GREEN FINANCE FRAMEWORK 2026

12 May 2026

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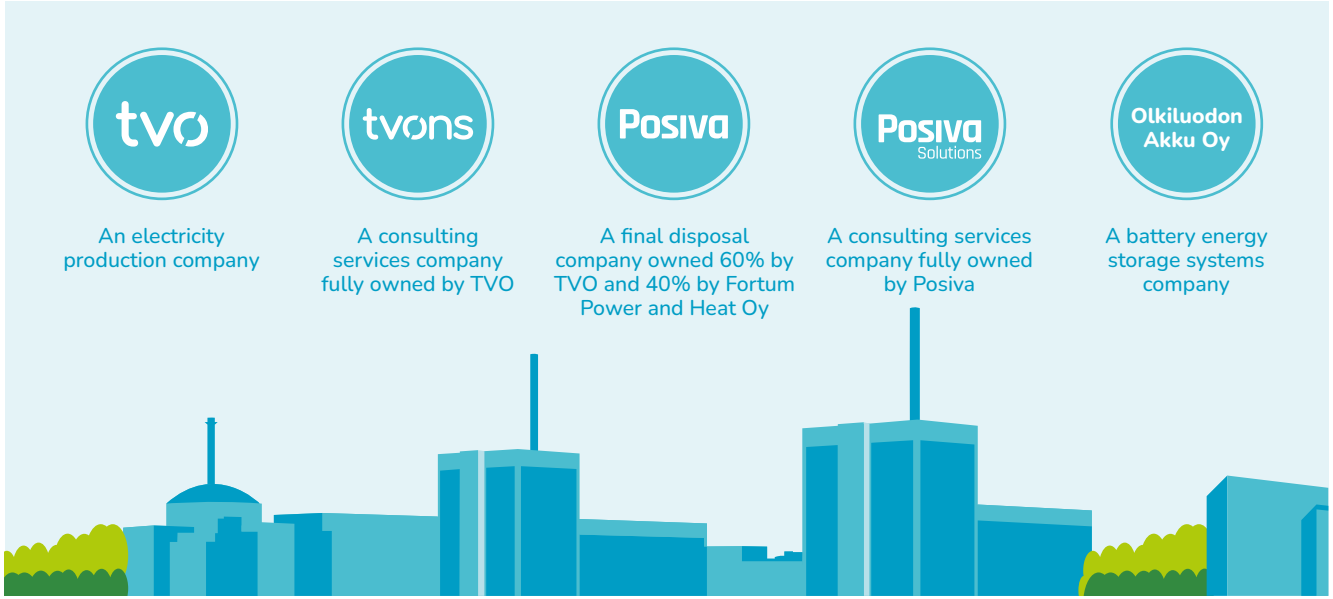
About TVO

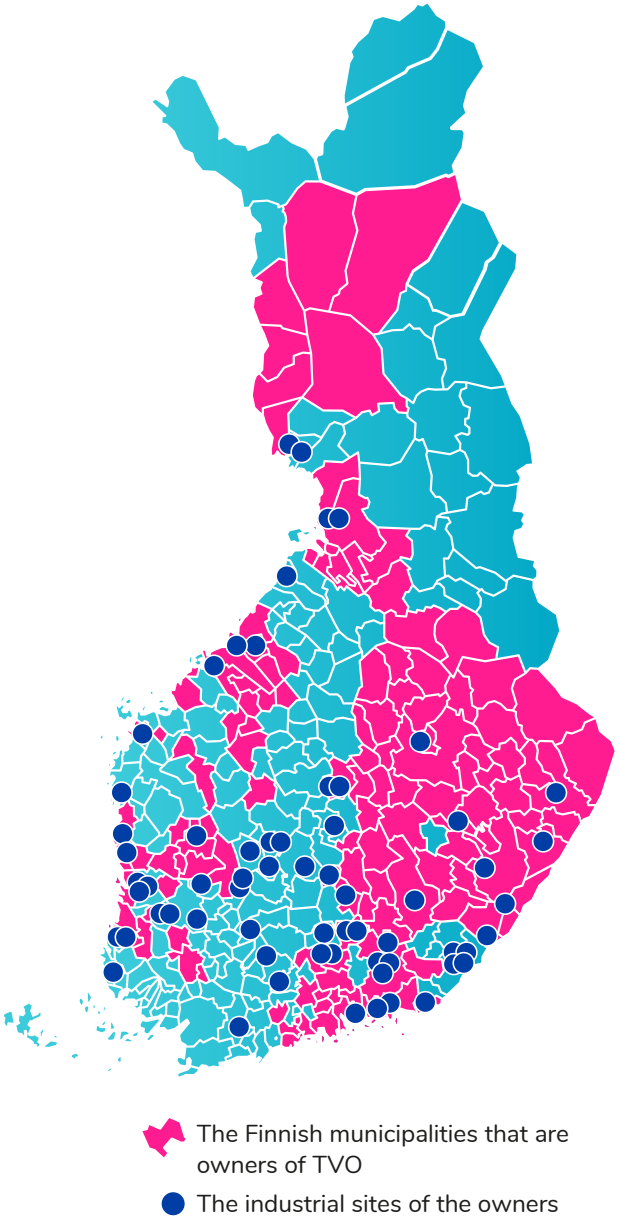
Teollisuuden Voima Oyj (TVO) is a non-listed public limited liability company owned by Finnish industrial and energy companies. TVO's line of business is construction and procurement of power plants and power transmission equipment, as well as production, supply, and transmission of electricity, primarily to its shareholders.

TVO operates according to the cost-price principle (Mankala principle). The shareholders are charged incurred costs in the price of electricity and thus, in principle, the profit/loss for the fiscal period is zero, unless specific circumstances dictate otherwise. TVO is owned by five shareholders, some of which – like TVO – operate according to the cost-price principle. TVO's shareholders are Finnish industrial and energy companies, whose owners include 131 Finnish municipalities.

Read more about TVO

Subsidiaries and joint ventures





Sustainable electricity production from rock to rock

TVO produces climate-friendly nuclear power at three plant units operating at Olkiluoto in Eurajoki, Finland: Olkiluoto 1 (OL1), Olkiluoto 2 (OL2), and Olkiluoto 3 (OL3). Significant amount of Finland's electricity is produced at Olkiluoto.

The objectives of TVO's strategy include a high level of safety, the efficient and reliable operation of production assets, competitive and predictable price of electricity and the responsible maximisation of shareholder value. The aim of the strategy is to ensure the long-term operation of the plant units, availability in line with the targets and the competitiveness of TVO's average generation cost.

