S&P Global
Ratings

Green And Transition Equity Designation External Review

Kempower Oyj

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Primary contact

Maria Ortiz de Mendivil
Madrid
Maria.omendivil
@spglobal.com

Location: Finland **Sector:** Energy

Alignment Summary

Aligned = ✓ Not aligned = ✗

✓ Nasdaq Green Equity Designation

Designation Summary

Kempower's electric vehicle (EV) charging infrastructure business is fully consistent with a low carbon future, enabling the transportation sector's transition away from fossil fuel use. It derives all its revenue from the sale of charging solutions and related EV charging infrastructure for passenger and commercial vehicles, which S&P Global Ratings views as green. We view EV charging infrastructure as crucial for the decarbonization of the road transportation sector and for the transition from passenger and commercial internal combustion engine vehicles to EVs. We believe the growth of Kempower's business supports the necessary shift to electrified transportation through the roll out and operation of charging infrastructure.

The company's main climate transition and environmental risks are upstream. These stem from the sourcing of emission-intensive materials such as aluminum, ferrous metals, and plastics, while downstream risks relate to the grid that powers its chargers and product recyclability. For its upstream operations, Kempower engages with suppliers on greenhouse gas emissions, material choices, and logistics-related emissions. Additionally, it assesses suppliers' performance in reducing greenhouse gas emissions through monitoring tools and audits, and it uses an environmental, social, and governance (ESG) survey to improve visibility and track progress toward its ESG and carbon reduction targets. Downstream, we note positively that Kempower designs its products for easy dismantling and recycling, and has achieved a 99% recyclability rate in all product groups in 2025.

In line with the Nasdaq Green Equity Principles, Kempower discloses relevant environmental targets, key performance indicators (KPIs), and data related to the EU Taxonomy alignment in its 2025 financial statements. Kempower's greenhouse gas emission inventory covers scope 1, scope 2, and relevant scope 3 categories, using 2024 as the baseline year. Kempower reported zero scope 1 emissions in 2025, and has set greenhouse gas emission reduction targets in 2025 aligned with the criteria of the Science Based Targets initiative (SBTi). While the company has not made a formal commitment to SBTi, it intends to progress on internal target development and implementation.

Strengths

The company's business model is solely focused on expanding and optimizing EV infrastructure. We view this as an integral step toward a low-carbon, climate-resilient future. Kempower enables the necessary scaling up of infrastructure to support the transition from passenger and commercial internal combustion engine vehicles to EVs.

Areas to watch

As Kempower expands its business, its exposure to carbon-intensive raw materials will increase. The company is in the process of improving its management of upstream risks through increased supplier engagement and screening.

The Green Equity And Transition Designation External Review is our review if an issuer meets relevant requirements for the applicable designation. Our Green Equity And Transition Designation External Review is not a credit rating, does not assess credit quality, and does not factor into our credit ratings. Our external review reflect point-in-time analysis that relies on the accuracy, timeliness, and completeness of the information provided by the issuer. For the full and detailed requirements for the different exchanges, please refer to the applicable designation criteria documentation for the applicable designation. We do not provide any assurances over the information provided to us. However, we assess whether the issuer has demonstrated how it meets relevant requirements. See our Analytical Approach: Green Equity And Transition Equity Designation External Reviews.

Company Description

Kempower Oyj designs, manufactures, and sells a range of direct-current fast-charging equipment and services, under the Kempower brand name, for personal and commercial vehicles, such as electric trucks and buses. The company also offers cloud-based charging management systems. In 2025, 81% of its revenue came from Europe, with 32% of that from the Nordic region, 12% came from North America, and 7% from Asia-Pacific, the Middle East, and Africa. The company was founded in 2017 and is headquartered in Lahti, Finland.

Nasdaq Green Equity Principles Assessment

Kempower meets all the criteria set out in the Nasdaq Green Equity Principles.

Alignment summary

Criteria	Alignment
Revenue More than 50% of turnover from activities is considered green. The minimum threshold requirement for turnover considered green does not apply for companies in pre-turnover phase. As soon as a pre-turnover company starts generating any turnover it must fulfill the requirement.	✓
Investment* More than 50% of the company's investments must be allocated to activities considered green.	✓
Fossil fuel limitation Revenue from fossil fuel activities must be less than 5%.	✓
Disclosure The company must provide information on its relevant environmental targets and KPIs.	✓
Taxonomy alignment If applicable, the company must state its alignment with the EU Taxonomy for sustainable activities, including Do No Significant Harm and Minimum Safeguards.	✓

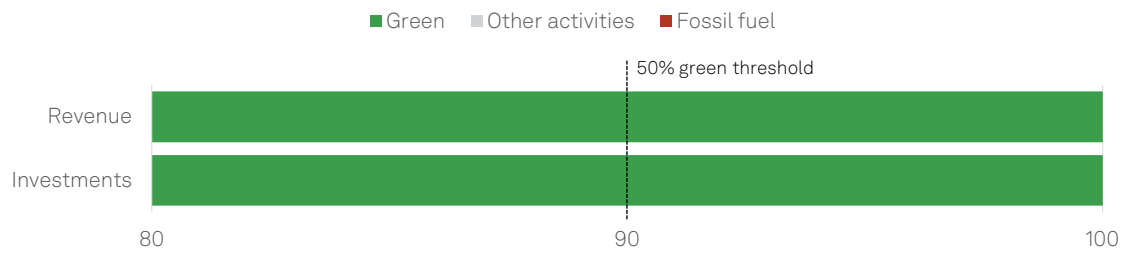
Aligned = ✓ Not aligned = ✗

*Investments are the sum of operational expenditure and capital expenditure. Source: S&P Global Ratings.

