. Components financed by congestion income are not included in the adjusted replacement and present value of the electricity network. Straight-line depreciation is applied for components financed with congestion income.

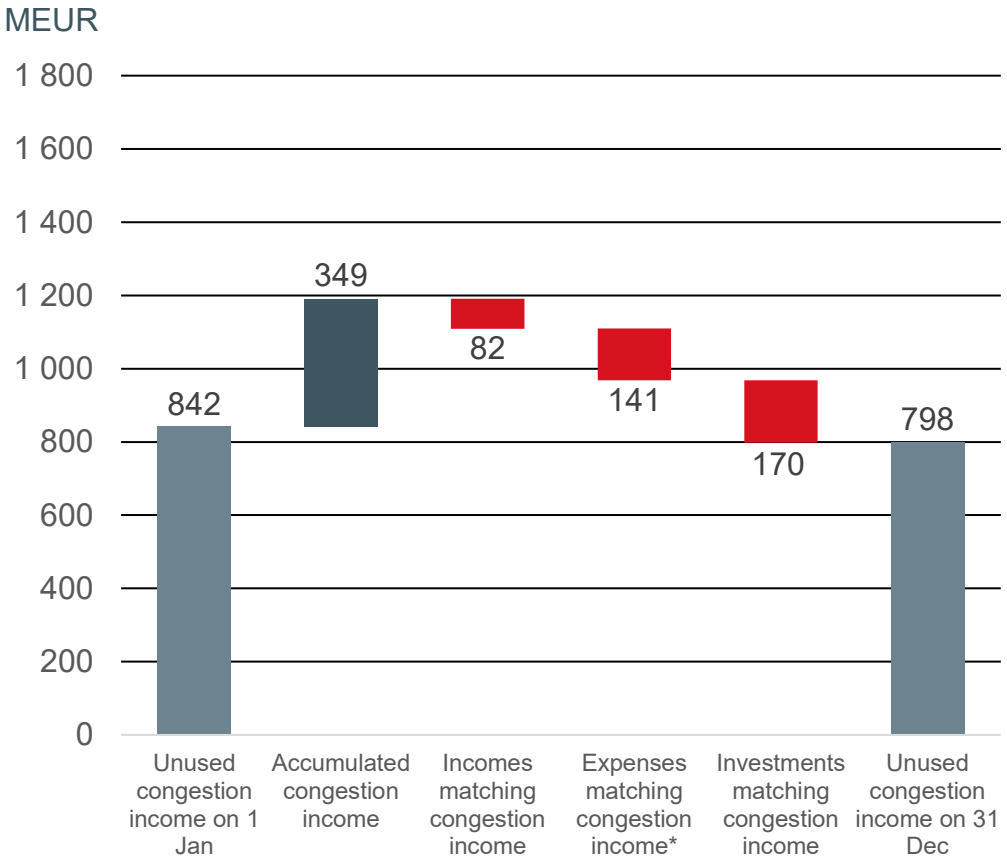
Congestion income

- The European electricity wholesale market consists of several price areas connected by transmission links. The purpose of the electricity market is to match the demand for electricity with supply at the lowest possible price at each given moment throughout Europe. If the need for electricity transmission between areas exceeds the physical capacity of the transmission lines, a price difference arises between the areas. This is known as congestion in the electricity market.
- Congestion income arises in the electricity market when the transmission capacity between bidding zones is too low to even out the difference between supply and demand in the market areas. The market areas become separate price areas, and a buyer in one area pays a different price than someone in another area. The congestion income is obtained by multiplying the amount of electricity to be transmitted between the price area by the price difference:
  - *Congestion income [€/hr] = Transmission in the day-ahead market [MW] * Price difference between areas [€/MWh].*
- The power exchange accrues the price difference in the form of congestion income, which the power exchange pays to the transmission system operators on both sides of the price area.

