Wärtsilä

Shaping the decarbonisation of marine and energy

Roadshow presentation

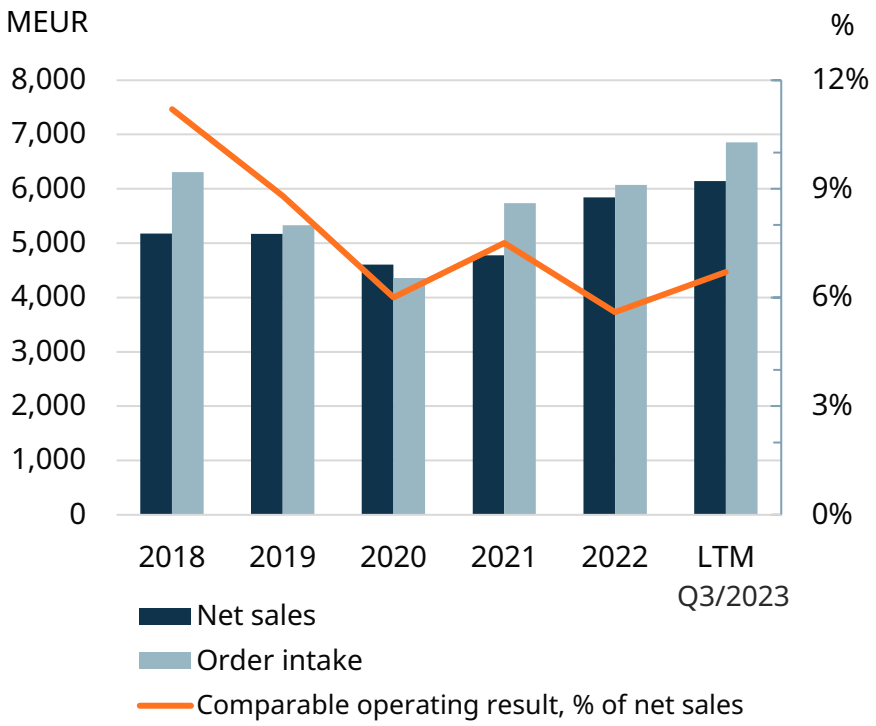
November 2023

Wärtsilä – Shaping the decarbonisation of marine and energy

Wärtsilä is planning to simplify the Group structure from 1st January 2024 onwards with two main businesses:

Marine
Our offering of engines, propulsion systems, hybrid technologies and integrated power transmission systems and related services support our customers in moving towards carbon neutrality.

Energy
We support the change towards a future where electricity is produced with 100% renewable energy by offering grid-balancing power plants, hybrid solutions, energy storage and optimisation technology.



Key growth opportunities

⊕⊕⊕ **Energy Storage & Optimisation:** Fast growing demand for power system optimisation solutions

⊕⊕ **Marine newbuild driven by decarbonisation:** Uptake of solutions ready for sustainable fuels and recovery in passenger and offshore segments

⊕ **Moving up the service value ladder in Marine and Energy:** Continuous growth in agreement coverage

⊕ **Energy Engine Power Plants new build driven by balancing and baseload:** Gradual shift to renewables

⊖⊖ **Portfolio Business divestments**

Committed to financial targets

Net sales
5% annual organic growth

Profitability
12% operating margin

Capital structure
Gearing below 0.50

Dividend
Distribute a dividend of at least 50% of earnings

Strong track record in innovations

Investing ~4% of net sales on R&D yearly

Today: engines run on biofuels, methanol, up to 25% hydrogen blends, pure ammonia fuel engine concept

By 2025: pure hydrogen fuel engine concept ready

Market fundamentals

Marine will move with unprecedented speed towards decarbonisation

Policies & regulations
- IMO target
- Access to capital
- Cost of carbon
- Demand for green sea transport

Technology
- Carbon neutral and zero carbon fuels
- Carbon fuels for many years, still
- Abatement technologies
- Battery systems, hybrids & energy saving devices
- Fuel efficiency & flexibility

Connectivity & data
- Vessels as data pools
- Optimisation solutions
- Performance-based agreements
- Cyber security
- Autonomous operations

Energy is moving towards a 100% renewables future

Policies & regulations
- EU: Carbon neutral by 2050
- USA: carbon free electricity production by 2035, net zero emissions by 2050
- China: Carbon neutral by 2060
- RePower EU, Inflation Reduction Act

Technology
- Wind and solar growing rapidly
- Intermittent sources requiring balancing power
- Sustainable fuels for thermal balancing
- Digitalisation and cyber security

Growing demand
- By 2050, electricity generation needs to grow by 3X, renewables by 8X to reach Net Zero targets [1)]
- Gradual replacement of coal
- Renewables expected to become the largest source of global electricity by early 2025 [2)]
- Power systems becoming increasingly complex

1) IEA World Energy Outlook 2022 (Net Zero Emissions Scenario)
2) IEA Renewables 2022 report

Our value creation potential is based on two strategic themes

Transform – attractive growth opportunities at the center of the decarbonisation transformation

Perform – clear path for operational improvements and increased profitability

Significant milestones reached in strategy execution

Transform

- **Market leader in:**
  - 4-stroke medium speed main engines
  - Engine power plants
  - Marine hybrid solutions
- **Technology leader** in green fuels
- **Pioneer** in marine carbon capture & storage
- **Significant growth** since 2021:
  - 25%[1)] in services
  - +17% in thermal balancing installed base
  - 3X[1)] in Energy Storage & Optimisation

Perform

- **Good growth in service agreements** by leveraging digital solutions
- **Improved quality of new build order book margins**
- **Turned Energy Storage & Optimisation to profit**
- **Divested businesses and optimised footprint**
- **Revitalised team and organisation**

Clear path to 12% operating margin

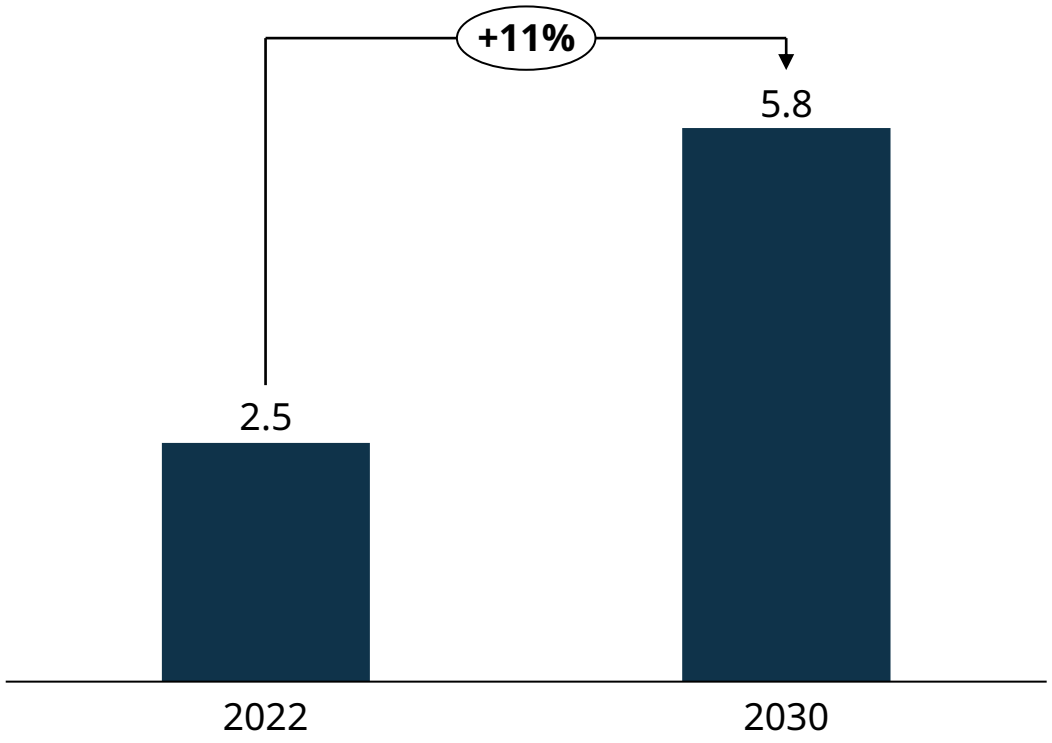
1) LTM Q3/2023 vs. 2021 net sales

Transform –
attractive growth opportunities at the center of the decarbonisation transformation

Strong market fundamentals and the decarbonisation transformation will support profitable growth in Marine business

Key target segments

Annual newbuild contracting of 4-stroke medium speed main engine-powered units (GW)[1]; CAGR



- **IMO MEPC 80** has adopted a **revised strategy** to reduce GHG emissions by 20% by 2030, 70% by 2040 and to net-zero by 2050
- **In the EU**, regulatory landscape will **double fuel costs** up to 2030[2]
- **Small but growing market for green transport** driven by corporate carbon reduction pledges
- Switch to **carbon neutral and zero carbon** fuels will be **progressive**
- **Drop-in fuels, hybrid solutions and abatement technologies** will be **key** to reach short-term reduction targets
- Long-term reduction targets will require a **fundamental shift towards sustainable fuels and abatement solutions**

Source: Clarksons 1) cruise, ferries, offshore, merchant, and other (incl. fishing, dredgers, support units, yachts, navy, tugs etc.) 2) assuming 5,000 tons/year VLSFO consumption subject to Fit for 55, VLSFO at 550 EUR/ton; EU allowances from 100 EUR/ton today to 230 EUR/ton in 2050

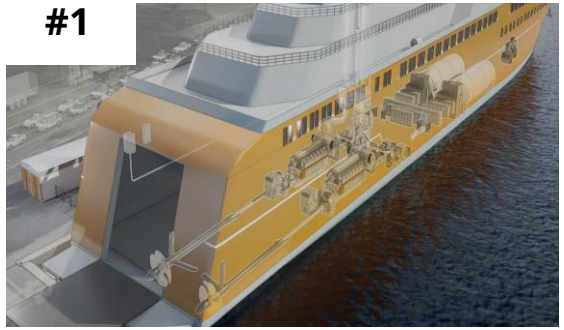
Wärtsilä is a global technology and service leader in shaping the decarbonisation of marine

#1

Industry leading medium speed engine offering

- Biofuels and methanol available already today
- Product industrialisation for ammonia ongoing
- Fuel conversion packages for both 4-stroke and 2-stroke engines available already today

#1



Industry leading hybrid solutions

- Hybrid-electric to challenge 2-stroke engines as prime-mover for LNG carriers
- 6% more cargo space, 10% lower fuel consumption[1)]
- Lower maintenance costs compared to 2-stroke

Pioneer

Pioneer in carbon capture & storage

- Complementary technology to engines
- EUR ~10bn market opportunity in the next 10 years[2)]
- Commercial release in 2025, CCS-ready scrubbers available already today

Global services network to ensure maximum uptime & fuel efficiency

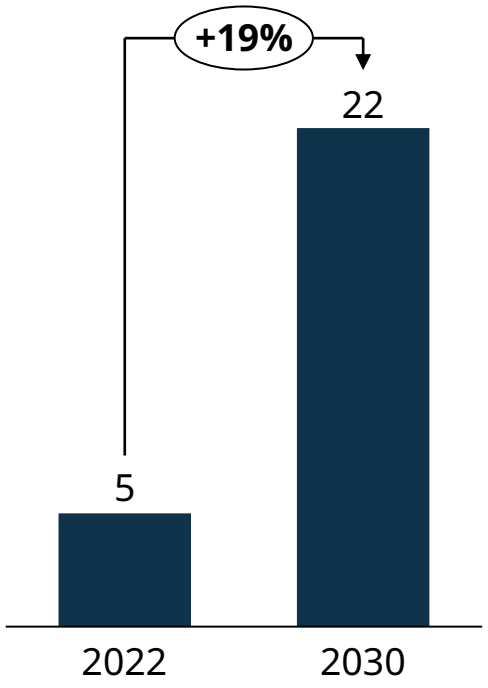
- Transactional: spare parts & field services
- Enhanced support & technical management agreements
- Optimised maintenance & guaranteed asset performance leveraging digital solutions

1) example on 174,000 cbm LNG carrier 2) estimated market size for newbuild and retrofit 3) LTM Q3/2023 (Marine Power)

The increasing share of renewables and need for balancing power will support profitable growth in Energy business

