

13 February 2018

Dear NGOs,

Thank you for your open letter addressed to our President and CEO Pekka Lundmark on 7 February 2018, and for the opportunity to clarify the strategic rationale of our investment in Uniper and the role we envisage for Fortum as Uniper's largest shareholder.

Let me start by saying that we absolutely share the deep concern over climate change. Driving the change for a cleaner world is at the heart of our strategy, and our role is to accelerate this change by reshaping the energy system, improving resource efficiency and providing smart solutions. Our role will not change. In fact, we believe that our investment in Uniper will accelerate Europe's energy transition.

As you are well aware, Uniper is much more than a coal company. Approximately 70% of the company's power generation is based on gas, hydro and nuclear power, all of which have a considerably lower climate impact than coal, and all of which will have an important role to play during the transition towards a low-carbon energy system. While we completely agree with you that coal-fired generation must be phased out, I would like to underline our responsibility to ensure security of supply and affordable energy for Europeans during the transition. Uniper's declared role as a provider of security of supply is an excellent match with Fortum's ambition to accelerate the energy transition with increasing renewable generation and innovative solutions.

At Fortum, we believe it is the role of the EU and governments to provide the framework for a sustainable transition. We advocate the use market-based tools, such as the EU Emissions Trading Scheme (ETS), as we believe such steering policies are the best way to implement the energy transition at the lowest cost to society.

Of course, if governments decide to implement national measures we will naturally abide by them. Furthermore, if governments decide to accelerate the transition by issuing coal bans, we will support them, but call upon the governments to make these measures socially and financially sustainable, and to make respective adjustments to the ETS.

In your letter you ask us not to sell Uniper's coal assets to a third party. I would like to point out that as of today we do not own any Uniper shares. Completing the transaction still requires regulatory approvals by competition authorities, which we expect to receive by mid-2018. Only after that we will become a shareholder in Uniper. Furthermore, with the 47.12%-stake tendered to us in the public tender offer, Fortum will not be in a position to make decisions over Uniper's assets - it is the role of Uniper to manage their portfolio.

Nevertheless, following the completion of the transaction Fortum will focus on being an active, supportive and reliable shareholder of Uniper and a constructive strategic partner to the company, its employees and other stakeholders. We have recently

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entered into talks with Uniper to formalise the ongoing relationship between the two companies including commercial co-operation once the transaction is completed.

In line with our mission, we look forward to engaging with Uniper, our customers and NGOs alike to drive the change for a cleaner world. So I thank you once again for this opportunity to discuss with you - let's keep the dialogue going.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ulla Rehell', written in a cursive style.

Ulla Rehell
Vice President, Sustainability
Fortum