Congestion income accruing from the connections between Fingrid and other TSOs is divided between the TSOs

Congestion income 2025

Congestion income Jan 1 2025 – Dec 31 2025



*Financial transmission rights (FTR) and cross-border capacity costs

Congestion income is used for the benefit of the company's customers in transmission capacity investments that improve the functioning of the electricity markets

- In 2025, Fingrid's congestion income generated through cross-border transmission connections slightly higher than last year's due to the higher electricity area price differences between Finland and Estonia and Finland and Sweden. Accumulated congestion income amounted to MEUR 349 in 2025.
- Last year, a total of MEUR 82 in congestion income was recognized in turnover, MEUR 141 in other operating income and MEUR 170 was used for completed investments. MEUR 798 in congestion income was left unused and will be used in accordance with EU regulation and the decisions by the Energy Authority.

Accounting treatment of congestion income 1/2

- **Congestion income received is booked via operating cash flow in cash and accrued liabilities, no income statement impact.**
  - Fingrid currently receives congestion income from cross-border price area differences between Finland and Estonia and Finland and price areas in Sweden.
  - Congestion income is booked via operating cash flow into Fingrid's balance sheet in cash and non-interest bearing liabilities (short- and long term accrued liability) when received, and hence there is no impact on the company's IFRS (or regulatory) profit and loss statement when received.

- **Use of congestion income**
  - Congestion income must be used for i) cross-border investments ii) defined costs related to cross-border capacity, and/or iii) tariffs as defined in EU regulation and approved by the Energy Authority. There is no timeline in regulation by when the accrued congestion income needs to be used.
  - Congestion income used for investments is reducing cash when investments are being constructed. While the investment is being constructed the asset is in balance sheet under prepayments and purchases in progress. Once investment is commissioned, corresponding amount to the cost of investment is deducted from accrued liability and fixed assets (IFRS), but Fingrid owns and operates the asset.
  - Congestion income used for costs and/or tariffs is deduced from accrued liability from the balance sheet and is booked via Fingrid's profit and loss statement in turnover and in other operating income increasing net profit and in cash flow statement reducing operating cash flow correspondingly (non-cash adjustment).

Accounting treatment of congestion income 2/2

- **Congestion income and taxes**
  - No tax is payable when congestion income is received.
  - When congestion income is used for investments, Finnish corporate tax (20%) is paid. However, this also creates a corresponding tax receivable, which the company receives fully back in the following years.
  - When congestion income is used for covering costs and/or tariffs, this increases pre-tax profit for which Finnish corporate tax (20%) is paid.