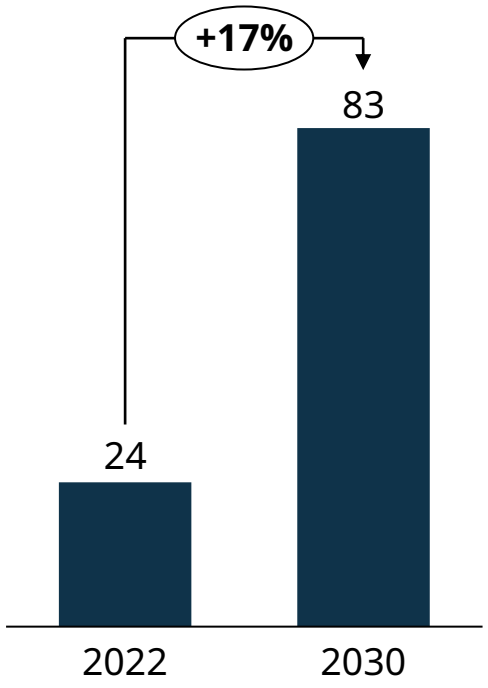
Thermal balancing

Addressable market
GW; CAGR



Energy storage

Addressable market
GWh; CAGR



- **Thermal balancing** market is **expected to grow +4X by 2030** driven by accelerating intermittent baseload. US is an important market for thermal balancing
- Power generation related **regulatory changes support uptake of thermal balancing** (US Federal and State bills, EU electricity market reform and China market reform)
- **Sustainable fuels together with flexible engine power plants balance grids in an affordable and sustainable way**, also for longer shortages in intermittent renewable generation
- **Energy storage incentives in the US** (IRA[1)] investment and production tax credits) **support** the energy storage market **growth**. Local regulatory changes in general support the uptake of energy storage

Source: BNEF, Wärtsilä estimates 1) Inflation Reduction Act

Wärtsilä is a global leader in engine power plants. Energy Storage & Optimisation has grown ~3X since 2021 and is now profitable

#1

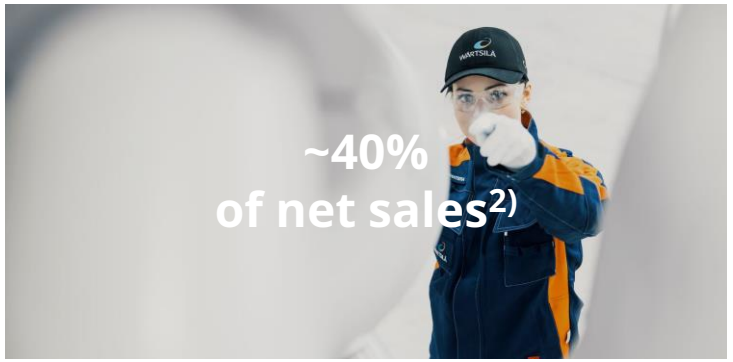
Industry leading engine power plants[1)]

- Superior operational flexibility through fast ramp-up/ramp-down compared to gas turbines
- Fuel conversion packages available already today
- Hydrogen 25 vol% in pilot operation, full hydrogen technology readiness in 2025

#1-5

Top 5 in energy storage

- Focus on profitable growth
- Reliable partner with high bankability
- Highest safety standards (recent milestone in passing UL 9540A requirements)
- Leading software (GEMS) for power system optimisation



Global services network to ensure maximum uptime & fuel efficiency

- Transactional: spare parts & field services
- Maintenance & operational support
- Guaranteed performance services
- Outcome-based agreements, including decarbonisation services, leveraging digital solutions

3X growth in Energy Storage & Optimisation LTM Q3/2023 vs. 2021 net sales 1) units >5MW 2) LTM Q3/2023

To support accelerated profitable growth of Energy Storage & Optimisation, we have launched a strategic review of the business

- Energy storage market is expected to grow rapidly, **addressable market to grow +3X from 2022 to 2030**
- Wärtsilä Energy Storage & Optimisation has **grown +30X[1)] since the acquisition of the business and is now profitable**
- Strategic review has been launched to **accelerate profitable growth of the business in a way that benefits customers and creates value for Wärtsilä shareholders**
- **All potential alternatives will be considered.** Such alternatives could include different ownership options of the business from continued full ownership to potential full or partial divestment of the business or other possible strategic alternatives
- **No commitment to a particular timeline** is given. Wärtsilä will disclose the progress and conclusions of the review according to applicable disclosure laws and regulations
- **Wärtsilä continues to develop and invest** in Energy Storage & Optimisation and **remains fully committed to its customers** throughout the strategic review

1) LTM Q3/2023 vs. 2016 net sales

Perform –
clear path for operational improvements and increased profitability

Services is 50% of our net sales with good future growth potential

EUR ~3bn

LTM Q3/2023 net sales

~25%

Growth in net sales since 2021[1)]

>90%

Renewal rate of service agreements

1) LTM Q3/2023 vs. 2021

We continue to execute our services strategy on all steps of the service value ladder

- **Our installed base of medium speed engines is increasing (~5% increase since 2021)**
- **~25% growth[2)] in transactional services since 2021**
- **~30% of installed base[3)] is under service agreements with further growth potential**
- **Moving up the service value ladder – agreements and performance-based agreements have 2-5X spend ratio (EUR/kW) relative to transactional services**
- **Retrofits and upgrades have the potential to grow +2X by 2030**

1) customer spend ratio EUR/kW 2) LTM Q3/2023 vs. 2021 net sales 3) 4-stroke engine MW

Going forward we will benefit from the implemented operational improvements and structural changes

Quality of revenues

- **Improved quality of new build margins** in current order book
- Energy order book has **higher share of equipment and lower share of EPC deliveries**
- **Energy Storage & Optimisation is now profitable**
- **Voyage losses** have **significantly reduced**

Footprint & divestments

- **Centralisation of the European engine manufacturing footprint** will gradually lead to **EUR ~35m yearly savings by 2025**
- **Divesting business units** in Portfolio Business which are **diluting Group profitability**

Strong commitment and a clear path to reach our financial targets

12%
Operating margin

5%
Annual organic growth

<0.5
Gearing

≥50%
Dividend of earnings

Energy transition and decarbonisation driving our >5% organic growth target

LTM Q3/2023 net sales EUR 6.1bn

Drivers of net sales growth[1)]	Share of absolute growth
Energy Storage & Optimisation – Fast growing demand for energy storage and power system optimisation solutions	⊕⊕⊕
Marine newbuild driven by decarbonisation – Uptake of solutions ready for sustainable fuels, and recovery in passenger and offshore segments	⊕⊕
Moving up the service value ladder in Marine and Energy – Continuous growth in agreement coverage – Decarbonisation-driven retrofits	⊕
Energy Engine Power Plants new build driven by balancing and baseload – Gradual shift to renewables – The focus on offering equipment rather than EPC decreases revenue expectations but improves our risk profile	⊕
Portfolio Business divestments – Gas Solutions, ANCS, Water & Waste, and Marine Electrical Systems	⊖⊖

1) drivers' consideration includes the transfer of Shaft Line Solutions and Exhaust Treatment to Marine and Gas Solutions to Portfolio Business

Source: CMD 2023

Services and decarbonisation key drivers towards 12% operating margin

LTM Q3/2023 operating margin 6.0%[1)]

Drivers of improved profitability[2)]	Share of absolute improvements
▪ Moving up the service value ladder in Marine and Energy	⊕ ⊕ ⊕
▪ Marine new build driven by decarbonisation	⊕ ⊕
▪ Energy Engine Power Plants new build driven by balancing and baseload	⊕ ⊕
▪ Energy Storage & Optimisation	⊕
▪ Portfolio Business divestments	⊕
▪ Continuous improvement	>0
▪ Cost inflation & related price adjustments	

1) excluding EUR 40m provision related to Olkiluoto 1 and 2 nuclear projects taken in Q4/2022 (discontinued nuclear business) as well as EUR 19m provision taken for a single sizeable turnkey project in Gas Solutions in Q2/2023 (discontinued turnkey business) 2) drivers' consideration includes the transfer of Shaft Line Solutions and Exhaust Treatment to Marine and Gas Solutions to Portfolio Business

Source: CMD 2023

We continue to actively manage our business portfolio

Marine Systems planned to be discontinued

Effective 1st of January 2024

- Further simplification of Group structure
- Gas Solutions has limited synergies with Wärtsilä's marine product portfolio, planned to be moved to Portfolio Business
- Exhaust Treatment and Shaft Line Solutions planned to be moved to Marine Power
- Improving quality of revenues

Portfolio Business

Plan to divest. Timeline subject to internal separation & turnaround

- Water & Waste
- Marine Electrical Systems
- Automation, Navigation & Control Systems
- Gas Solutions

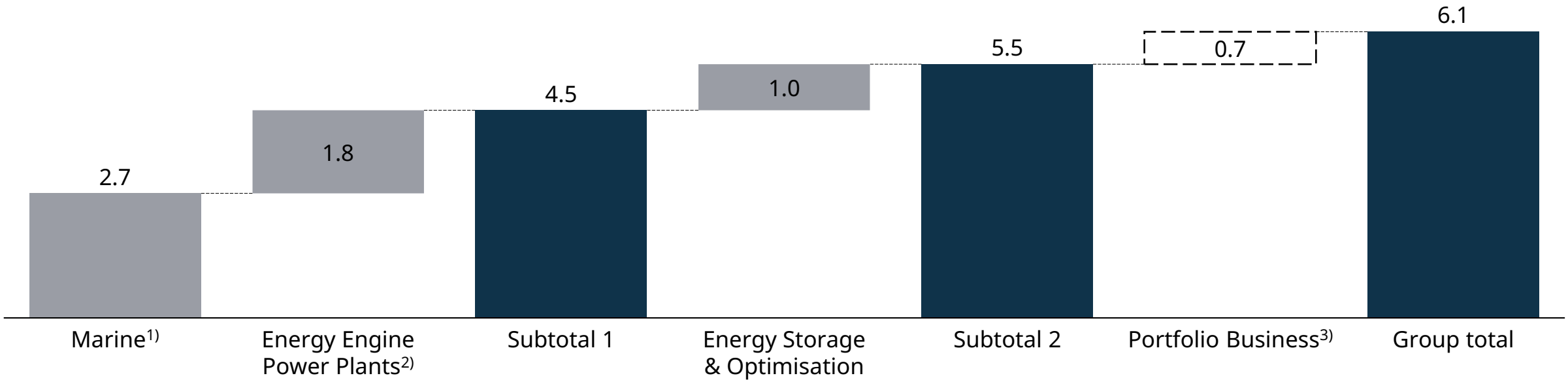
LTM Q3/2023	Group total	Group total excl. Portfolio Business
Net sales, EURm	6,142	5,480
Comparable operating margin[1)]	7.7%	8.7%
Operating margin[1)]	6.0%	8.2%

1) excluding EUR 40m provision related to Olkiluoto 1 and 2 nuclear projects taken in Q4/2022 (discontinued nuclear business) as well as EUR 19m provision taken for a single sizeable turnkey project in Gas Solutions in Q2/2023 (discontinued turnkey business)

Marine & Energy Engine Power Plants combined have double digit profitability. Energy Storage & Optimisation is now profitable

Group simulation (LTM Q3/2023), net sales EURbn

	Marine[1)]	Energy Engine Power Plants[2)]	Subtotal 1	Energy Storage & Optimisation	Subtotal 2	Portfolio Business[3)]	Group total
Comparable operating margin LTM Q3/2023	10.5%		0.3%		8.7%		7.7%
Operating margin LTM Q3/2023	10.0%		0.1%		8.2%		6.0%
Net sales CAGR LTM Q3/2021 – LTM Q3/2023	11%		138%		20%		18%



1) former Marine Power business including Exhaust Treatment & Shaft Line Solutions 2) including services but excluding EUR 40m provision related to Olkiluoto 1 and 2 nuclear projects taken in Q4/2022 (discontinued nuclear business) 3) including Gas Solutions but excluding EUR 19m provision taken for a single sizeable turnkey project in Gas Solutions in Q2/2023 (discontinued turnkey business)

Profitability drivers for 2023

+ Supporting drivers

- Growth of service business
- Continued decarbonisation push in both the energy and marine markets
- Profitability improvements in Energy Storage and Voyage Business
- Continued cost optimisation
- Strong order book both in new equipment and services
- Lower value of new equipment orders sold with ”pre-war” prices