The nuclear power plant units Olkiluoto 1 and Olkiluoto 2 (OL1 and OL2) plant units are identical: they are boiling water reactors. The current net electrical output of OL1 and OL2 is 890 megawatts (MW). OL1 was first connected to the national grid in September 1978 and OL2 followed in February 1980.

OL3 is a pressurized water reactor of the EPR type, with a net electrical output of approximately 1600 MW. It features modern technology based on proven systems, along with advanced new safety features. It began regular electricity production in April 2023.

In Finland, each producer of nuclear power is fully responsible for its own nuclear waste management. TVO and Fortum Power and Heat Oy have established Posiva Oy to manage the research and technical implementation of the final disposal of nuclear waste produced in their power plants in Finland, deep in the Olkiluoto bedrock.

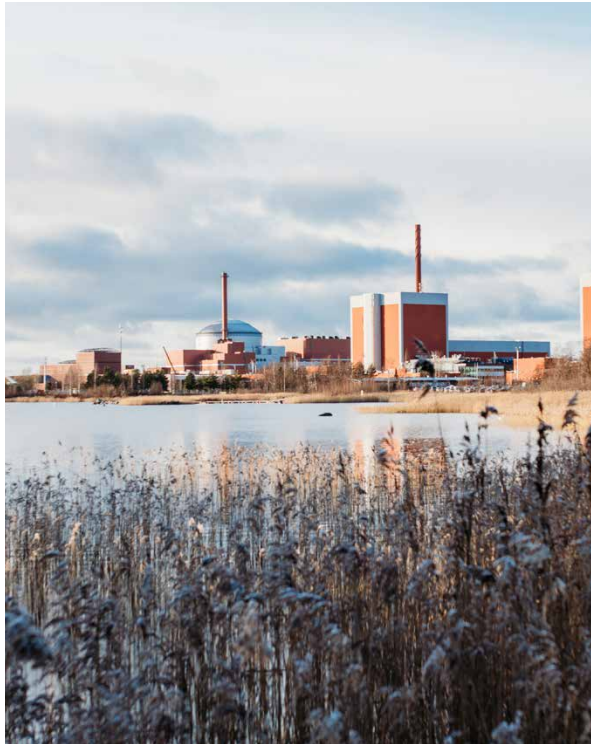
Posiva is the first in the world to begin the safe disposal of spent nuclear fuel into ONKALO® - final disposal facilities excavated deep into the bedrock.

The final disposal solution is the result of decades of multidisciplinary development. Posiva plays a significant role in the fight against climate change as the final disposal solution is part of the nuclear power life cycle. Environmental responsibility for final disposal is also on a financially sustainable foundation because, in Finland, nuclear power companies must cover the costs of nuclear waste management and the requisite funds are set aside in the State Nuclear Waste Management Fund.

Read more about Posiva

Centre of the nuclear expertise in Finland

Olkiluoto is the centre of nuclear expertise in Finland. The high standard of operation is done by skilled, professional and experienced personnel. The nuclear industry employs approximately 4,000 people in Finland and more than 1,000 of them work in Olkiluoto.



Sustainability at TVO

Sustainable governance

The cornerstones of responsible leadership and operating practices are the company's values, on which the Group-level policies and the Code of Conduct are based. TVO's objective is to operate in a responsible, transparent, proactive manner, and to continuously improve its operations.

TVO operates certified management systems covering quality (ISO 9001), environmental management (ISO 14001), occupational health and safety (ISO 45001) and energy efficiency (ETJ+). Environmental and social responsibilities are integrated into operational processes and supplier management.

The TVO Group complies with valid laws, regulatory guidelines, and principles of good governance in all its operations. The regulations by the Radiation and Nuclear Safety Authority (STUK) and requirements laid down in the nuclear power plant guides (YVL Guides) are also followed. Everybody working at the TVO Group is required to comply with the legislation as well as the regulatory guidelines and regulations, the principles of good governance, and the Group's voluntary commitments.

Sustainability strategy and targets

Sustainability is an integral part of the Group's strategy and one of the Group's values. For the licensee of a nuclear power plant, a high level of sustainability is a prerequisite for operations at all organisational levels. The Group's material sustainability topics form the basis for the continuous development of its operations. The Group's sustainability strategy and related targets are built on these material topics and are designed to systematically manage and enhance sustainability performance across five strategic focus areas:

POSITIVE IMPACT ON CLIMATE AND BIODIVERSITY

By producing large volumes of low-emission electricity in a compact area in Olkiluoto. TVO helps preserve natural areas elsewhere.

REPUTATION AS A TOP-LEVEL SAFETY OPERATOR

Safety is TVO's top priority and embedded in company culture.

OLKILUOTO AS A PREFERRED EMPLOYER AND VALUED PARTNER

TVO attracts top experts, our employees recommend TVO as an employer, and we are a preferred cooperation partner both nationally and internationally. TVO's operations are future-proof, also across supply chains.

PROFITABLE ELECTRICITY PRODUCTION FOR OUR OWNERS

TVO's plant units are well-maintained and available long into the future, ensuring continued energy production aligned with market conditions.

GLOBAL PIONEER IN FINAL DISPOSAL OF SPENT NUCLEAR FUEL

The first in the world to begin safe final disposal of spent nuclear fuel. TVO manages the entire uranium lifecycle - from rock to rock - with long-term solutions.

TVO has identified the Group's negative and positive impacts on people and the environment (impact materiality) and the financial risks and opportunities potentially targeting the Group (financial materiality) on the double materiality analysis (DMA). The identification and assessment of impacts, risks and opportunities covers the material parts of the TVO Group's operations, that is, electricity production with nuclear power at Olkiluoto, and the upstream and downstream value chain functions required for electricity production.

TVO has set sustainability-related targets that are based on the Group's material sustainability topics. The targets also support the UN Sustainable Development Goals.