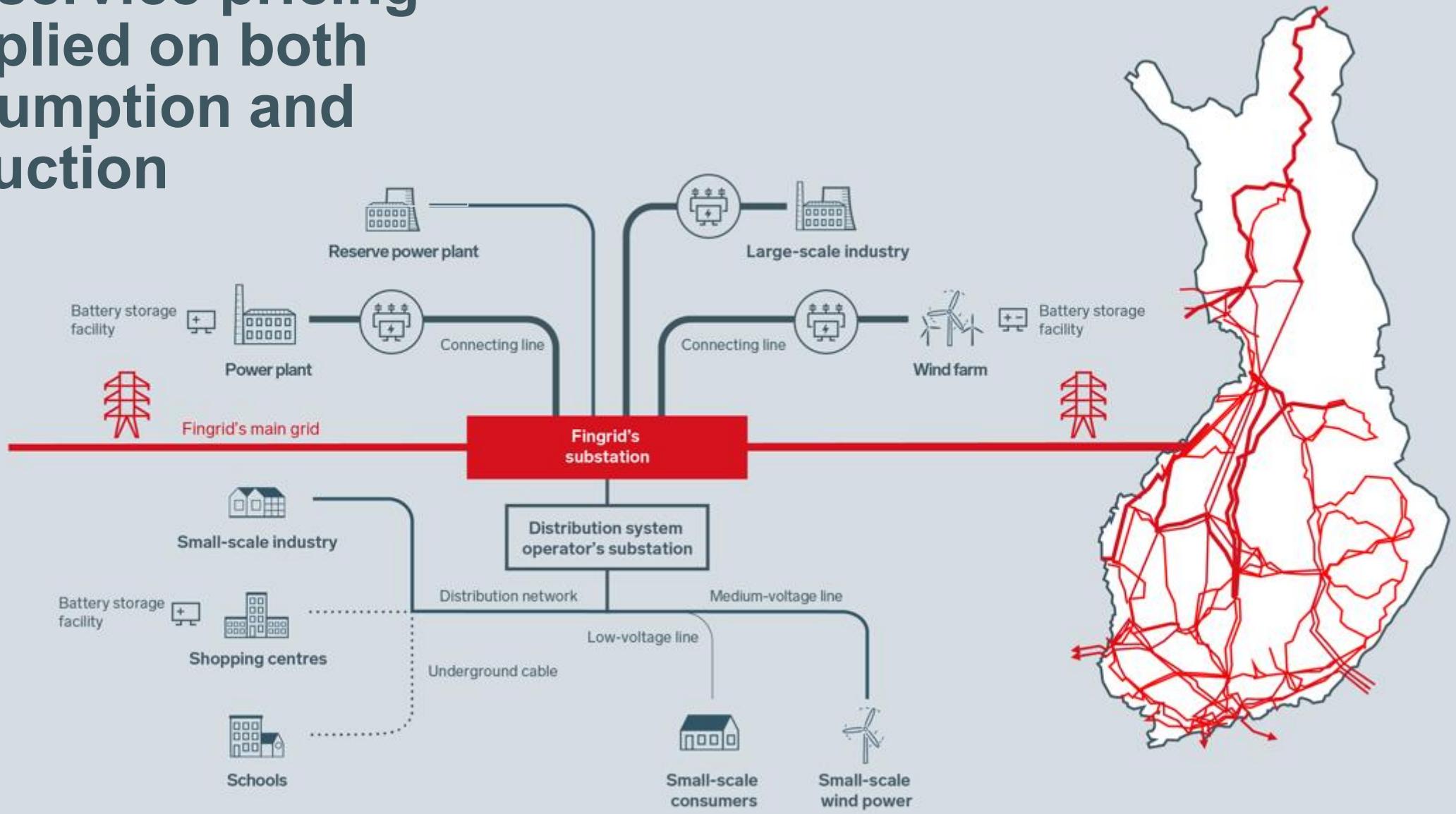
- **Congestion income and regulatory methods**
  - Congestion income does not increase Fingrid's regulatory allowed return which is defined as RAB x WACC.
  - Congestion income used for covering costs or waiving tariffs increases Fingrid's regulatory realized profit as operating profit increases.
  - Congestion income used for cross-border investments does not increase RAB. However, a regulatory depreciation is received (recovered in tariffs) despite the asset is not in RAB.

04

Operations

Pricing

Grid service pricing is applied on both consumption and production



Grid service pricing is applied on both consumption and production

Transmission prices are seasonally adjusted and charged on consumption and use of grid.

Fingrid defines the grid service pricing structure (in co-operation with its customers), which is approved by the Energy Authority.

Grid service fees	2026
Consumption, winter weekday*	10.47 €/MWh
Consumption, other times	2.97 €/MWh
Use of grid, output from the grid	1.07 €/MWh
Use of grid, input into the grid	0.71 €/MWh
Generation capacity fee for power plants	189.50 €/MW, month
Reactive power fee	1,000.00 €/Mvar, month
Reactive energy fee, output	5.00 €/Mvarh