Assessment of revenue and investments

100% of revenue and investments in 2025 were linked to the manufacture and sale of EV charging infrastructure, which we consider green.

Distribution (%)



Source: S&P Global Ratings.

Activities summary

Description	Revenue share (%)	Investments share (%)*	Analytical considerations
Green			
Revenue and expenditure related to the manufacture and sale of EV charging infrastructure	100%	100%	Kempower's revenue mainly derives from deliveries of EV chargers and charging stations it manufactures, charger maintenance services, and project sales involving turnkey deliveries of installed charging equipment to customers. Kempower also provides its customers with the ChargEye SaaS service, a cloud-based charging equipment management system. Kempower's customers are public charging operators, commercial vehicle fleet operators, vehicle and equipment manufacturers, and distributor and installer partners. Kempower's capital expenditure in 2025 was mainly on research and development focused on expanding its product portfolio.

*Investments are the sum of operational expenditure and capital expenditure. Source: S&P Global Ratings.

Climate Transition Plan

We expect 100% of revenue and capital expenditure to continue being fully consistent with a low-carbon, climate-resilient future, given the company's business model is solely focused on expanding EV infrastructure.

Transition Plan Details

In 2025, Kempower conducted a review of its greenhouse gas emissions inventory while simultaneously updating its climate targets following the criteria and guidance provided by the SBTi, aiming to contribute to limiting global warming to 1.5°C in accordance with the Paris Agreement. Kempower implements the following key emission-reduction actions: reducing the carbon footprint of its products, transitioning to renewable energy, and improving energy efficiency. These actions apply to all Kempower operations and geographical areas.

Summary

Key levers →	Targets →	Actions and investments →	Expected impact
Energy efficiency	A 42% reduction in absolute scope 2 GHG emissions by year-end 2030 from a 2024 baseline (market based).	The company has increased renewable and low carbon energy to about 69% of total consumption (66% in 2024).	We expect Kempower to continue progressing on its GHG emission reduction targets through 2030.
Reducing the carbon footprint of its products	A 51.6% reduction of scope 3 emissions per million euros of revenue by year-end 2030 from a 2024 baseline.	Kempower addresses scope 3 GHG emissions through supplier engagement on use of low carbon materials, optimizing logistics for reduced transport emissions, and designing products that enable emission reductions during their use phase.	We expect Kempower to continue progressing on its GHG emission reduction targets through 2030.
Circular economy	Implement circular economy principles into product designs to extend their life cycle and reach a 99% recyclability rate in all product groups.	Kempower has achieved its target recyclability rate, with its products exceeding 99% recyclability. In the U.S., Kempower is looking for partners that can use its side streams as inputs.	We expect Kempower to maintain the recyclability rate of its current product portfolio.

Source: S&P Global Ratings. GHG--Greenhouse gas.

Metrics and targets

Kempower has defined greenhouse gas emission reduction targets in 2025 as part of the development toward a formal climate-change-mitigation transition plan. The company has shifted from multiple climate targets, as disclosed in 2024, to two near-term greenhouse gas emission reduction targets to strengthen clarity, measurability, and consistency with international standards and best practices. While the targets follow the SBTi criteria, they have currently not yet been formally submitted to the SBTi for approval. Kempower's reduction targets are gross targets, meaning that greenhouse gas removals, carbon credits, or avoided emissions are not used as means to reach the targets.

Target time frames

Transition metrics	Baseline metric (2024)	2025
Reduction of scope 2 emissions (market-based)	1,380.8 tCO_2eq	1,041.4 tCO_2eq (24.6% reduction)
Reduction of scope 3 emissions per million euro of revenue	238.1 tCO_2eq	201 tCO_2eq (15.5% reduction)
Total gross scope 3 emissions	53,271.8 tCO_2eq	50,541.3 tCO_2eq (5.1% reduction)

Source: Company reporting and S&P Global Sustainable1. tCO_2eq--Tonnes of carbon dioxide equivalent.

Related Research

- Analytical Approach: Green and Transition Equity External Reviews, June 23, 2026
- Analytical Approach: Taxonomy Assessments, Oct. 15, 2025

Analytical Contacts

Primary contact

Maria Ortiz de Mendivil
Madrid
Maria.omendivil
@spglobal.com

Secondary contacts

Kristina Alnes
Oslo
Kristina.alnes
@spglobal.com

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