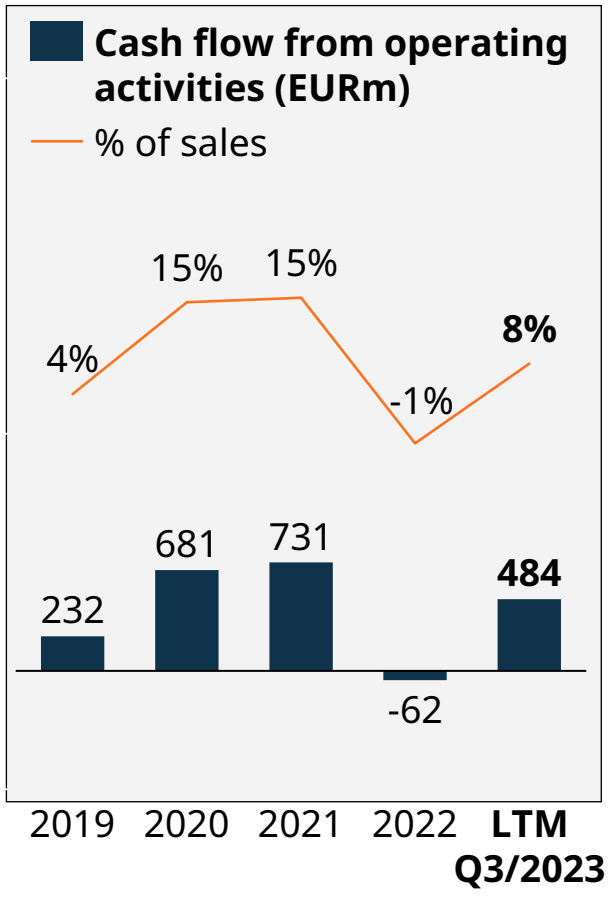
+ / - Uncertainties

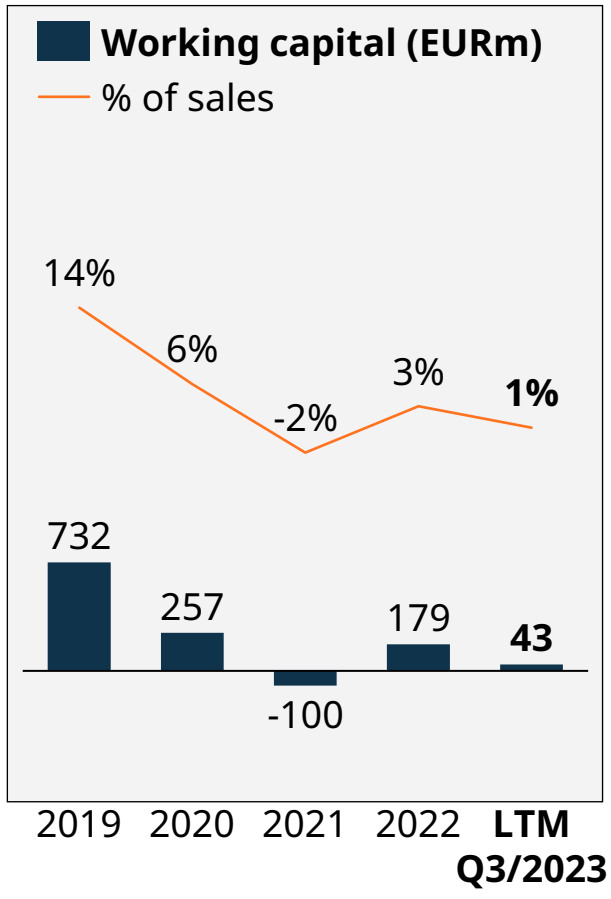
- Geopolitical tensions
- Potential trade restrictions / trade wars
- Recession risk

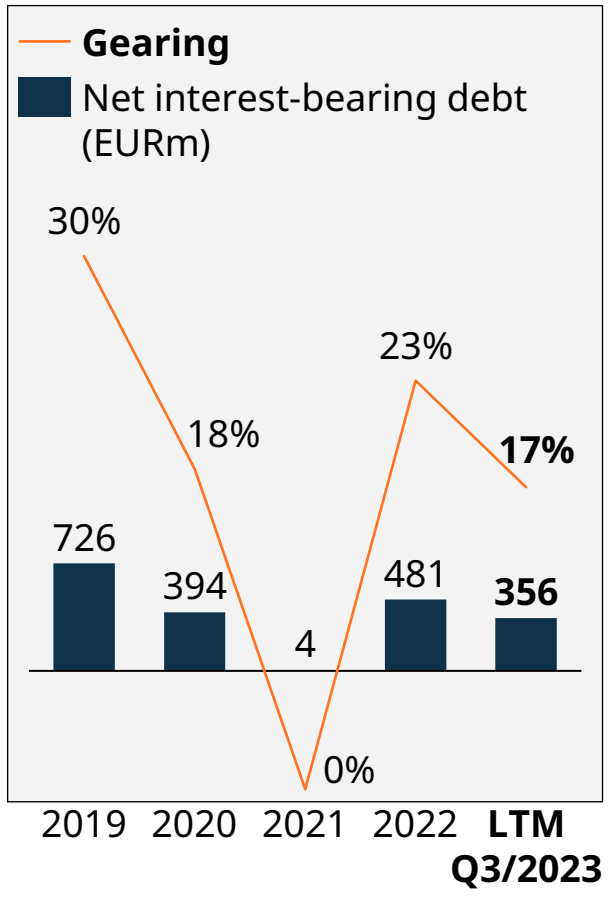
- Negative factors

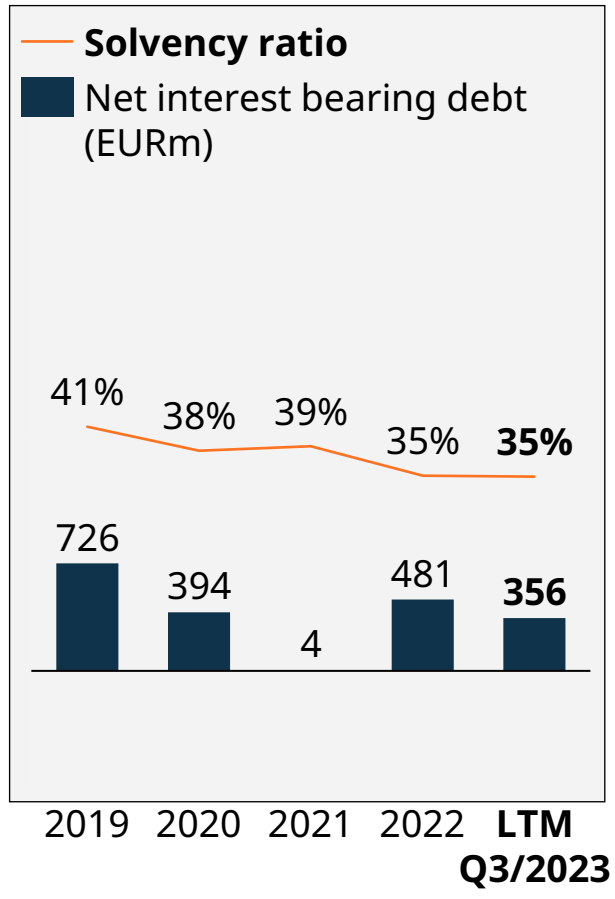
- Wage inflation
- Lower engine production volumes for Energy due to delays in order intake

Strong balance sheet and financial position to support strategy execution









Strong cash flow development from 2022 level

Continued good working capital development

Strength to make strategic investments

Source: CMD 2023

The Wärtsilä Way sets the scene for profitable growth. We reconfirm our financial targets

THE WÄRTSILÄ WAY

Purpose
Enabling sustainable societies through innovation in technology and services

Target position
Shaping the decarbonisation of marine and energy

- 5% annual growth
- 12% operating margin
- To become carbon neutral in own operations and to provide a product portfolio which will be ready for zero carbon fuels by 2030

Strategic priorities
Roadmap to improve performance and reach Target position

Execution plan
What to do – tactics & operations, updates yearly

Values, leadership and continuous improvement
Customer success, Passion, Performance

The strategic priorities are the key levers to improve our performance and reach our target position

1 **Excel in creating customer value**
We continuously evolve our understanding of, and responsiveness to, our customers to make them successful

2 **Develop high performing teams that make a difference**
We attract high performing people and excite diverse teams that excel in continuous learning and collaboration. Our leaders provide direction and support, empowering people to act

3 **Drive decarbonisation in marine and energy**
We accelerate decarbonisation in marine and energy through innovation, focused investments and selective partnerships, while also decarbonising our own operations. We provide optimisation solutions and are a thought leader in our industries

4 **Capture growth in services**
We excel in transactional and retrofit business. We move up the service value ladder by growing in performance-based agreements

5 **Continuously improve our end-to-end value chain**
We continuously improve our end-to-end business to meet customer expectations on quality, lead time and delivery accuracy, while reducing complexity and improving competitiveness. We leverage digitalisation throughout our value chain

Marine highlights

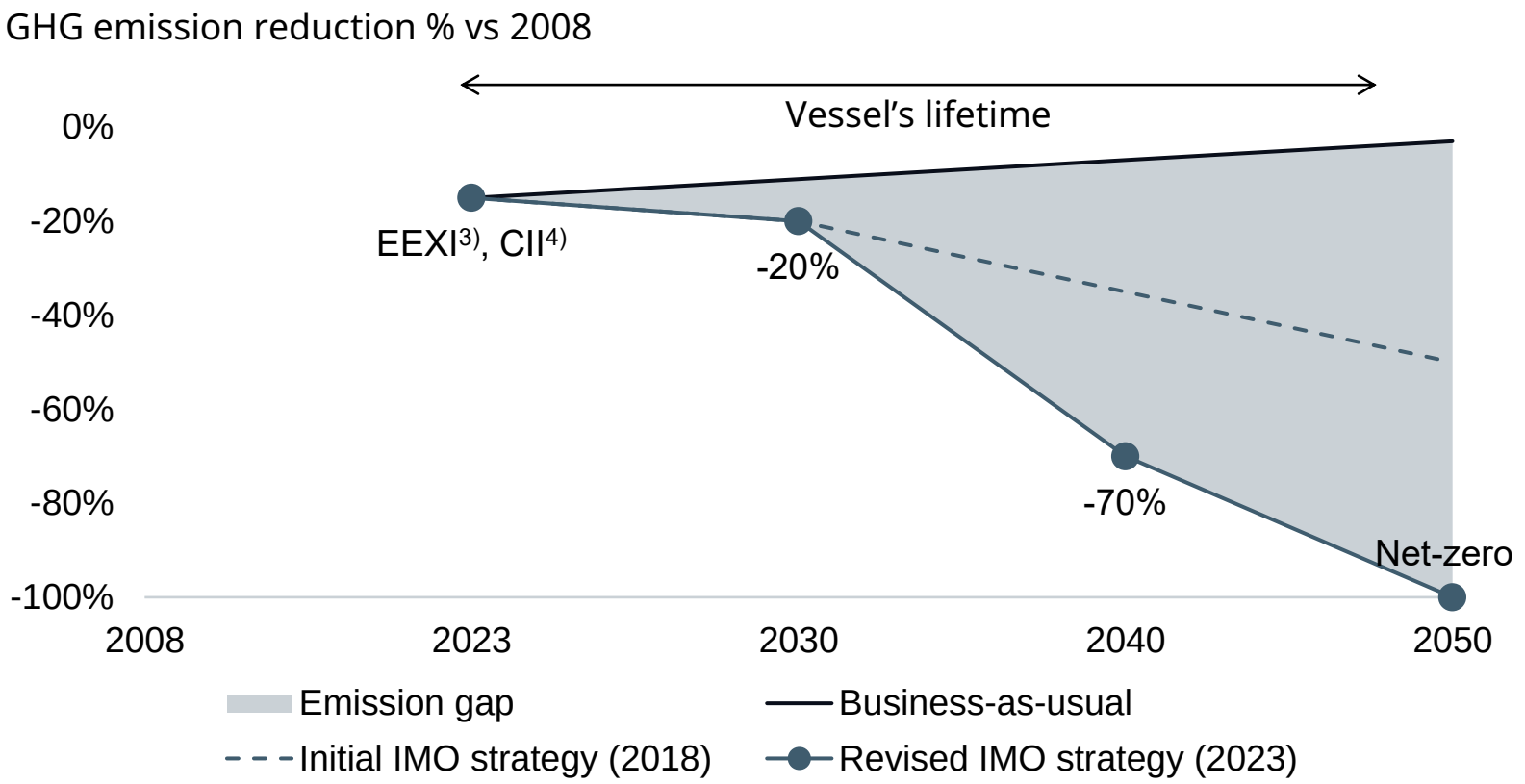
Accelerated decarbonisation targets are shaping the shipping industry and reinforcing our strategy

In 2023, IMO strengthened its GHG reduction targets, and now strives for **net-zero "by or around 2050"**

The total estimated investment in 2023-2050 is **USD ~5.0 trillion**[1)]

We can enable customers to reach intermediate and 2050 targets with our existing portfolio