* Winter weekday December – February 7 am – 9 pm

04

Operations

Investments

Investments are based on grid development plans

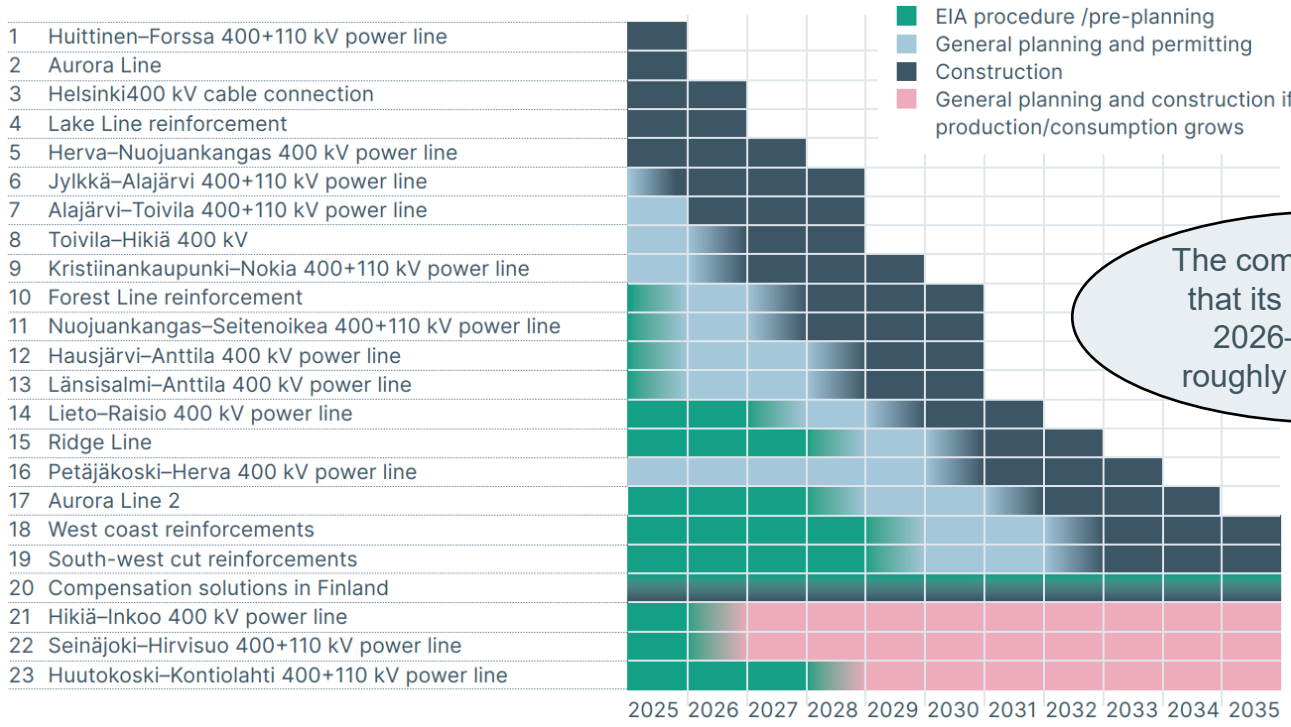
- Grid development plans are prepared at three levels, i.e. European, regional and national.
- Fingrid decides on investments based on customers' needs, transmission system security and network capacity.
- Before network construction commences, all environmental and planning permits are in place.
- In 2025, Fingrid’s major investments progressed well on schedule or even ahead of schedule.

Fingrid estimates that total investments will reach EUR 5.2 billion in 2026–2035.*

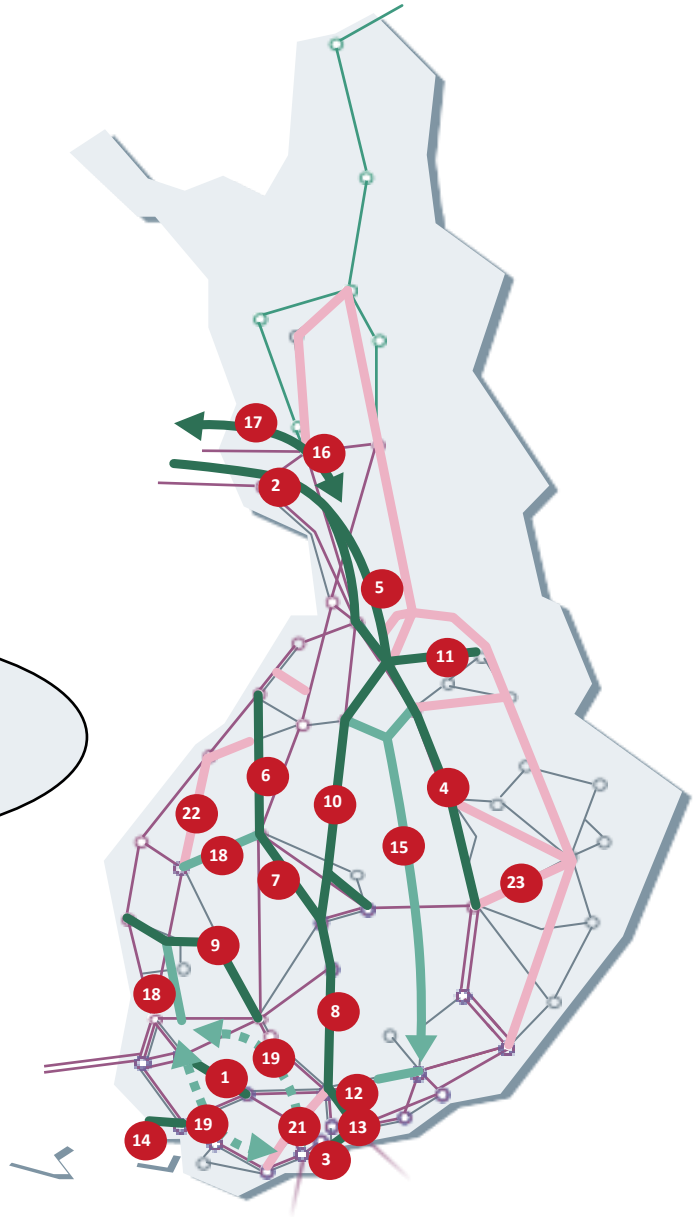
* As reported in the 2025 financial statements.