Targets related to sustainability	SDG
WE HAVE A FAVOURABLE IMPACT ON THE CLIMATE AND BIODIVERSITY	
The life cycle carbon footprint of electricity produced at Olkiluoto will be reduced by 2030. » Carbon footprint less than **9.1** g CO_2e/kWh (exclusive of power transmission) and less than **13.8** g CO_2e/kWh (accounting for power transmission)	
TVO will achieve the greenhouse gas emission targets that it has set by the year 2030. » The absolute GHG emissions of TVO's own operations (Scope 1 + 2) will be reduced by **96.9**% of the base year 2023 by 2030. » TVO commits to **55**% of its suppliers of purchased goods and services (based on emissions) setting science-based emission reduction targets by 2030. » TVO commits to **85**% of the suppliers in its nuclear fuel uranium procurement chain (based on emissions) setting science-based emission reduction targets by 2030.	
Maximum thermal load caused by the power plant's cooling water **56.9** TWh.	
The concentration of energy production at Olkiluoto in a small geographic area allows for the preservation of areas in their natural state elsewhere. » The amount of electricity generated in proportion to the surface area of the built environment more than **15** TWh/km² each year	
WE HAVE EARNED OUR REPUTATION AS A STATE-OF-THE-ART ACTOR IN THE FIELD OF SAFETY	
Level **2.5** in the TRIF* indicator describing accident frequency achieved by 2028.	
Nuclear safety is maintained at a high level: No events of **INES level 1** or higher.	
OLKILUOTO IS A DESIRABLE EMPLOYER AND VALUED PARTNER	
Personnel survey (People Power Index) result at a **good level** (AA), achieved by 2028.	
The key stakeholders for Olkiluoto trust the operations at Olkiluoto.	
All significant suppliers to TVO are committed to the principles of sustainable business by 2030.	
OUR ELECTRICITY PRODUCTION IS PROFITABLE TO OUR OWNERS	
The availability of the plant units is maintained at a high level: » Availability factor for the OL1 and OL2 plant units above **90**% as a five-year rolling average » Availability factor for the OL3 plant unit above **85**% as a five-year rolling average**	
WE WILL BE THE FIRST IN THE WORLD TO START THE SAFE FINAL DISPOSAL OF SPENT NUCLEAR FUEL	
Final disposal activities start at Olkiluoto during 2026.	

* TRIF (total recordable incident frequency) indicates the number of accidents in proportion to the working hours (number of accidents x 1,000,000 / hours worked)

**The rolling average is calculated for the full years in the OL3 production phase, that is, from 2023 onwards

TVO reports on the Group's sustainability topics and performance in the Sustainability Report included in the Report of the Board of Directors. The Sustainability Report is prepared in accordance with the European Sustainability Reporting Standards (ESRS) and the EU Taxonomy Regulation and is publicly available on TVO's website: TVO - Financial publications

Human rights

TVO is committed to respecting all internationally recognised human rights as defined in the International Bill of Human Rights. TVO has introduced matters related to human rights as part of the Company's codes of conduct, practices and governance system and arranged for the necessary resources for functions related to human rights. TVO is committed to operating according to the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises and honouring the fundamental principles and rights at work as defined by the International Labour Organization (ILO).

TVO has identified its actual and potential human rights impacts and risks in the human rights impacts and risks assessment. The identification and assessment covers TVO's own operations and its value chain, including nuclear fuel procurement, general procurement, annual outages and other internal functions.

Sustainable procurement of nuclear fuel

TVO relies on a controlled and diversified nuclear fuel procurement chain, which is designed to ensure security of supply, regulatory compliance and responsible environmental practices. Nuclear fuel is sourced through long term contracts with approved suppliers, and procurement is geographically diversified to reduce dependency on individual regions or operators. Fuel procurement and uranium mining activities take place outside Finland and are subject to international safeguards, licensing requirements and supplier due diligence processes addressing environmental, safety and social risks.

TVO has high-level in-house expertise regarding all the stages of the fuel procurement process. TVO procures its fuel mainly through a decentralised supply chain, entering into negotiations and making procurement contracts with each separate supplier at the various stages of the fuel production chain. There are several suppliers for each stage in the chain, and the procurement operations are regularly subjected to competitive bidding.

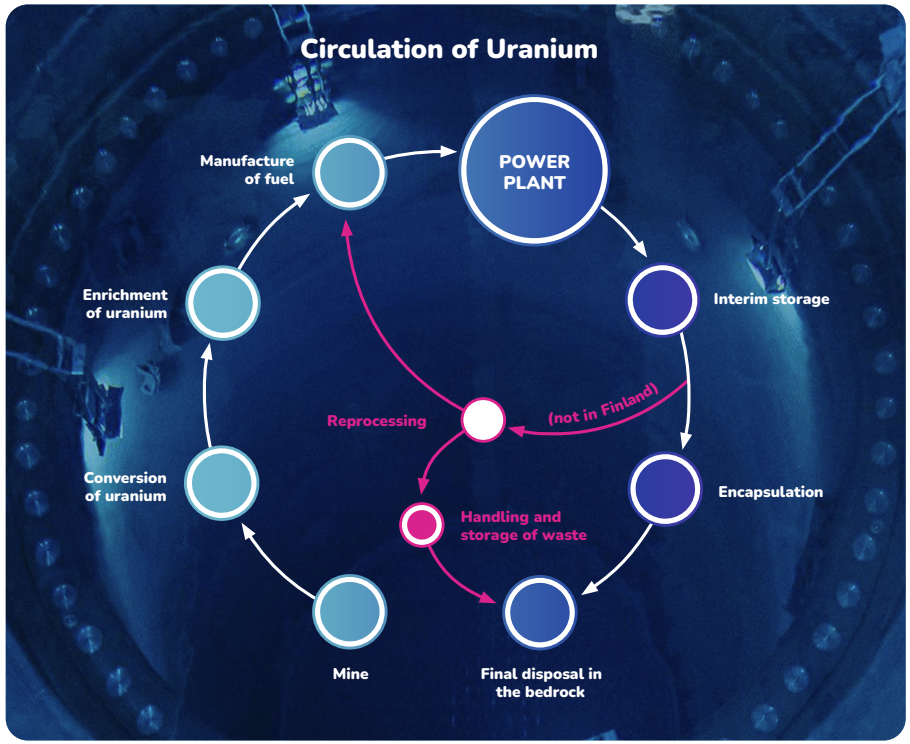
The countries with the highest uranium production in the world are Kazakhstan, Canada, Namibia and Australia. A significant part of the uranium used at TVO originates from one of these major producer countries. The fuel elements ordered by the company are constructed and assembled in Germany, France, Spain or Sweden.

TVO subjects fuel suppliers to strict evaluation

TVO employs a supplier evaluation process and only procures uranium and nuclear fuel refining services from suppliers who have passed the evaluation. A systematic evaluation process precedes the closure of each supply contract. In addition to the requirements set for the products, the process also considers the reliability and sustainability of the supplier.

TVO's supplier evaluation also includes active monitoring and evaluations at fixed intervals. Remote monitoring in Finland and visits to production sites both provide TVO with an opportunity to examine the suppliers' practices and to intervene in their practices if necessary. The purpose of TVO's supplier evaluation is to ensure that suppliers pay appropriate attention to environmental issues, the well-being of personnel, and quality management. Special issues concerning mines are also considered, such as the impact of the mining operations on local people.