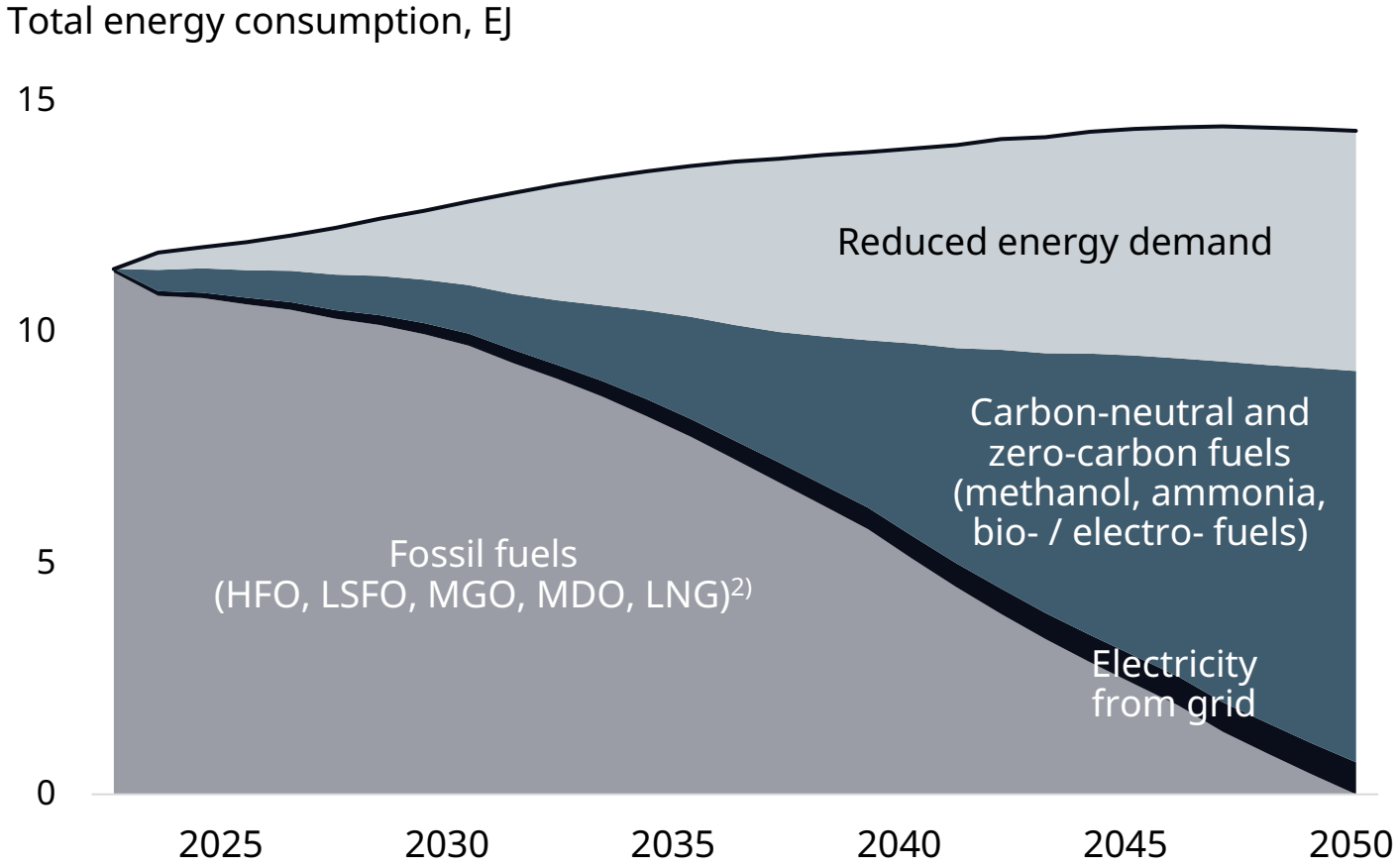
Ambitions and checkpoints in the revised IMO GHG strategy[2)]



1) Source: Clarksons; total newbuilding and equipment upgrades investment for fleet renewal in 2023-2050; 2) Source: DNV Energy Transition Outlook 2023; well-to-wake GHG emission reduction compared to 2008; 3) Energy Efficiency eXisting ship Index; 4) Carbon Intensity Indicator

A progressive switch to sustainable fuels is already under way

Sustainable fuel uptake scenario for net-zero in 2050[1)]

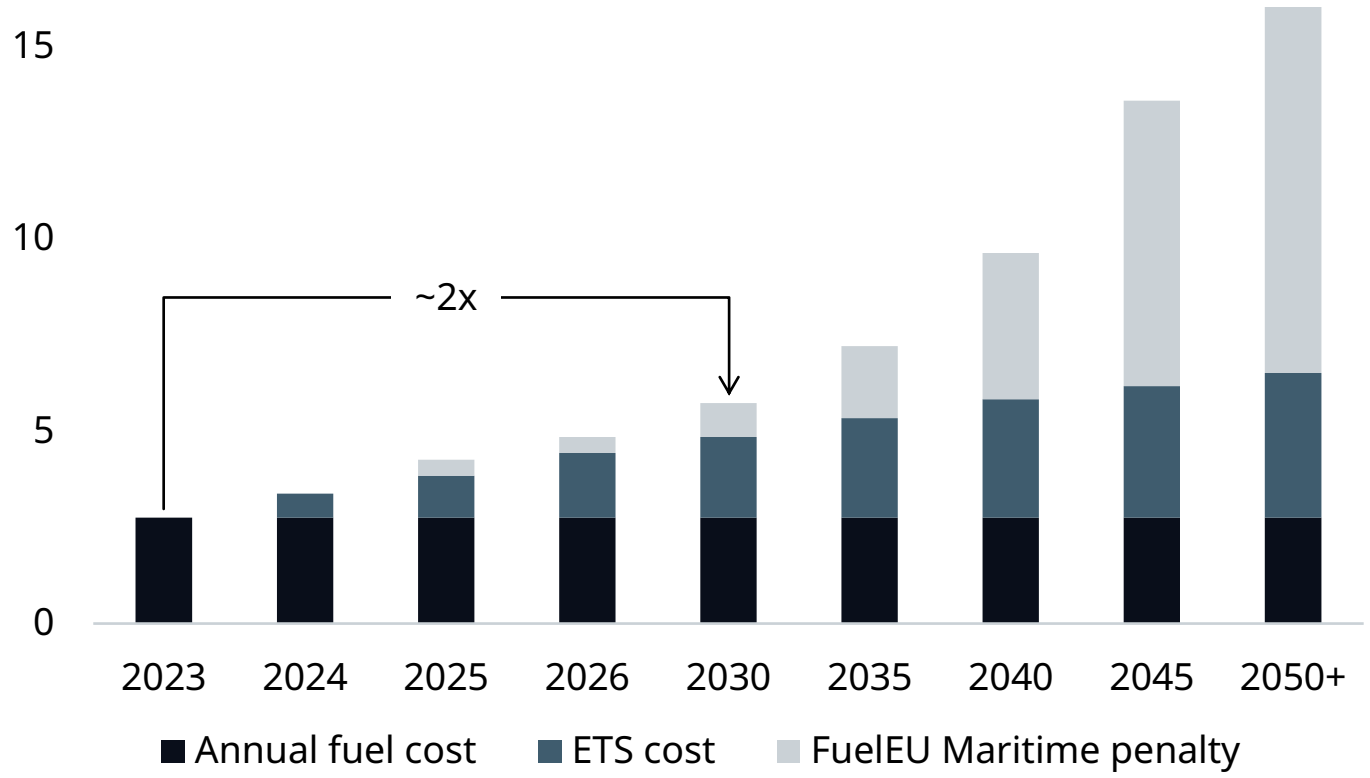


- ✓ **Fuel transition is under way**: 49% of tonnage on orderbook is set to use alternative fuels; long-term fuel mix is dependent on supply of different fuels
- ✓ **LNG is still #1 alternative fuel**: 25% of tonnage ordered in LTM is LNG fuelled
- ✓ **Methanol is gaining share**: 58% of containerships tonnage ordered in LTM are set to run on methanol
- ✓ **Ammonia will pick up in the longer run**
- ✓ **Hybrids, batteries, ESTs[3)] are growing**:
  - 37% of the tonnage on orderbook is fitted with at least 1 EST[3)]
  - 129 hybrid / full-electric 2 000+ GT vessels were ordered in LTM (compared to 99 in 2022 and 55 in 2019)

1) Source: DNV Maritime Forecast 2050; 2) HFO – Heavy Fuel Oil; LSFO – Low Sulphur Fuel Oil; MGO – Marine Gas Oil; MDO – Marine Diesel Oil; 3) Energy Saving Technology

Up to 2030, fuel cost will double due to emission fees

Fuel-related costs for Handymax bulker operating in EU waters, EURm[1)]



1) Assuming 5 000 tons/year VLSFO (Very Low Sulphur Fuel Oil) consumption subject to EU Fit-for-55, VLSFO at EUR 550/ton; EU allowances from EUR 100/ton today to EUR 230/ton in 2050 (source: Transport & Environment NGO); 2) E.g., local regulations and emission fees (EU Fit-for-55), green financing (Poseidon Principles), climate-linked chartering (Sea Cargo Charter), companies' ESG targets

Multiple business drivers will add further pressure to decarbonise shipping[2)]

↓

The transition will happen under the lifetime of a vessel

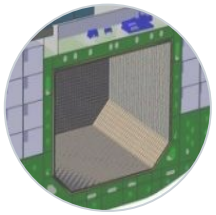
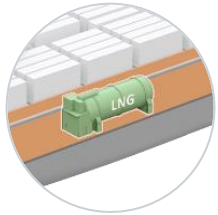
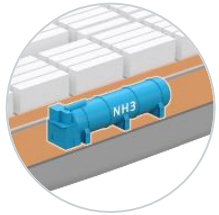
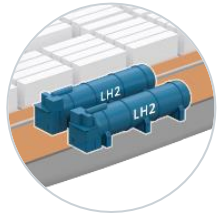
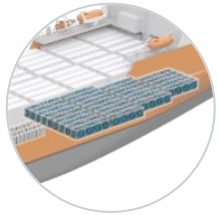
↓

Upgradability is critical for new vessel orders

↓

Being perceived as front-runners in technology and services strengthens our positioning already today

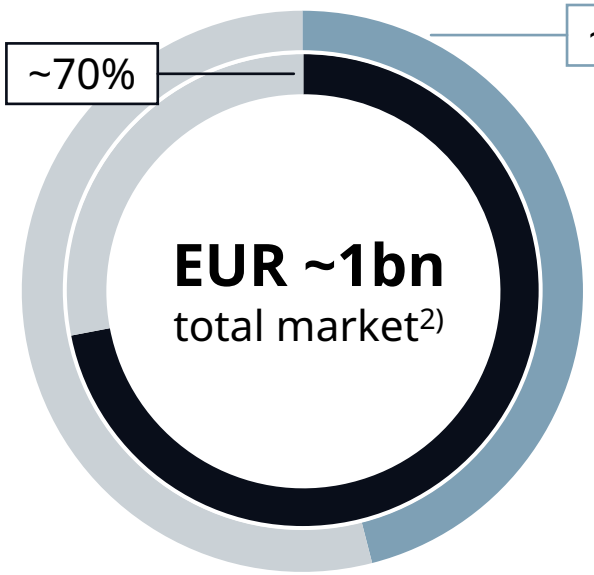
Cost of emissions will close the price gap between fossil and sustainable fuels; fuel selection impacts the vessel structure

Fuel type	 Low Sulphur Fuel Oil @ 20°C	 Liquified Natural Gas @ -162°C	 Methanol @ 20°C	 Ammonia @ -33°C	 Liquid Hydrogen @ -253°C	 Compressed Hydrogen @ 350bar	 Marine Battery Rack
Fuel price factor (per GJ)[1)]	1x	1.1x – 4.6x[2)]	2.6x – 5.5x[3)]	2.4x – 4.3x[4)]	3.6x – 4.6x[4)]	2.1x – 3.1x[4)]	2.0x – 5.3x[8)]
Fuel price factor in 2035, incl. carbon tax[1) 5)]	1x	0.8x – 1.4[2)]	0.8x – 1.6x[3)]	0.7x –1.2x[4)]	1.2x – 1.5x[4)]	0.6x – 1.0x[4)]	0.8x – 2.0x[8)]
Gross tank size factor[6)]	1x	1.7x – 2.4x[7)]	1.7x	3.9x	7.3x	19.5x	~40x (~20x potential)

1) Fuel production cost estimate for 2025 and 2035; source: Maersk Mc-Kinney Møller Center for Zero Carbon Shipping – NavigaTE 2023; 2) Price range spans between fossil & electro- methane; 3) Price range spans between bio- & electro- methanol; 4) Price range spans between blue- & electro- ammonia/hydrogen; 5) Assuming 100% consumption subject to EU Fit-for-55, EU allowances at EUR 159/ton (source: Transport & Environment NGO); 6) Gross tank estimations based on Wärtsilä experience; 7) 1.7x membrane tanks, 2.4x type C tanks; 8) Shore energy price EUR 10-27/kWh

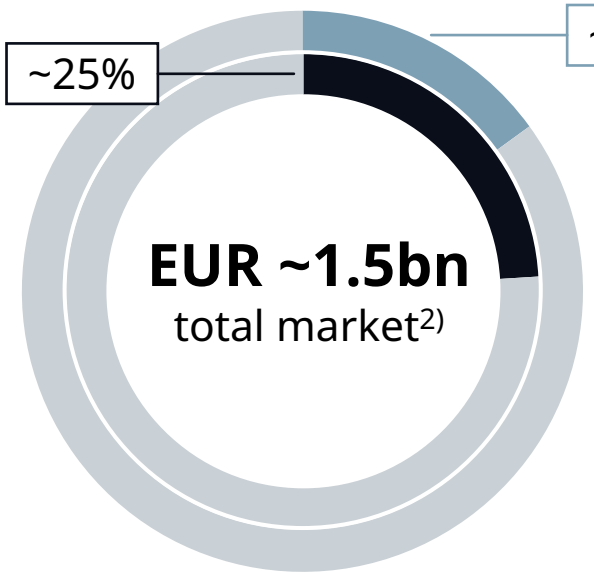
We maintain a leading position in 4-stroke medium speed main engines and are increasing our share in auxiliary engines