Fingrid to enable Finland's green transition through its investment programme

Estimated timeline of selected capex projects



The company estimates that its investments in 2026–2029 will be roughly EUR 2 billion.*



* As reported in the 2025 financial statements.

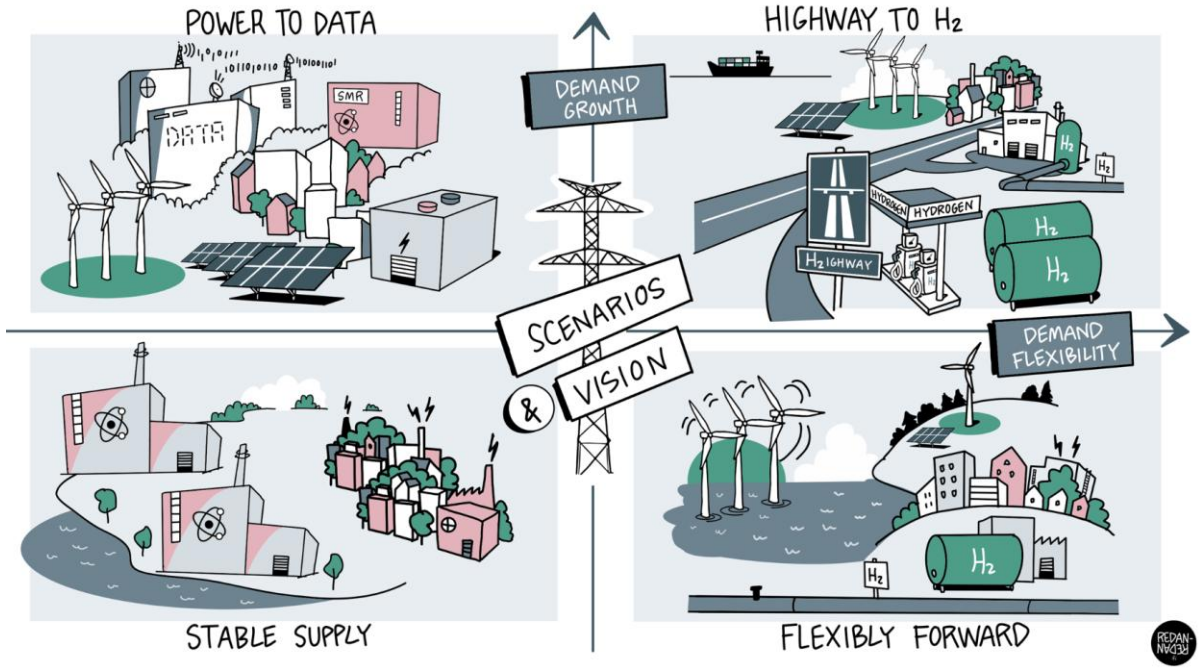
Electricity system vision 2040

Power to Data

Significant growth of onshore wind power and solar power widely in Finland, including Eastern Finland and Eastern Lapland.

Stable Supply

More moderate consumption growth, but large conventional nuclear power plants will have a significant impact on grid development.



Highway to H_2

Very strong growth in consumption and onshore wind power, especially in western and central Finland. The role of the interaction between electricity and hydrogen systems is emphasized.

Flexibly Forward

The role of flexible electricity consumption in cities is emphasised in the growth of consumption, while electricity production is strongly focused on the west coast due to the growth of offshore wind power.