The environmental impacts associated with uranium mining primarily relate to water use, land disturbance and waste management at mining sites. These impacts are indirect for the nuclear power operator and are managed through supplier assessments, contractual requirements and continuous monitoring of environmental and regulatory compliance in the supply chain.



The environmental impacts of nuclear power

TVO's nuclear power production provides a substantial and reliable supply of low carbon electricity while maintaining a limited environmental footprint. Since commissioning of the OL3 power plant unit, Olkiluoto has accounted for a significant amount of Finland's electricity consumption, supporting national climate targets, security of supply and grid stability. The life cycle carbon footprint of electricity produced at Olkiluoto is well below EU Taxonomy thresholds, and operational emissions are minimal. Environmental impacts are primarily local and well managed: radioactive releases remain far below regulatory limits, cooling water effects are continuously monitored and kept within permit conditions, and biodiversity impacts are limited by high land use efficiency. Nuclear waste management is fully funded and regulated, with spent nuclear fuel destined for final disposal in the ONKALO deep geological repository, completing a robust and environmentally responsible life cycle framework.

Climate change

With the energy transition, society is becoming increasingly electrified, and the need for low-emission stable power grows. The TVO Group is committed to promoting both national and international climate goals by generating climate-friendly electricity at the Olkiluoto nuclear power plant safely and reliably.

According to IEA Net Zero by 2050 report[1], nuclear power is an important low-emission source of electricity, providing about 10% of global electricity generation. It can complement renewables in cutting power sector emissions while also contributing to electricity security as a dispatchable power source. It is also capable of producing low-emission heat and hydrogen. More efforts are needed to get nuclear power on track with the Net Zero Emissions by 2050 Scenario.

Lifetime extensions of existing nuclear power plants are one of the most cost-effective sources of low-emission electricity, but further action is needed to take full advantage of these opportunities. Nuclear power has been a part of electricity supply for more than 50 years, and over that period has avoided around 66 Gt of CO2 emissions globally by reducing the need for coal, natural gas and oil. Without nuclear power, power sector CO2 emissions in advanced economies would have been 20% higher over the past 50 years, led by the United States and European Union.

Transition plan for climate change mitigation

TVO has drawn up a transition plan for climate change mitigation in 2025, according to which TVO has decided to set science-based short-term emission reduction targets for its own operations and the engagement of suppliers. A third-party assessment and approval process of TVO's emission reduction targets will be conducted in 2026 under SBTi. Furthermore, TVO has set its own target to reduce the carbon footprint of electricity produced in Olkiluoto by 2030.

The purpose of the transition plan for climate change mitigation is to ensure that the TVO Group's strategy and business model are aligned with limiting global warming to 1.5°C in accordance with the Paris Agreement. The plan serves as a roadmap guiding the setting of emission reduction targets, the implementation of concrete measures and the management of climate risks.

1) https://www.iea.org/reports/net-zero-by-2050

The production of nuclear energy generates a low amount of greenhouse gas emissions during the production phase, and TVO's electricity production emission intensity is already below SBTi's long-term target level for the power sector (net-zero in the power sector by 2040). The carbon footprint of electricity produced in Olkiluoto is 9,1 g CO2e/kWh, which is significantly below the EU Taxonomy threshold of 100 g CO2 e/kWh.

The emission reduction actions and methods of decarbonisation in own operations are based on procuring fuel that is renewable or contains a bio-component, discontinuing the use of electricity produced by fossil fuels, and electrifying the vehicle fleet, machinery and heaters. In order to achieve the Scope 3 targets, suppliers are engaged to set science-based (SBTi) or equivalent climate targets. The transition plan has been processed and approved by the Sustainability Committee and the management in 2025. TVO's Board of Directors has approved the climate transition plan in January 2026.

Climate-related risks

TVO assesses climate-related risks and opportunities over the long term, with a focus on upstream value chain risks and its own operations, while also considering downstream impacts where relevant. In the upstream value chain, TVO has identified a climate related transition risk linked to potential fuel availability and price volatility arising from increasing global demand for uranium.

Physical climate risks are assessed as part of TVO's nuclear safety and risk management framework using Probabilistic Risk Assessments (PRAs) and Final Safety Analysis Reports (FSARs). These analyses cover plant units, spent fuel interim storage and Posiva's operations and address both internal and external threats, including extreme weather events, flooding and seismic phenomena. The assessments are based on STUK's YVL Guides and are subject to regulatory oversight by the Finnish nuclear regulator STUK.

Targets related to climate change

The life cycle carbon footprint of electricity produced at Olkiluoto will be reduced by 2030.

- Carbon footprint less than 0.1 g CO_2e/kWh (exclusive of power transmission) and less than 13.8 g CO_2e/kWh (accounting for power transmission)

TVO will achieve the greenhouse gas emission targets that it has set by the year 2030.

- The absolute GHG emission of TVO's own operations (Scope 1 + 2) will be reduced by 96.9% of the base year 2023 by 2030.
- TVO commits to 55% of its suppliers of purchased goods and services (based on emissions) getting science-based emission reduction targets by 2030.
- TVO commits to 85% of the suppliers in its nuclear fuel uranium procurement chain (based on emissions) setting science-based emission reduction targets by 2030.

The PRAs provide detailed information on the probability and potential impacts of significant physical risks, including individual extreme weather events and combinations of multiple events, over long time horizons. The analyses are supported by extensive third party research and climate model scenarios, including RCP and SSP pathways, enabling site specific assessment of climate risks at Olkiluoto.

Based on these analyses, TVO prioritises risk mitigation measures where potential consequences to electricity production, safety or infrastructure availability would be highest. Over time, plant modifications and operational measures have been implemented to strengthen resilience against risks such as external flooding, electrical disturbances, loss of off site power and sea related hazards.

Currently, the most significant physical climate risks relate to rising sea water temperatures, extreme air temperatures and wind related combined risks. These risks may affect plant efficiency, system operability and electricity transmission. They are managed through resilient plant design, conservative safety margins, operational controls, continuous monitoring and targeted preventive measures. The warming of sea water may also lead to the proliferation of various invasive alien species, which may affect the operability of sea water systems. To this end, TVO has an invasive alien species prevention plan in use.

Radioactive releases

The operation of nuclear power plant units causes minor radioactive releases and other releases into the air, water and soil. Depending on the weather conditions and the characteristics of each substance, radioactive substances may be carried onto the surface of the ground or vegetation, or into water systems or living organisms. During the operation of the power plant, radioactive releases into the air are generated from noble gases, iodine, aerosols, tritium and carbon-14. Radioactive releases into water include fission and activation products and tritium. The radioactive releases caused by the normal operation of the nuclear power plant are very low and the releases are efficiently diluted in the atmosphere and the sea; as a result, they do not cause significant harm to people or the environment. Annual releases are clearly below TVO's own target levels as well as the constraints set by the authorities. The determination of the constraint values also takes into account the potential impacts caused by long-term exposure.