4-stroke medium speed main engines market share[1)]



We are **market leaders** in 4-stroke medium speed main engines, and particularly strong in high-value segments and sustainable fuels

Auxiliary engines market share[1)]



We are **growing** in auxiliary engines, as sustainable fuels are de-commoditising and consolidating the market

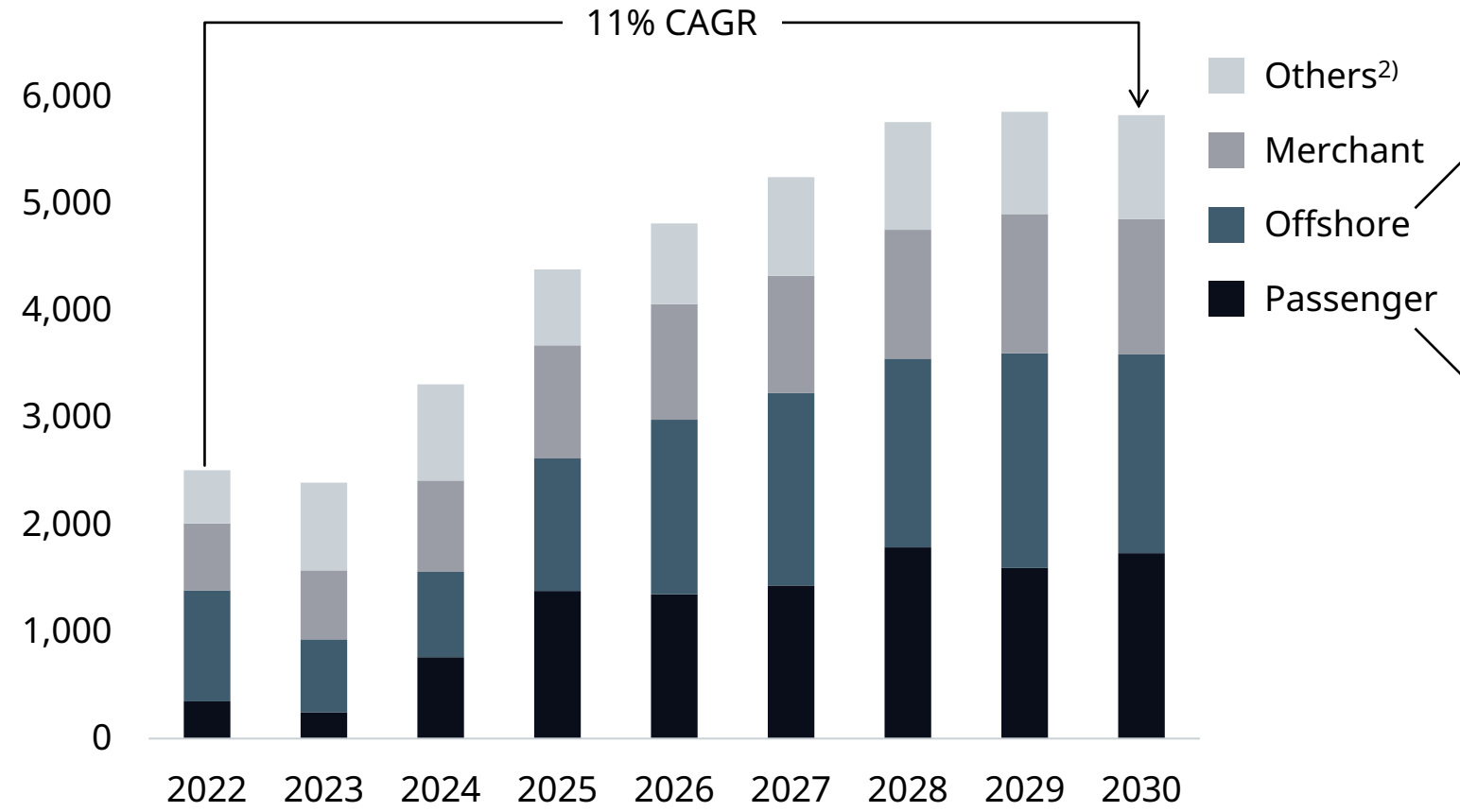
Outer circle: Wärtsilä total market share

Inner circle: Wärtsilä market share on alternative fuel engines

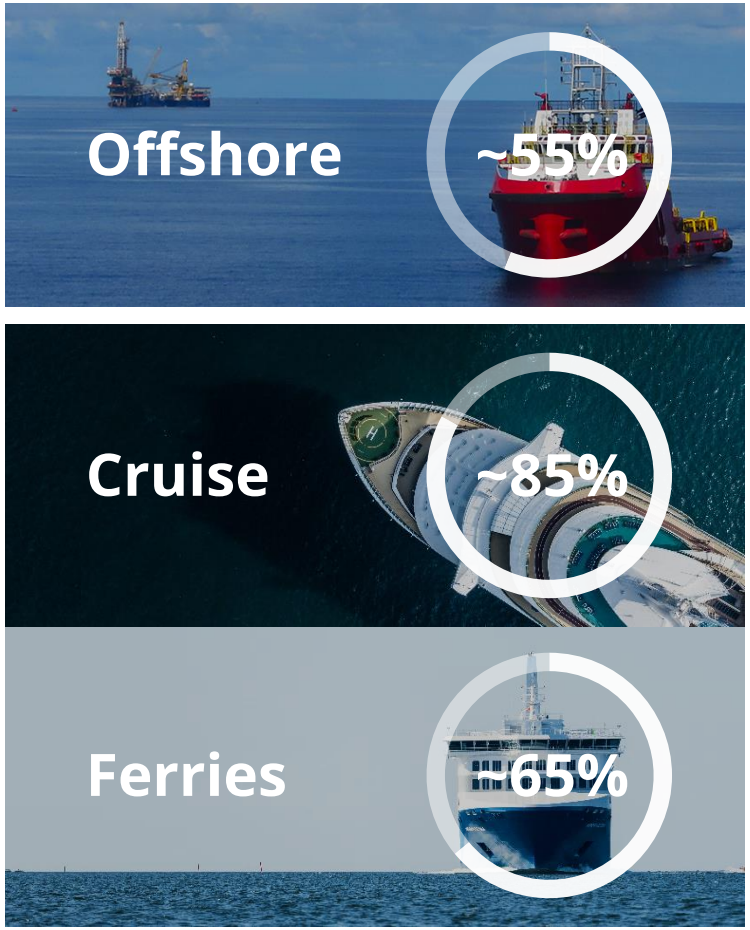
1) Wärtsilä estimates, MW; 2) Average 2023-2027, based on Clarksons September 2023 forecasts and internal models

Recovery in our key target segments will grow our addressable market for equipment sales

Newbuild ordering of 4-stroke medium speed main engine-powered ships, MW[1)]



Wärtsilä market share, MW[3)]



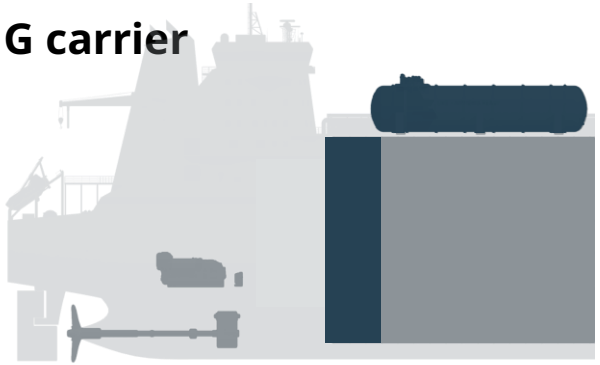
1) Source: Clarksons September 2023 forecasts; 2) Fishing, dredgers, support units, yachts, navy, tugs, etc.; 3) Market share on 4-stroke medium speed main engines, Wärtsilä estimates, MW

Hybrid-Electric will challenge 2-stroke as prime-mover for LNG carriers, enabling higher efficiency and increased cargo capacity

Wärtsilä Hybrid-Electric LNG carrier

185k cbm capacity

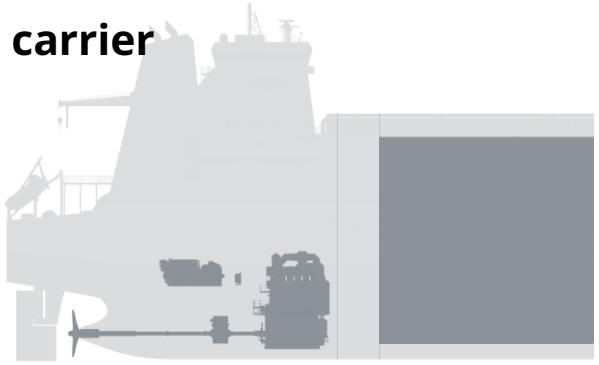
3x 4-stroke spark-gas gensets
2x 4-stroke dual fuel gensets
2 MWh batteries
■ Extra cargo capacity



Conventional 2-stroke LNG carrier

174k cbm capacity

2x 2-stroke main engines
4x 4-stroke aux engines

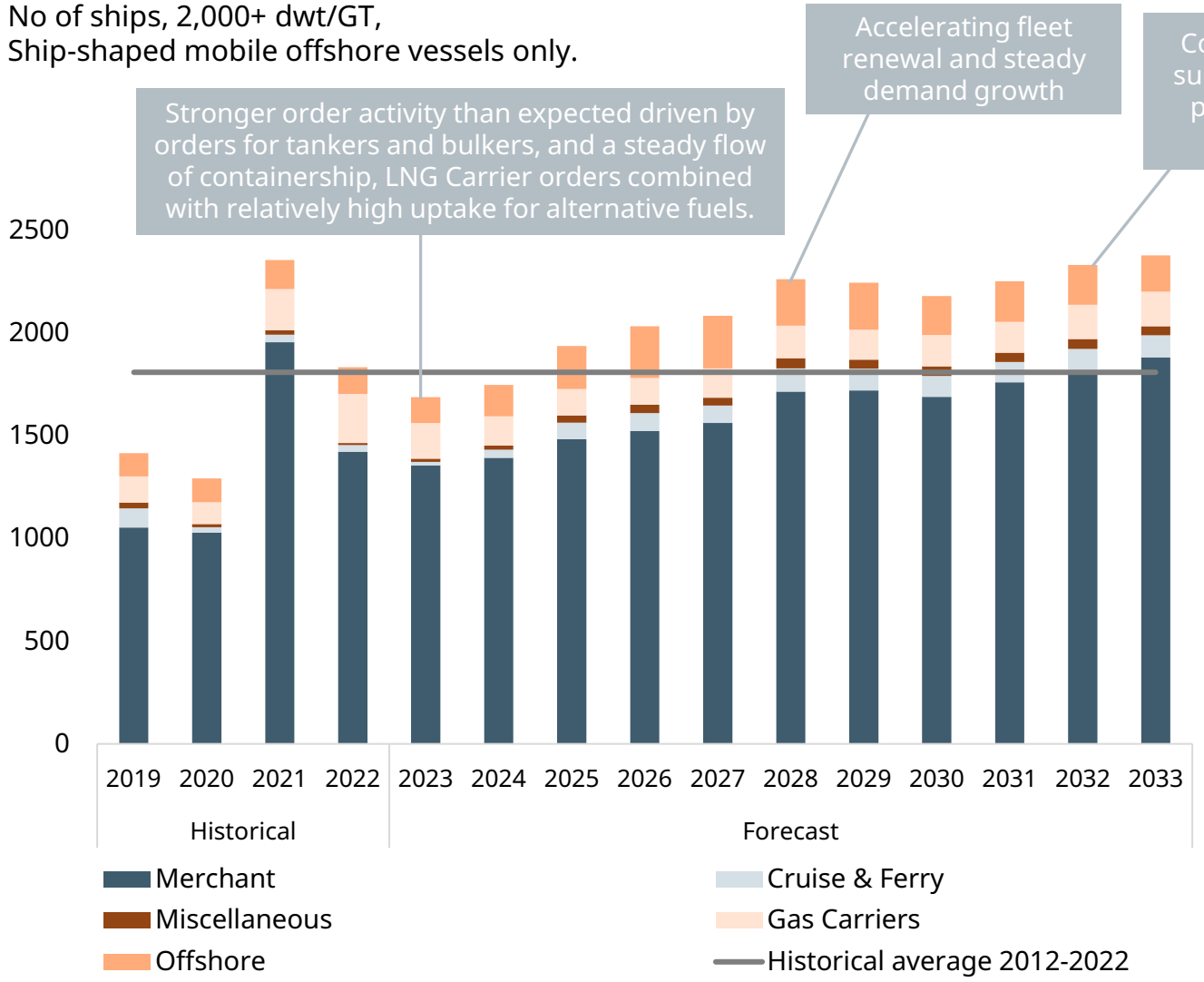


- ✓ **Launched at Gastech in 2023**
  with Shell and Hudong-Zhonghua Shipbuilding
- ✓ **6% extra cargo capacity**
  with same ship dimensions
- ✓ **>10% lower fuel consumption and emissions**
  with optimal efficiency across all speeds
- ✓ **20% lower maintenance costs**
  with fewer engine running hours
- ✓ **Superior redundancy, uptime, flexibility**
  as it can operate with fewer engines
- ✓ **Future proof**
  as it can integrate alternative power sources