See the full report (in Finnish): https://www.fingrid.fi/globalassets/dokumentit/fi/kantaverkko/kantaverkon-kehittaminen/sahkojarjestelmavisio-2025/fingrid-sahkojarjestelmavisio-2040.-loppuraportti-10_2025.pdf

05

Financials

Full Financial Statement:
Annual review and financial statements 2025

Fingrid Oyj consolidated profit and loss (IFRS)

IFRS profit and loss 2021–2025 in MEUR

	2025	2024	2023	2022	2021
TURNOVER AND OTHER INCOME	**1272**	**1403**	**1313**	**1987**	**1156**
Materials and services	-775	-932	-915	-1509	-774
Personnel expenses	-53	-48	-43	-38	-34
Depreciation	-138	-129	-123	-108	-100
Other operating expenses	-58	-94	-231	-41	-38
OPERATING PROFIT (EBIT)	**249**	**201**	**1**	**290**	**211**
Finance income and costs	-26	-15	0,2	-33	-23
PROFIT BEFORE TAXES*	**223**	**186**	**1,3**	**257**	**188**
Income taxes	-44	-37	0,2	-52	-38
PROFIT FOR THE PERIOD	**179**	**149**	**1,2**	**206**	**150**
Other comprehensive income**	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	**179**	**149**	**1,1**	**206**	**150**

* Includes share of profit of associated companies
** Other comprehensive income consists of cash flow hedges, translation reserves and available-for-sale financial assets.

Fingrid Oyj consolidated assets (IFRS)

IFRS assets 2021–2025 in MEUR

	2025	2024	2023	2022	2021
Intangible assets	245	250	254	252	244
Tangible assets	2497	2332	1989	1798	1784
Right-of-use-assets	55	50	30	29	30
Investments (associated companies and available for sale)	14	14	13	13	9
Receivables	105	75	58	118	61
NON-CURRENT ASSETS	**2916**	**2802**	**2420**	**2210**	**2128**
Inventories	23	21	19	19	14
Derivative instruments	3	12	36	166	64
Trade receivables and other receivables	143	128	67	88	134
Financial assets recognised in income statement at fair value	70	145	133	350	120
Cash and cash equivalents	539	611	254	383	99
CURRENT ASSETS	**778**	**917**	**509**	**1007**	**432**
TOTAL ASSETS	**3694**	**3719**	**2929**	**3217**	**2559**

Fingrid Oyj consolidated liabilities (IFRS)

IFRS liabilities 2021–2025 in MEUR

	2025	2024	2023	2022	2021
Share capital and premium	112	112	112	112	112
Retained earnings	532	488	476	608	535
Other equity	0	0	0	0	0
EQUITY	**644**	**600**	**588**	**720**	**647**
Borrowings	1461	1491	627	963	994
Other non-current liabilities	827	774	666	866	510
NON-CURRENT LIABILITIES	**2288**	**2265**	**1293**	**1829**	**1504**
Borrowings	299	318	340	63	133
Derivative instruments	7	19	1	0	3
Trade payables and other liabilities	453	514	704	604	273
CURRENT LIABILITIES	**767**	**854**	**1049**	**667**	**408**
TOTAL EQUITY AND LIABILITIES	**3694**	**3719**	**2929**	**3217**	**2559**

Fingrid Oyj consolidated cash flow (IFRS)

IFRS cash flow 2021–2025 in MEUR

	2025	2024	2023	2022	2021
Cash flow from operations	445	245	221	910	494
Change in working capital	6	-54	-7	84	-33
Net cash flow from operations	**451**	**191**	**214**	**994**	**461**
Net cash flow from investments	-331	-538	-152	-247	-210
Net cash flow after investments	**120**	**-347**	**62**	**747**	**251**
Net borrowings	-57	841	-59	-101	-22
Dividends paid	-135	-137	-133	-133	-136
Net cash flow from financing activities	**-192**	**704**	**-192**	**-234**	**-158**
Net change in cash and cash eqv.	**-72**	**358**	**-130**	**514**	**94**
Cash and cash equivalents 1 Jan	611	254	383	220	126
Cash and cash equivalents at the end of period	539	611	254	733	220

Thank you!

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