Environmental radiation monitoring at Olkiluoto has been conducted since the 1970s and is based on extensive baseline studies. Radioactive releases are continuously measured using methods approved by STUK and kept well below regulatory limits and TVO's own stricter internal targets. Monitoring results are reported regularly to authorities. Continuous improvement is supported by ongoing technology development and the ALARA action programme, which aims to minimise releases, radiation levels and potential radiation doses to the surrounding population over both the short and long term.

Water

Nuclear power production at Olkiluoto requires large volumes of cooling water, which results in controlled thermal discharges to the surrounding sea area. In 2025, the thermal load from cooling water remained clearly below the limits defined in the environmental permit, and water discharges complied with all regulatory requirements. Cooling water does not come into contact with radioactive process water, and the chemical and radiological quality of discharged water remains close to natural background levels. Continuous monitoring ensures that water impacts are identified early and managed in line with the principle of best available techniques. The cooling water warms by approximately 10°C as it passes through the plant unit, after which it is routed into the Iso-Kaalonperä bay via the discharge tunnels and outlet channel. The cooling water accumulates in an extensive sea area in the surface layer, from where part of the heat transfers into the air. Depending on the weather conditions, an increase in temperature can be observed at an approximate distance of 3–5 kilometres from the cooling water discharge location.

Biodiversity

The environmental impacts of nuclear power on biodiversity are primarily local and relate mainly to sea water warming in the vicinity of the cooling water discharge area. Long term environmental monitoring and biological surveys conducted at Olkiluoto have not identified significant adverse impacts on marine ecosystems or fish populations. The high concentration of electricity generation within a small geographic area enables efficient land use and limits broader biodiversity impacts, thereby reducing pressure on natural habitats elsewhere. Biodiversity impacts are assessed as part of permitting processes and environmental impact assessments and are subject to continuous follow up.

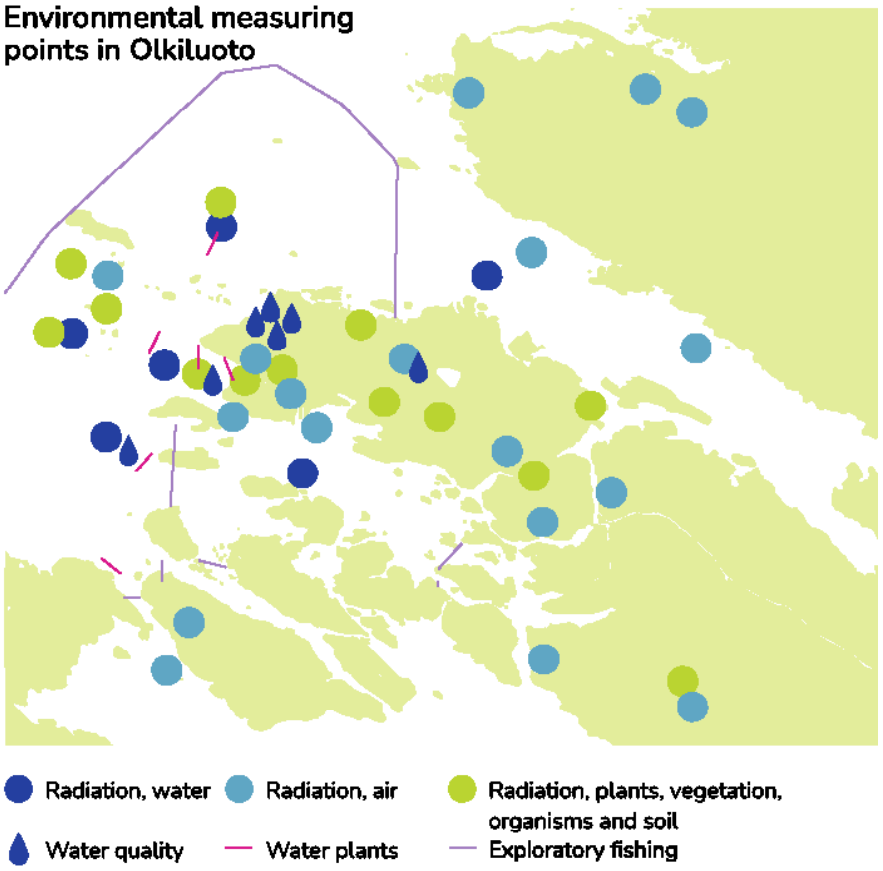
Radioactive waste management

Nuclear waste management forms an integral and fully regulated part of the nuclear power life cycle. Low and intermediate level radioactive operational waste is safely handled, conditioned and disposed of in licensed facilities under continuous regulatory oversight. Spent nuclear fuel is managed under a dedicated, long term framework, with interim storage followed by final disposal in a deep geological repository located in Olkiluoto.

The types of nuclear waste generated at a nuclear power plant include waste exempted from control, low and intermediate level operating waste, and high- level spent nuclear fuel. Posiva is responsible for the final disposal of spent nuclear fuel generated at the power plants of its owners, TVO (Olkiluoto NPP) and Fortum (Loviisa NPP).

Compared to the amount of produced energy, the volume of waste and its space requirements are low. The principle of nuclear waste management is to isolate the waste from organic nature until the radioactivity of the waste has decreased to an insignificant level.

The responsibility for nuclear waste management lies with the nuclear power companies. They must carry out the necessary nuclear waste management measures for their own waste and cover their costs. According to the Finnish Nuclear Energy Act, nuclear waste generated in Finland must be treated, stored and placed in final disposal in Finland, and the import of nuclear waste into Finland is prohibited.



Low- and intermediate waste management

Low- and intermediate level radioactive operating waste generated at Olkiluoto is managed under a fully regulated, monitored and long term framework. Such waste is safely handled, classified and disposed of in the on site repository in accordance with Finnish nuclear legislation and regulatory oversight. Waste volumes are limited, traceable and continuously monitored throughout the waste life cycle. Together with the licensed framework for spent nuclear fuel final disposal, this ensures that nuclear power generation at TVO is underpinned by a comprehensive and environmentally responsible waste management system.

Low- and intermediate level radioactive waste (LILW) generated during the operation and maintenance of nuclear power plants is managed through controlled on site surface and near surface disposal facilities. At Olkiluoto, such waste consists mainly of operational and maintenance waste with low activity levels, including protective materials, tools, filters and process residues.