Values refer to a comparison with a conventional 174k cbm LNGC (2x 2-stroke low pressure DF main engines, 4x 34DF 4-stroke aux engines), calculated on full year cycle real operating profile with average speed of 15 knots in laden and 13.5 knots in ballast; cargo increase confirmed by Hudong-Zhonghua Shipbuilding in their general arrangements and outline specifications

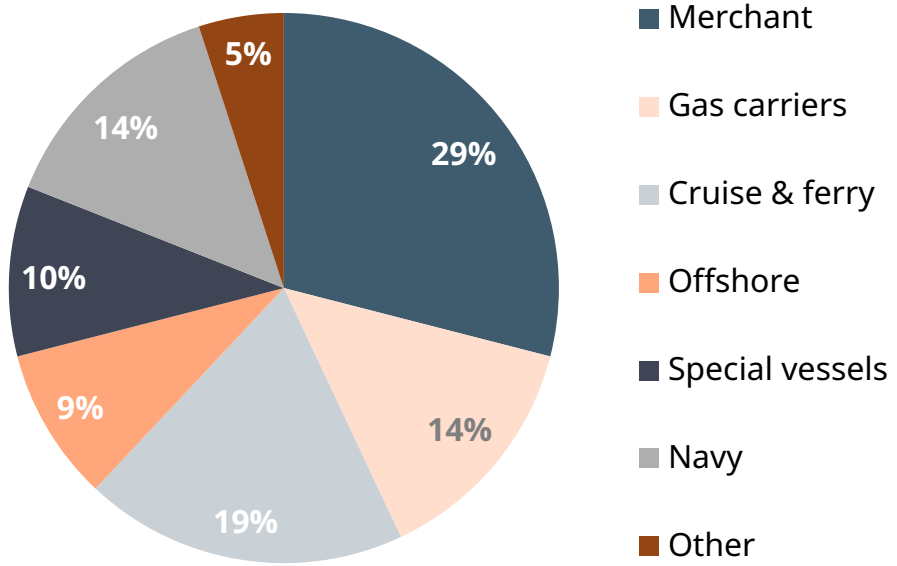
Vessel contracting forecast

No of ships, 2,000+ dwt/GT,
Ship-shaped mobile offshore vessels only.



Source: Clarksons Research, September 2023

Wärtsilä's order intake in Marine businesses by customer segment in 2022



Includes both orders for equipment and services. The vessel types included in Merchant segment are bulk carriers, cargo-, container-, and RoRo vessels as well as tankers. The vessel types included in Special vessel segment are dredgers, fishing-, inland-, and service vessels as well as tugs.

Services is more than 60% of Marine Power sales.
We have 3 distinct revenue streams covering customer maintenance

	Transactional	Agreements	Retrofit Projects
% services sales[1)]	~60%	~30%	~10%
Growth drivers	Installed base growth	Increasing ship complexity Increasing cost of emissions Increasing cost of fuel	New regulations Increasing cost of emissions Increasing cost of fuel
Focus areas	Customer service Service offering Long-tail customers	New outcome-based models Service level differentiation Digital tools and services	New retrofit solutions Consultative sales through Decarbonisation Services

1) LTM Q3/2023; split between Transactional and Agreements based on services net sales to vessels not covered / covered by agreement

We increase sales and profits by moving up our service value ladder

From 1x[1)] → **Up to 2-3x[1)]**

Enhanced support agreement

- ✓ Data visibility
- ✓ Operational support
- ✓ Frame agreement for supply of parts and labour

Technical management agreement

- ✓ AI-based Expert Insight
- ✓ Operational support
- ✓ Data-driven dynamic maintenance planning
- ✓ Parts and labour invoiced as orders are received

Optimised maintenance agreement

- ✓ AI-based Expert Insight
- ✓ Operational support
- ✓ Data-driven dynamic maintenance planning
- ✓ Execution with parts and labour included

Guaranteed asset performance agreement

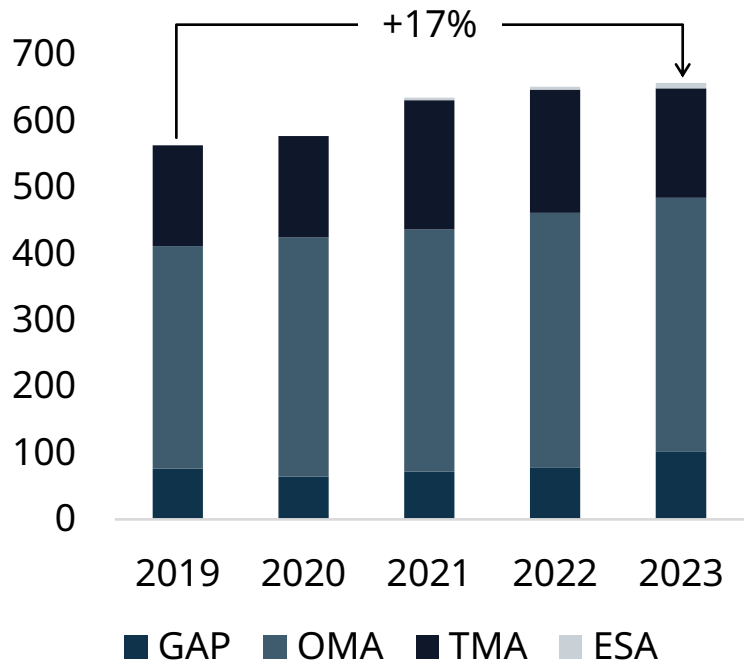
- ✓ AI-based Expert Insight
- ✓ Operational support
- ✓ Data-driven dynamic maintenance planning
- ✓ Execution with parts and labour included
- ✓ Profit sharing, guaranteed performance

1) Sales EUR/kW relative to transactional

We expand the installed base under agreement while climbing the service value ladder

Key facts

Number of vessels under agreement[1)]



Key metrics

~90%
renewal rate[2)]

26%
growth in sales to agreement vessels vs pre-Covid

29%
of our engine installed base is under agreement[3)]

Customer benefits

~90%
issues resolved remotely

29%
average reduction of unscheduled maintenance

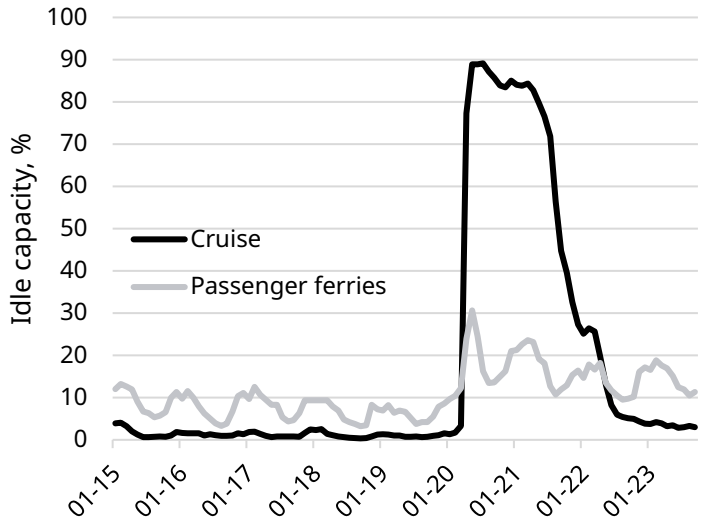
EUR >60m
fuel savings on a cruise fleet over a 6-year contract period

1) GAP = Guaranteed asset performance agreement, OMA = Optimised maintenance agreement, TMA = Technical management agreement, ESA = Enhanced support agreement; 2) 4-stroke renewal rate; 3) Excluding QuantiParts

Vessel utilisation rates driving Wärtsilä's service business

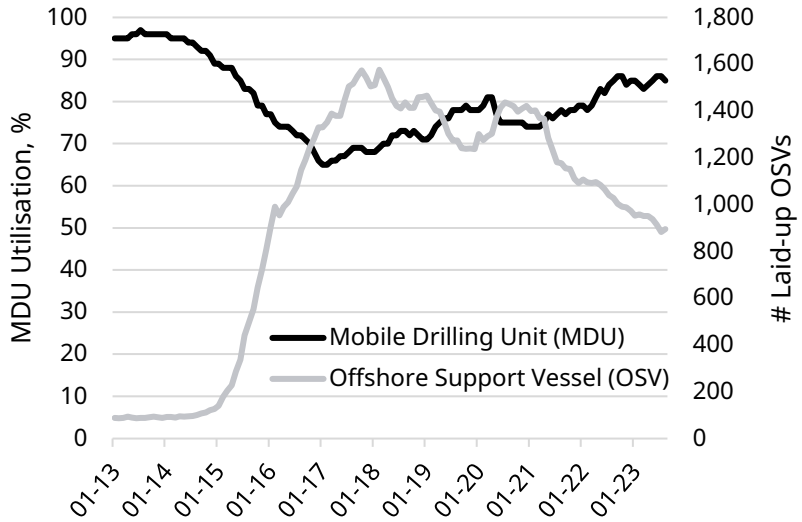
Typically, there is some delay between changes in utilisation rate and Wärtsilä service net sales

Cruise and passenger ferries



- Active cruise capacity continues to recover, the total cruise fleet capacity is expected to be up by 4,5% in FY2023 y-o-y
- The active passenger ferry capacity has not yet recovered to pre-Covid levels but operator profitability continues to improve due to increasing passenger traffic volumes

Offshore

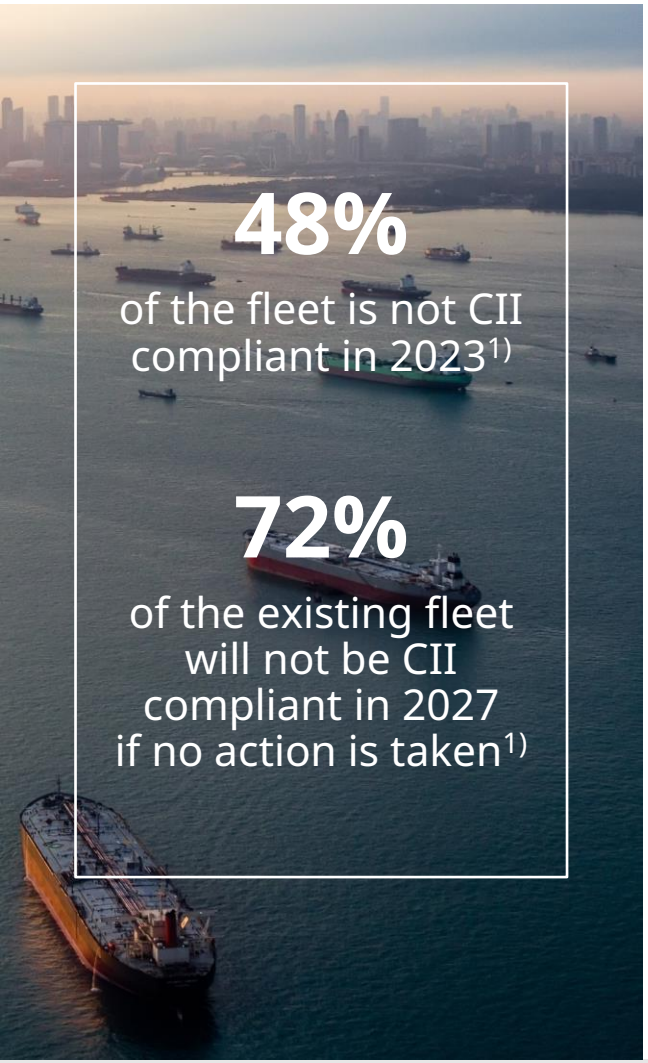


- Marginal increase in utilisation rates for Mobile Drilling Units this year, utilisation rate is projected to increase to 93% by end of 2024
- The number of laid-up OSVs is down by ~6% since start of 2023. The number of active OSVs is expected to grow by 5% in 2024

Source: Clarksons Research, September 2023

Using slow steaming to manage active fleet capacity and/or to limit emissions will require more active capacity on the water, driving up the utilisation rate of existing fleet and eventually lead to demand for further vessel capacity, leading to higher demand for services

Tightening regulations and increasing fuel and emission cost boost demand for retrofits; we are well positioned to grow this business



We enable fleet decarbonisation with the most comprehensive retrofit portfolio in the industry

4-stroke and 2-stroke[2)] engine retrofits:
fuel conversions, engine power limitation, engine efficiency upgrades, methane slip reduction packages