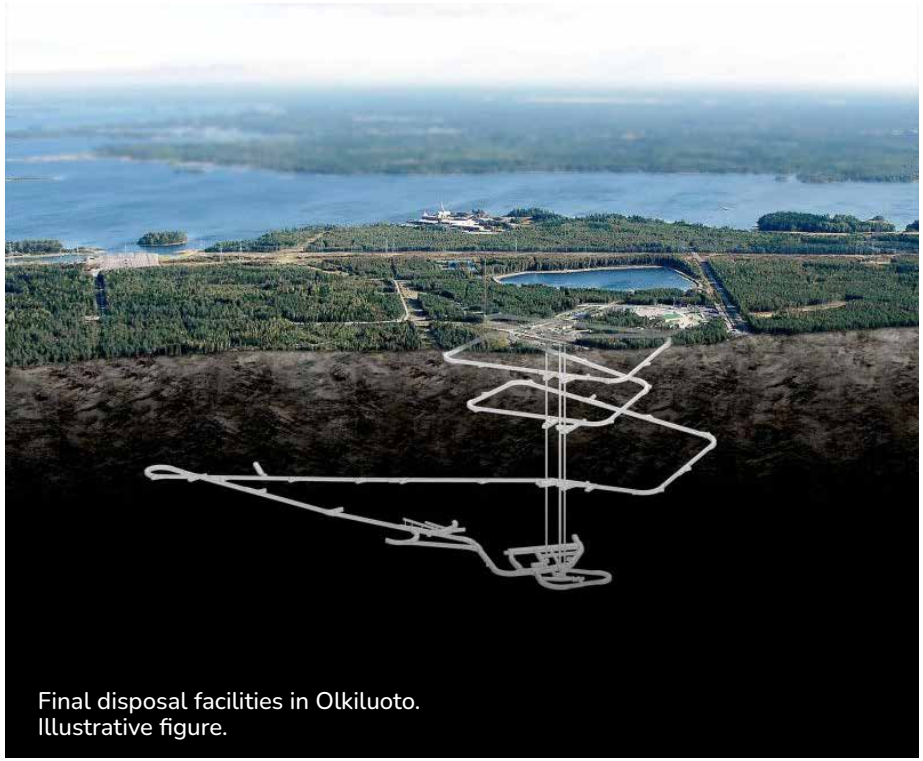
The waste is conditioned, packaged and monitored in accordance with strict regulatory requirements before disposal. Disposal facilities are designed to provide long term containment and isolation, preventing the release of radioactive substances to the environment. Multiple engineered and administrative barriers are used, including robust waste containers, protective structures and continuous surveillance.

Surface disposal solutions are suitable for this waste category due to its limited radiological hazard and declining activity over time. The facilities operate under comprehensive licensing, environmental monitoring and regulatory oversight, ensuring that impacts on the surrounding environment, groundwater and population remain negligible.

Together with deep geological disposal for spent nuclear fuel, surface disposal of low and intermediate level waste forms an integral part of TVO's end to end nuclear waste management system, ensuring that all radioactive waste streams are handled safely, responsibly and in line with national legislation and international best practices.

Final disposal of spent nuclear fuel

Spent nuclear fuel from the nuclear power plants of TVO and Fortum will be packed in copper canisters and placed in final disposal in Olkiluoto bedrock at a depth of approximately 430 metres. Posiva manages the research into the final disposal of spent nuclear fuel, the construction and operation of disposal facility



Final disposal facilities in Olkiluoto.
Illustrative figure.

and the eventual closure of the facility on behalf of its owner companies. The Trial Run of Final Disposal for the encapsulation plant started in August 2024. Posiva's goal is to achieve readiness for starting final disposal during 2026.

Posiva plays an important role in the mitigation of climate change as part of the lifecycle of nuclear power. Several countries employing nuclear energy have disposal facilities for low and intermediate level waste, but the final disposal of high-level spent nuclear fuel has not been started anywhere else in the world.

Final disposal is based on employing multiple release barriers. Release barriers ensure that the nuclear waste cannot be released into organic nature or become accessible to humans. A deficiency of a single barrier or a predictable geological or other change will not jeopardise the performance of the isolation. The release barriers include the physical state of the fuel, the final disposal canister, the bentonite buffer, the backfilling of the tunnels, and the surrounding rock.

The long-term safety of the solution is paramount in the final disposal of spent nuclear fuel. It is evaluated and demonstrated with the safety case. According to the international definition, a safety case refers to all of the technoscientific documentation, analyses, observations, examinations, tests, and other evidence for justifying the reliability of the assessments made on the long-term safety of final disposal. Plenty of time has been reserved for the preparation and practical execution of final disposal, and safety is evaluated at many stages. The final disposal of spent nuclear fuel will continue for approximately one hundred years.

Advance collection of waste management funds

The costs of nuclear waste management and final disposal of spent fuel are collected in the price of nuclear electricity from shareholders into a fund for future use.

In Finland, nuclear power companies bear the costs of nuclear waste management, and the funds for that purpose are collected into the Finnish State Nuclear Waste Management Fund. Each year, the Ministry of Economic Affairs and Employment determines the share of each nuclear power company in the Fund as well as the waste management fee to be paid to the Fund. The liability share of the nuclear power companies in the Fund is decreased by the investments they make in final disposal.

The annual fee payable to the Fund is determined based on the difference between the amount of accumulated nuclear waste for final disposal and the measures implemented for nuclear waste management. The fee is also increased or decreased based on how well the Fund succeeds in its investments: if the investment profit of the Fund is higher than expected, the waste management fee is correspondingly reduced. The objective is to collect enough assets in the Fund for the final disposal of accumulated nuclear waste.

TVO Green Finance Framework

Rationale for Green Financing

The role of low-carbon energy, such as renewable energy and nuclear power, is crucial in the mitigation of climate change. In 2021, the International Energy Agency (IEA) published its new Net Zero 2050 scenario. The aim of the scenario is to demonstrate the necessary actions to limit global warming to 1.5 Celsius degrees. IEA predicts that meeting the target would require the doubling of existing nuclear capacity by 2050.

The nuclear electricity produced in Olkiluoto plays a significant role in the economic development, electricity self-sufficiency, and general well-being of the whole of Finland. Nuclear electricity also plays an important role in the reduction of greenhouse gas emissions and the achievement of climate targets.

The production of nuclear power is low in emissions. Over the entire lifecycle of nuclear power, its emissions remain on the same level as wind power and hydropower.

The 2026 Framework update

In 2023, TVO established its inaugural green bond framework and entered the green bond market with its first green private placement. In 2025, TVO strengthened its position in sustainable finance by publishing its first EU green bond factsheet and issuing the nuclear sector's first-ever EU green bond.

The 2026 edition of the TVO's green finance framework (Green Finance Framework or Framework) thus marks the second version of the Framework. This updated Framework reflects the latest market practices and provides investors with the opportunity to support climate-friendly nuclear power generation and responsible nuclear waste management at the Olkiluoto site. Key updates include:

- Enhanced disclosures on TVO's sustainability strategy and targets, management of climate-related risks and biodiversity impacts as well as radioactive waste management.
- The scope has been broadened to encompass additional green debt instruments, including green bank loans.
- Adherence to EU Paris-Aligned Benchmark (PAB) exclusion criteria at the time of this Framework publication.

This Framework has been developed in accordance with the 2025 edition of Green Bond Principles (GBP) administrated by ICMA and the 2025 edition of Green Loan Principles (GLP) administrated by the LMA/APLMA/LSTA. Moreover, as TVO aims to follow best market practice, projects financed under the Framework shall align with the criteria of the Complementary Delegated Act for nuclear and gas activities that was accepted on 6 July 2022 by the European Parliament and entered into effect on 1 January 2023.

The four core components of the Principles along with the recommendation of External Review form the basis for this Framework, including:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting
5. External review

The Framework allows TVO to raise capital through green finance instruments (Green Finance Instruments), including bonds under various formats including public or private placements and bank loans. In addition, the Green Finance Instruments respect the EU Paris-Aligned Benchmark (PAB) exclusions as of the time of this Framework publication.

TVO will review this Framework from time to time, including its alignment to updated versions of the principles by ICMA and LMA/APLMA/LSTA. Accordingly, TVO may deem it appropriate at times to further update its Framework with the objective of keeping or improving the current levels of transparency and reporting disclosures. Any material revision of the Framework will be subject to a new Second Party Opinion. Swedbank has acted as Sustainability Coordinator to TVO in the establishment of this Framework.

Use of Proceeds: Definitions

Allocation of net proceeds

An amount equal to the net proceeds from TVO's Green Finance Instruments will finance and/or refinance, in whole or in part, a portfolio of green investments (Eligible Green Projects) undertaken by TVO or its subsidiaries that are in accordance with the Green Project category defined under Use of Proceeds: Eligible Green Projects. The overarching goal of the Eligible Green Projects is to contribute to climate change mitigation and the transition to a low carbon economy.

Eligible Green Projects may include fixed assets, capital expenditure, and operating expenditure. Fixed assets and capital expenditure may qualify without a look-back period, while operating expenditure may qualify with a maximum look-back period of three years.

Financing and refinancing

An amount equal to the net proceeds can finance and/or refinance both existing and new Eligible Green Projects financed by TVO. New financing is defined as allocated amounts to Eligible Green Projects financed within the reporting year, and refinancing is defined as allocated amounts to Eligible Green Projects financed prior to the reporting year. The distribution between new financing and refinancing will be reported in TVO's allocation and impact reporting.

EU Taxonomy

The EU Taxonomy Regulation is a classification system establishing a list of environmentally sustainable economic activities with the aim of scaling up sustainable investments and implementing the European green deal. The first Delegated Act of the Taxonomy – the Climate Delegated Act – defines criteria related to two of the six environmental objectives: Climate Change Mitigation and Climate Change Adaptation. The Complementary Delegated Act which entered into effect on 1 January 2023, added nuclear and natural gas as sustainable economic activities.

To align with the Taxonomy, eligible economic activities must make a substantial contribution to at least one of the objectives, as defined in the Substantial Contribution (SC) criteria. In addition, the activity must comply with the criteria for not harming any of the other environmental objectives (the Do No Significant Harm criteria, DNSH) and be carried out in compliance with the Minimum Safeguards (MS) related to respecting human rights and following good business conduct rules.

With regards to nuclear power related economic activities the technical screening criteria is somewhat more extensive and comprises of 1) General criteria to SC and DNSH, 2) Additional criteria to SC and 3) Additional criteria to DNSH. The activities must also be carried out in compliance with the MS in order to be in alignment with the EU Taxonomy.

Use of Proceeds: Eligible Green Projects

Green Project category and EU Taxonomy activities[1]	Eligibility Criteria	SDG contribution
Nuclear power generation 4.27 Construction and safe operation of new nuclear power plants, for the generation of electricity or heat, including for hydrogen production, using best- available technologies 4.28 Electricity generation from nuclear energy in existing installations	**Investments in new build projects and existing works including:** • Projects authorized no later than 2045 by the competent authorities for the construction and safe operation of nuclear with Best Available Technologies. • Projects authorized no later than 2040 by the competent authorities to extend the operating life of existing reactors	

1) As defined in the Complementary Delegated Act for nuclear and gas activities that was accepted on 6 July 2022 by the European Parliament and entered into effect on 1 January 2023.

Use of Proceeds: Approach to EU taxonomy alignment

Alignment with the general criteria to SC and DNSH

The screening criteria for nuclear and gas activities include a considerable amount of legal compliance both at the operational and national level, and operational compliance with certain guidelines and standards. Operational compliance has been determined by verifying that all relevant documentation is available and include the required information. Member State compliance has been verified in dialogue with the Finnish Ministry of Economic Affairs and Employment.

An important aspect of compliance with the screening criteria is radioactive waste management and disposal, including availability of approved nuclear waste facilities that can manage low-level waste already now and high-level radioactive waste latest by 2050. Under the Finnish Nuclear Energy Act, the Company is responsible for the measures related to nuclear waste management and the related costs. In order to cover the future costs of nuclear waste management, TVO makes contributions to the Finnish State Nuclear Waste Management Fund in accordance with the Nuclear Energy Act.

Low and medium level radioactive waste accumulated from the plant units during their operation will be disposed of in the final repository for low and medium level waste (VLJ repository) in Olkiluoto. The spent fuel will be stored in the fuel pools of the plant units and in an interim storage facility (the KPA storage facility) at Olkiluoto. Posiva Oy is responsible for the final disposal of spent nuclear fuel generated at the TVO power plants in Olkiluoto.

Alignment with the additional criteria to SC

TVO has assessed that the lifecycle greenhouse gas (GHG) emissions from operations at all its three plant units, OL1, OL2 and OL3, fall well below the maximum threshold of 100 gCO2/kWh. In a transitional phase, TVO used existing lifecycle assessments (LCA) on nuclear power plants for estimating its lifecycle GHG emissions level. The lifecycle GHG emissions at OL1 and OL2 were estimated to be 4-5 gCO2/kWh based on an existing LCA analysis of the sister units operated by Vattenfall (Forsmark 1 and 2 plant units where emissions are 4.1 gCO2/kWh).