Other retrofits:
carbon capture systems, hybrids, shaft generators, energy saving technologies

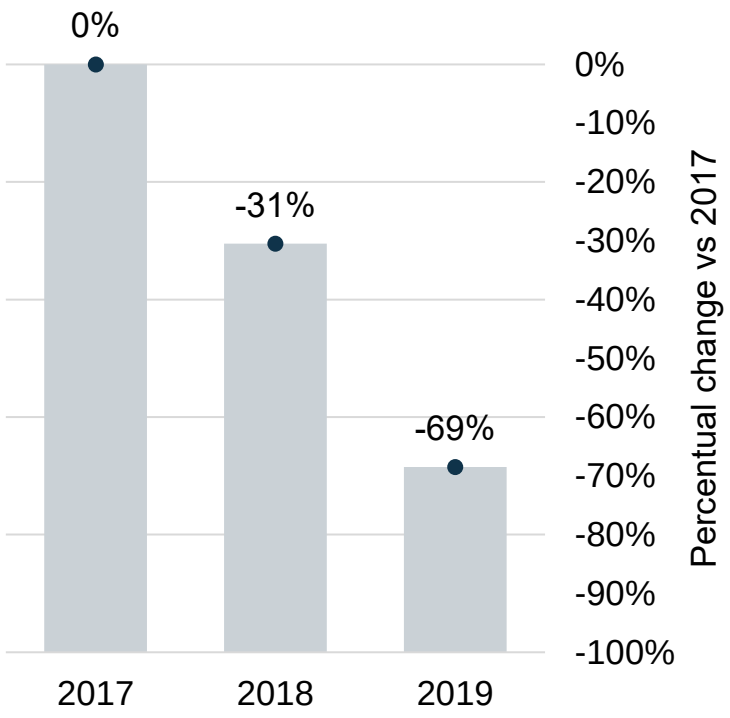
Success stories in 2023

- ✓ First 4-stroke methanol conversion contracted
- ✓ First 2-stroke LNG fuel conversion contracted
- ✓ First 2-stroke derating delivered, with >10% fuel saving achieved
- ✓ Multiple hybrid retrofits
- ✓ Increasing demand for Decarbonisation Services

1) CII (Carbon Intensity Indicator) applies to all cargo, RoPax, cruise ships above 5 000 GT (with some exceptions); source: Wärtsilä CII tool, correction factors excluded, ships with D or E rating considered as non-compliant; 2) 2-stroke applicable to WinGD or Sulzer 2-stroke engines

Wärtsilä Expert Insights: combining data analytics capabilities with product know-how and OEM expertise

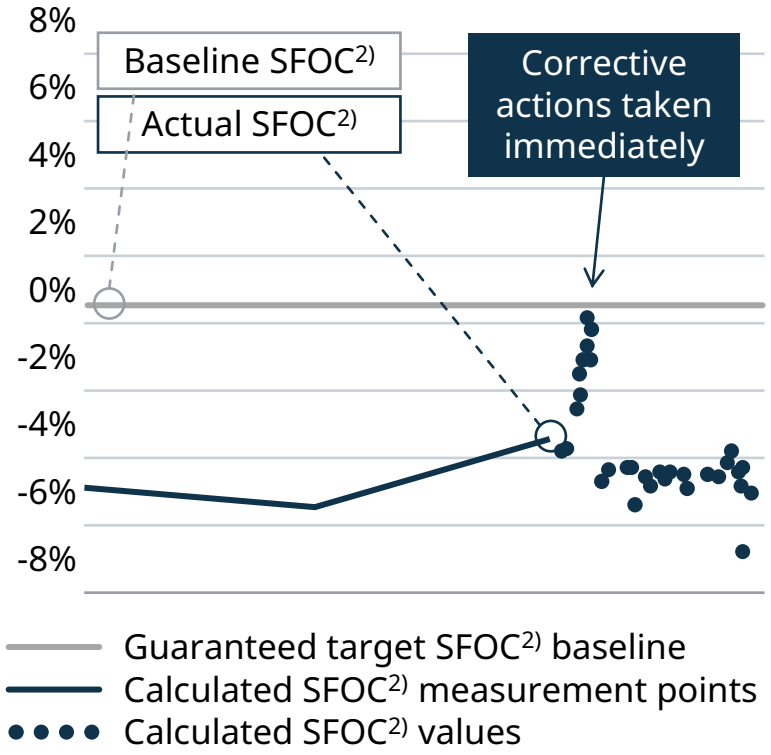
Decreased customer's costs of unscheduled maintenance with Wärtsilä Expert Insight[1)]



Advanced analytics combined with OEM expertise enhance customer value

11	Expertise Centres worldwide serving only agreement customers
+350	vessels with Expert Insight installed or planned
93%	of customers renew their agreement
25%	average reduction of unscheduled maintenance
90%	of issues solved remotely

Continuous measurement enables prediction and fast and proactive actions



1) Based on data from 54 LNG Carriers with Expert Insight; 2) SFOC = Specific Fuel Oil Consumption

Performance will be driven by continuous improvement and higher sales volumes; we will mitigate inflation with price and cost management

Equipment sales

- ✓ Favorable vessel contracting mix
- ✓ Uptake of sustainable fuels
- ✓ Higher focus on fuel flexibility, efficiency, upgradability

Services sales

- ✓ Growing installed base
- ✓ Increasing agreement coverage
- ✓ Climbing of the service value ladder
- ✓ Decarbonisation-driven retrofits

Structural changes and continuous improvement

- ✓ Structural cost optimisation
- ✓ Flow efficiency

Price management

- ✓ Value-based pricing
- ✓ Price realisation for sustainable fuel engines
- ✓ Agreement price indexation

Growth ⟷ **Profitability**

Recent examples:

- ✓ **Manufacturing footprint optimisation:**
  ramp-down of manufacturing in Trieste, exit of Santander and Zhenjiang factories
- ✓ **Voyage Services turnaround:**
  new setup and operating model, fixed costs reduction, stricter sales and pricing policy
- ✓ **Billable vs non-billable Field Service resources:**
  20% better non-billable vs billable resource ratio in Field Service since 2020

Energy highlights

Significant value creation opportunity – improving performance and capturing growth

Perform – on track to deliver our targets

- Driving performance in new build through **improved risk / reward**
- Continued **strong profitability in services** with a solid foundation for growth – Moving up the service value ladder
- Driving profitability in Energy Storage & Optimisation through **increasing value add in our products**
- Achieving **positive comparable operating result in Energy Storage & Optimisation**

Transform – growth opportunity in Engine Power Plants

- **Thermal balancing** addressable market is expected to **grow 19% p.a.** between 2022-2030
- Wärtsilä is the **global market leader in engine power plants** with superior balancing capabilities vs. gas turbines
- **Capability to convert to future fuels** key for customers to avoid risk of stranded assets

Transform – growth opportunity in Energy Storage & Optimisation

- **Energy storage addressable market** is expected to **grow 17% p.a.** between 2022-2030
- Wärtsilä is a **top 5 global leader** in energy storage
- **Differentiated** by project execution excellence, safety, reliability, and a fully integrated design
- **Strategic review** now started

Actions taken to improve new build profitability and achieve better risk / reward

Organisation, team & governance

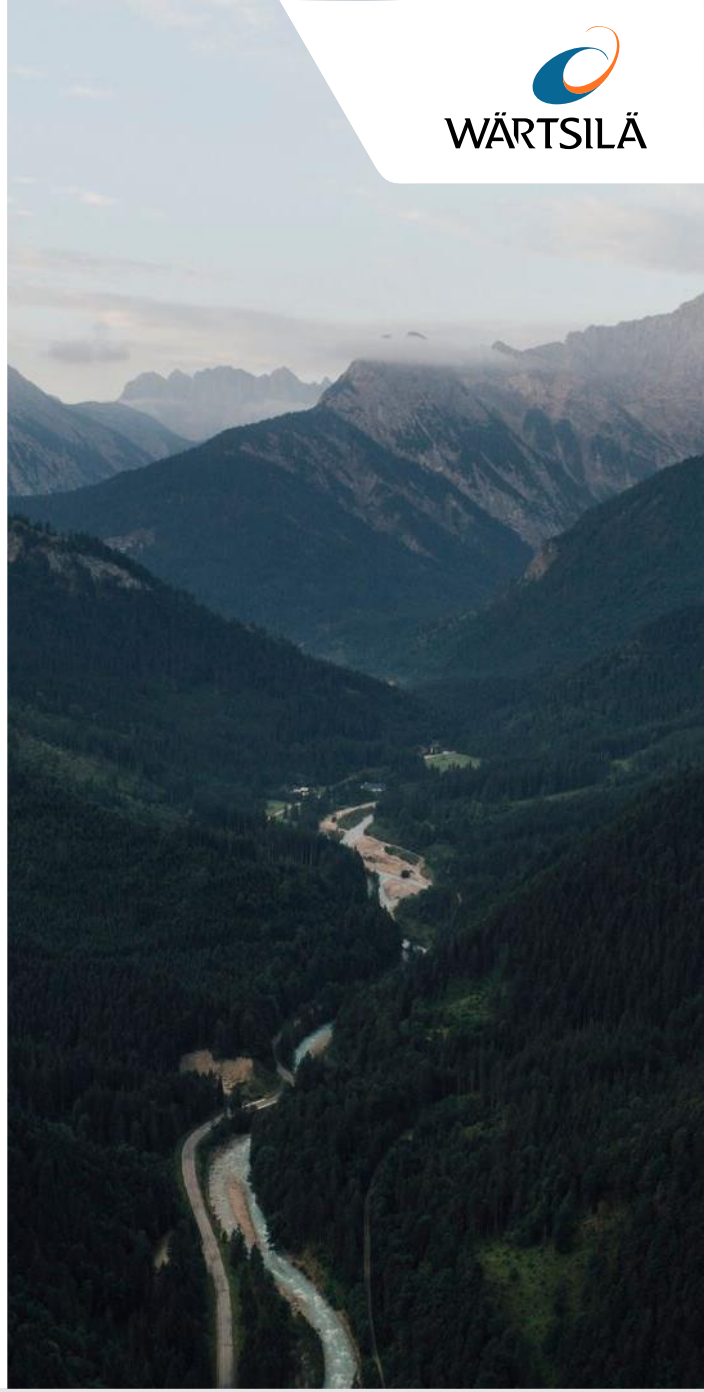
- **New organisation structure** with three global Business Units with P&L responsibility
- Significant changes in **Energy management & leadership**
- Energy has implemented **new governance**:

  - Updated sales-to-order processes to focus on **profitability** and a less volatile business

  - Sales and operations planning is regularly executed to improve productivity

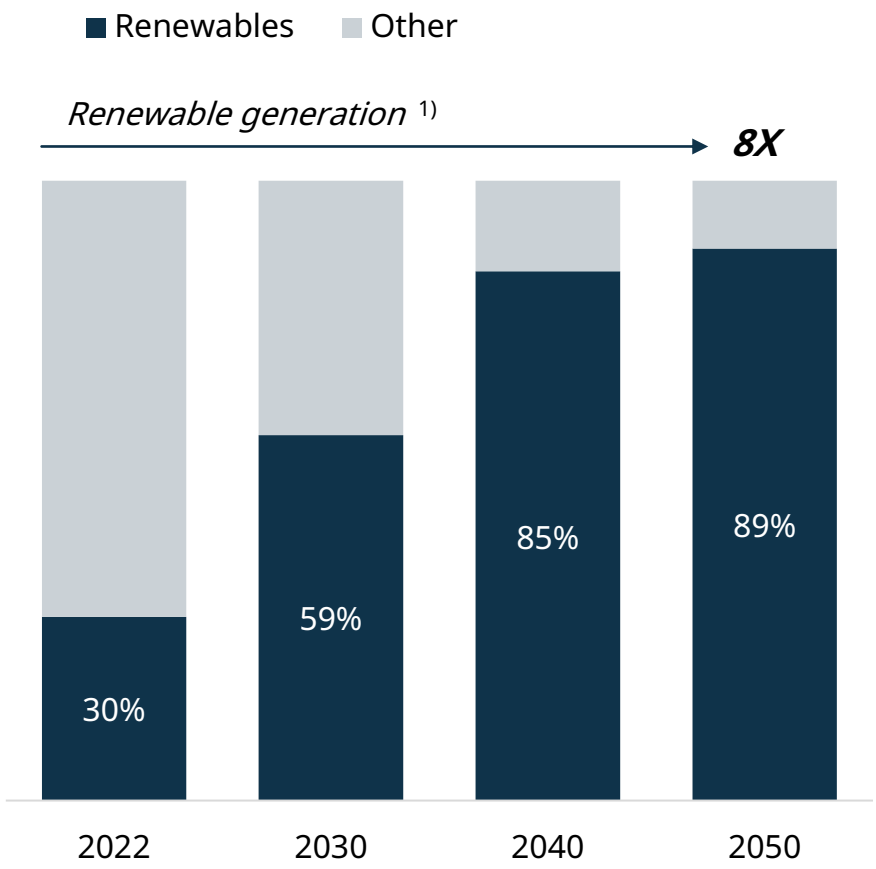
Offering & risk management

- Energy has **EEQ** (extended equipment supply) as **the preferred offering**, EPC (engineering, procurement and construction) is only considered in selected markets
- Going into 2024 **more than 80% of the order book is equipment orders**, compared to 40% going into 2022
- Rebalance in risk appetite leads to **stronger order book risk/reward profile for 2024 and onwards**