The lifecycle GHG emissions at OL3 was estimated to be 4-4.5 gCO2/kWh. This estimate is based on two sources. First, a lifecycle GHG emissions analysis carried out for EDF's existing nuclear fleet, where the result of the LCA is 4 gCO2/kWh. The second source is a study by the European Commission's Joint Research Centre (JRC) that estimated lifecycle GHG emissions for a future European Pressurised-water Reactor, using the centrifuge enrichment process, to be at 4.25 gCO2- eq/kWh. The JRC report on the alignment of nuclear energy with respect to the DNSH criteria, stated that the lifecycle GHG emissions from nuclear electricity generation are comfortably within the 100 gCO2-eq/kWh emissions intensity threshold.

Alignment with the additional criteria to DNSH

For nuclear energy, the EU Taxonomy requires compliance not only with general DNSH criteria, but also with additional, nuclear-specific DNSH requirements. At TVO, these additional criteria focus on radioactive waste, safety, long-term environmental protection and intergenerational risk management under Finland's nuclear governance system. Further information on TVO's management of environmental impacts is disclosed in the company's annual Sustainability Report.

Minimum Safeguards

TVO is committed to respecting internationally recognised human rights and the basic principles and rights at work, in particular the International Bill of Human Rights and the UN Guiding Principles on Business and Human Rights, in addition to the OECD Guidelines for Multinational Enterprises and the fundamental ILO Principles and Rights at Work.

Minimum safeguards are assessed by examining the processes concerning human rights, corruption and bribery, taxation and fair competition, while making sure that the appropriate processes and controls are met and that no violations have been determined on the part of the company, subsidiary or the management. TVO ensures its compliance with the minimum safeguards as required in Article 18 of the Taxonomy Regulation through the Group-level policies and compliance with national labour legislation.

Project Evaluation and Selection Process

The evaluation and selection process for Eligible Green Projects is a key component in ensuring that an amount equivalent to the net proceeds from Green Finance Instruments is allocated to Eligible Green Projects under this Framework. To oversee this process, TVO has established a Green Finance Committee (GFC) comprising senior representatives from TVO's Finance, Sustainability and Treasury departments. The GFC will convene every 6 months or when otherwise considered necessary.

The evaluation and selection process is based on the following steps:

i. From existing and new investments, sustainability experts and representatives within TVO evaluate potential Eligible Green Projects' compliance with the Eligibility Criteria set forth in this Framework as well as with the EU Taxonomy criteria of the Complementary Delegated Act for nuclear and gas activities[2]. Based on the analysis, the experts can nominate investments as potential Eligible Green Projects.

ii. When potential Eligible Green Projects have been nominated, a list including their environmental and social impact considerations and/or other sustainability-related details will be reviewed by the GFC. The GFC is solely responsible for the decision to acknowledge the investment as eligible in line with the Framework. The GFC also aligns its selection with TVO's internal policies and guidelines, and adherence to applicable laws, regulations and authority guidelines. Eligible Green Projects will be tracked using an Eligible Green Project Portfolio. A decision to allocate net proceeds will require a consensus decision by the GFC, giving each committee member a veto power. Decisions made by the GFC will be documented and filed.

For the avoidance of doubt, the GFC holds the right to exclude any Eligible Green Project already funded by net proceeds from Green Finance Instruments. If an Eligible Green Project is paid back or amortised, or for other reasons loses its eligibility, funds will follow the procedure under Management of Proceeds until reallocated to another Eligible Green Project.

2) Adopted by the European Parliament on 6 July 2022 and entered into force on 1 January 2023.

Management of Proceeds

Tracking of net proceeds

TVO's Treasury department is responsible for the allocation and management of an amount equal to the net proceeds from Green Finance Instruments which will be managed according to a portfolio approach. TVO will use an Eligible Green Project Portfolio to track the allocation of net proceeds from Green Finance Instruments to Eligible Green Projects. For the avoidance of doubt, where a Green Finance Instrument takes the form of one or more tranches of a loan facility, each tranche applicable to the Eligible Green Project(s) will be clearly labelled, and an amount equivalent to the net proceeds of the green tranche(s) will be tracked through the Eligible Green Project Portfolio.

The purpose of the Eligible Green Project Portfolio is to ensure that net proceeds from Green Finance Instruments will only support the financing of Eligible Green Projects.

TVO intends to fully allocate an amount equal to the net proceeds of Green Finance Instruments within 12 months from the issuance / arrangement date.

If an Eligible Green Project is no longer deemed eligible in line with the Framework, the net proceeds from the Green Finance Instruments previously allocated to such project will be allocated to another Eligible Green Project as soon as reasonably practical.

Temporary holdings

Unallocated net proceeds from Green Finance Instruments may temporarily be placed in the liquidity reserve and managed accordingly by TVO.

Reporting

To enable investors to follow developments and performance of the Eligible Green Projects, TVO will annually and until maturity of the Green Bonds issued, publish a report that describes the allocation of proceeds and the environmental impact of the Eligible Green Projects. The report will be made available on TVO's website.

In the event TVO would have other Green Finance Instruments than bonds outstanding TVO may choose to report, in relation to these other financial instruments, directly and non-publicly, to the lenders or counterparts.

Allocation reporting

Allocation reporting will include the following information:

- Nominal amount of outstanding Green Finance Instruments
- Amount allocated per each EU Taxonomy activity
- The amount of unallocated proceeds, if any
- Relative share of new financing versus refinancing
- Descriptions of selected Eligible Green Projects financed
- Alignment of the Eligible Green Project Portfolio with the EU Taxonomy

Impact reporting

The impact reporting aims to disclose the environmental impact of the Eligible Green Projects financed under this Framework.

The impact assessment will, if applicable, be based on the following impact indicators:

- Annual GHG emissions avoided in tonnes of CO2e
- Annual low-carbon generation in MWh
- Installed capacity impacted by investments in MW

External Review

Pre-issuance review

Second Party Opinion

ISS Corporate Solutions has provided a Second Party Opinion to this Framework, verifying its credibility, impact and alignment with the principles by ICMA and LMA/APLMA/LSTA.

EU Taxonomy assessment

TVO reports on EU Taxonomy alignment for its operations as a part of the annual report. For transparency, an EU Taxonomy alignment assessment of the Framework has been conducted by ISS Corporate Solutions as a part of the Second Party Opinion.

Post-issuance review Verification report

An independent external party, appointed by TVO, will annually, until full allocation and in the event of material developments, provide a review confirming that an amount equal to the net proceeds has been allocated to Eligible Green Projects.

Publicly available documents

The Framework and the Second Party Opinion will be publicly available on TVO's website, together with the Verification and allocation and impact reporting, once published.