As the renewable energy transition accelerates, balancing solutions are key enablers for the transition

Share of renewables in global energy generation



Technology disruption in the energy sector

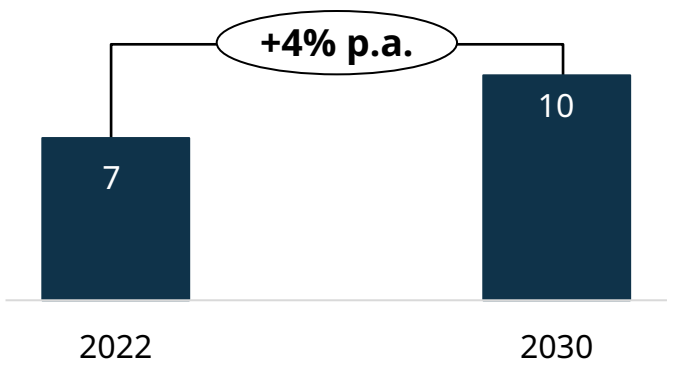
- **Renewables becoming main source of power**
- **Gradual replacement of coal**
- **Increased need for balancing solutions**
- **Development and increasing use of sustainable fuels – Being enabled for future fuels avoids stranded assets**
- **Power systems becoming increasingly more complex**

1) IEA World Energy Outlook 2023 (Net Zero Emissions scenario)

Thermal balancer market expected to grow ~20% per year – the baseload market outlook remains stable

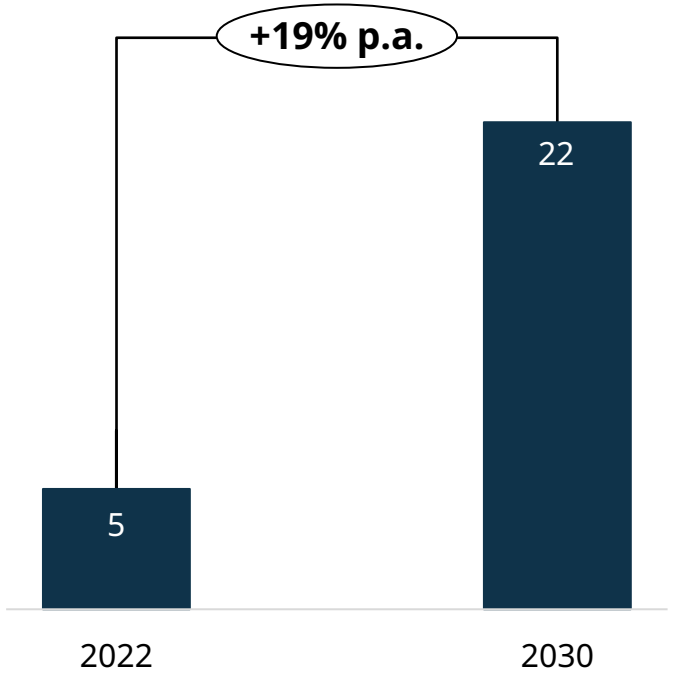
Engine power plant - baseload

Addressable annual market (GW)



Engine power plant - balancers

Addressable annual market (GW) [1)]



Outlook

- The transition towards renewables is the driving force behind demand for thermal balancing
- We see large balancing market potential e.g. in North America and Europe
- The role of gas as a transition fuel is essential for a secure transition, as highlighted by the IEA
- Future fuels will play an important role, a credible roadmap is essential

1) Forecast based on BloombergNEF forecast on wind and solar capacity additions, and estimated share of balancing capacity compared to renewables growth

Engine power plants are in a strong position as the balancing market grows. Power system knowledge makes Wärtsilä the go-to partner for capacity planning

Engines superior to Gas Turbines for balancing

- **Faster start up** and continuous **ramping** for renewables
- **Cycling** several times per day with **no cost impact**
- **High efficiency** due to multiple modular units
- **Catching price spikes** and avoiding negative prices

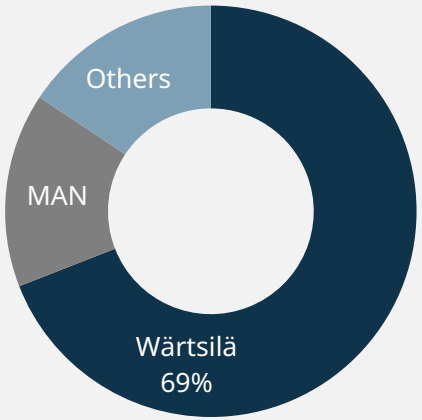
Modelling supports Wärtsilä go to market approach

- We have modelled >190 countries and systems worldwide
- Transparent modelling shows value of balancing with engines
- Shift to net zero energy feasible with existing technology

Wärtsilä is clear market leader in engine power plants

- Clear market lead in engine power plants with 50-70% market share
- **Technology leader** in new green fuels and performance-based services
- **Proactively develops** new engine markets, competing with gas turbines

Engine market shares [1)]



1) >5MW units, LTM Q2/2023. Based on public and Wärtsilä data

Wärtsilä in strong position as thermal balancing market grows

- Balancing market expected to grow in key regions [2)]

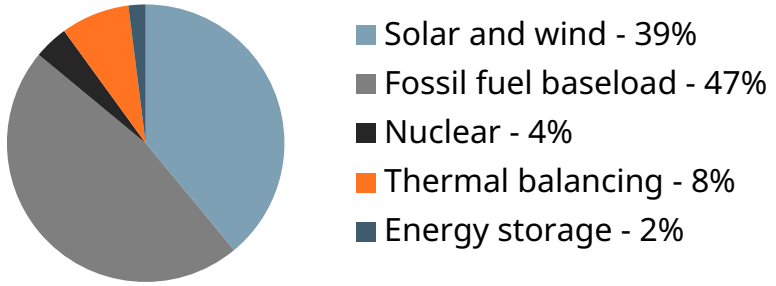
	2027 (GW)	5-year CAGR
US	3.6	19%
Australia	0.7	
Europe	5.0	
India	1.7	

- Additional potential in markets like Brazil, Argentina, China, Japan and Vietnam

2) Based on BloombergNEF ETS and Wärtsilä data

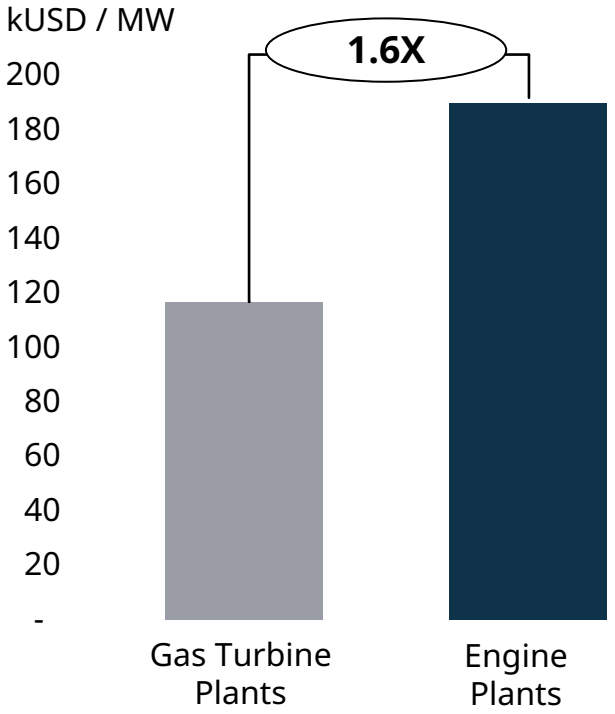
Case Texas shows future trends. Increasing renewables creates need for balancing with engines outperforming competing technologies

30 million population with **133 GW** of installed power (system size equal to France)



- 7% in annual growth of thermal balancing the last 5 years with expected continued growth
- Growing regulatory support for balancing in Texas
- Wärtsilä installed based (and growing):
  - 1 GW of thermal balancing
  - 1.2 GWh of energy storage

1.6X higher[1] real time market revenue potential for engines vs. gas turbines



Texas as a proofpoint for thermal balancing

- High amount of renewables
- Granular price signals
- Policy support for balancing

Similar conditions forming in:

- Midwestern USA (SPP and MISO)*,
- Australia
- Europe

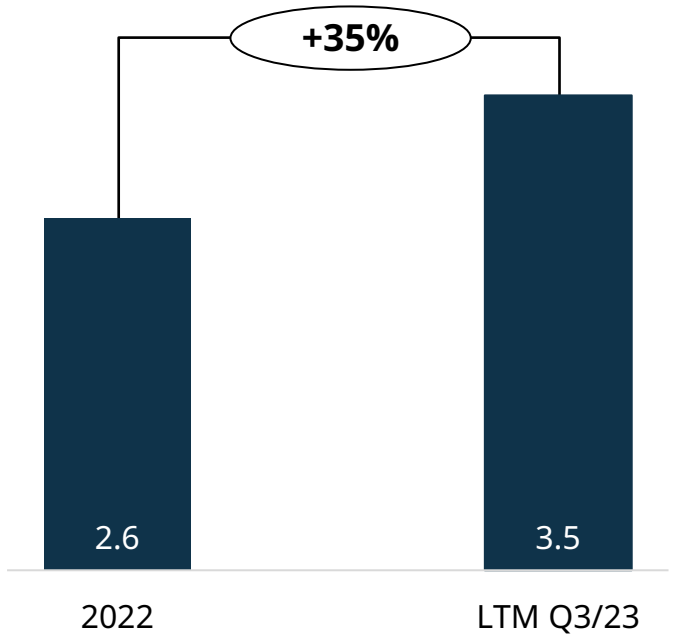
Source: S&P Capital IQ Pro, ERCOT (September 2023 data), 1) ERCOT's Security Constrained Economic Dispatch (SCED) data – Wärtsilä study. Data based on average of 2 Aeroderivative gas turbine plants and 2 Wärtsilä engine plants for the full year 2022

*SPP = Southwest Power Pool
*MISO = Midcontinent Independent System Operator

Energy storage growth outlook remains strong

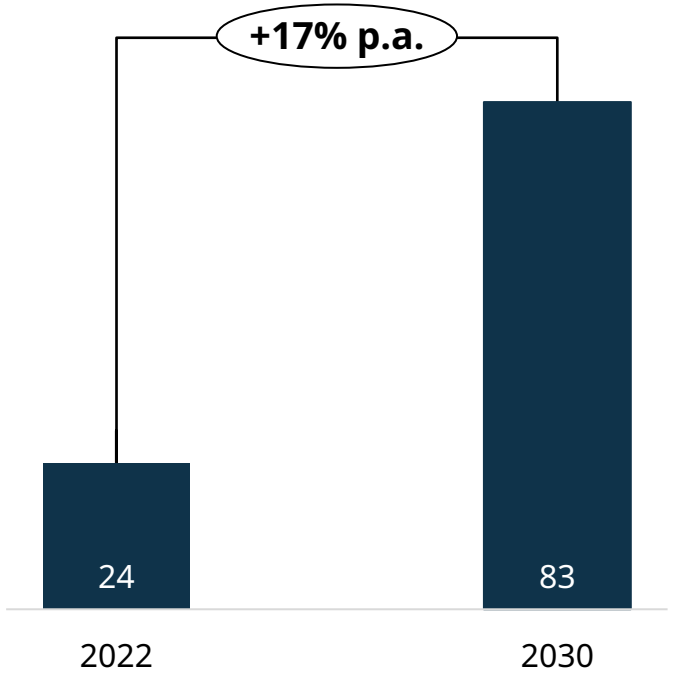
Order intake

Order intake (GWh)



Market outlook

Addressable annual market (GWh) [1)]



Outlook

- Focus on profitable growth. Maintain **top 5** market position
- **Strong new build sales growth** expected, driven by market demand
- **>11 GWh** energy storage capacity delivered, awarded, contracted or in deployment
- **Complexity drives demand** for advanced energy management systems

1) Adapted from BloombergNEF Energy storage market outlook 1H2023. Addressable market excluding certain geographical markets and residential and commercial storage

Energy Storage has grown 3X[1)] since 2021 and is now profitable – key focus on commercial approach and differentiated offering

Selective commercial approach

- Focusing on growth of utility scale storage in selected geographies
- Systematic project selection to drive profitability

Differentiated offering & approach

- Excellence in project execution, a reliable and leading storage player globally
- Industry leading design and safety record with outstanding performance in fire safety
- Fully integrated energy storage solution with modular and scalable design
- Leading GEMS energy management system with optimisation and grid integration capabilities

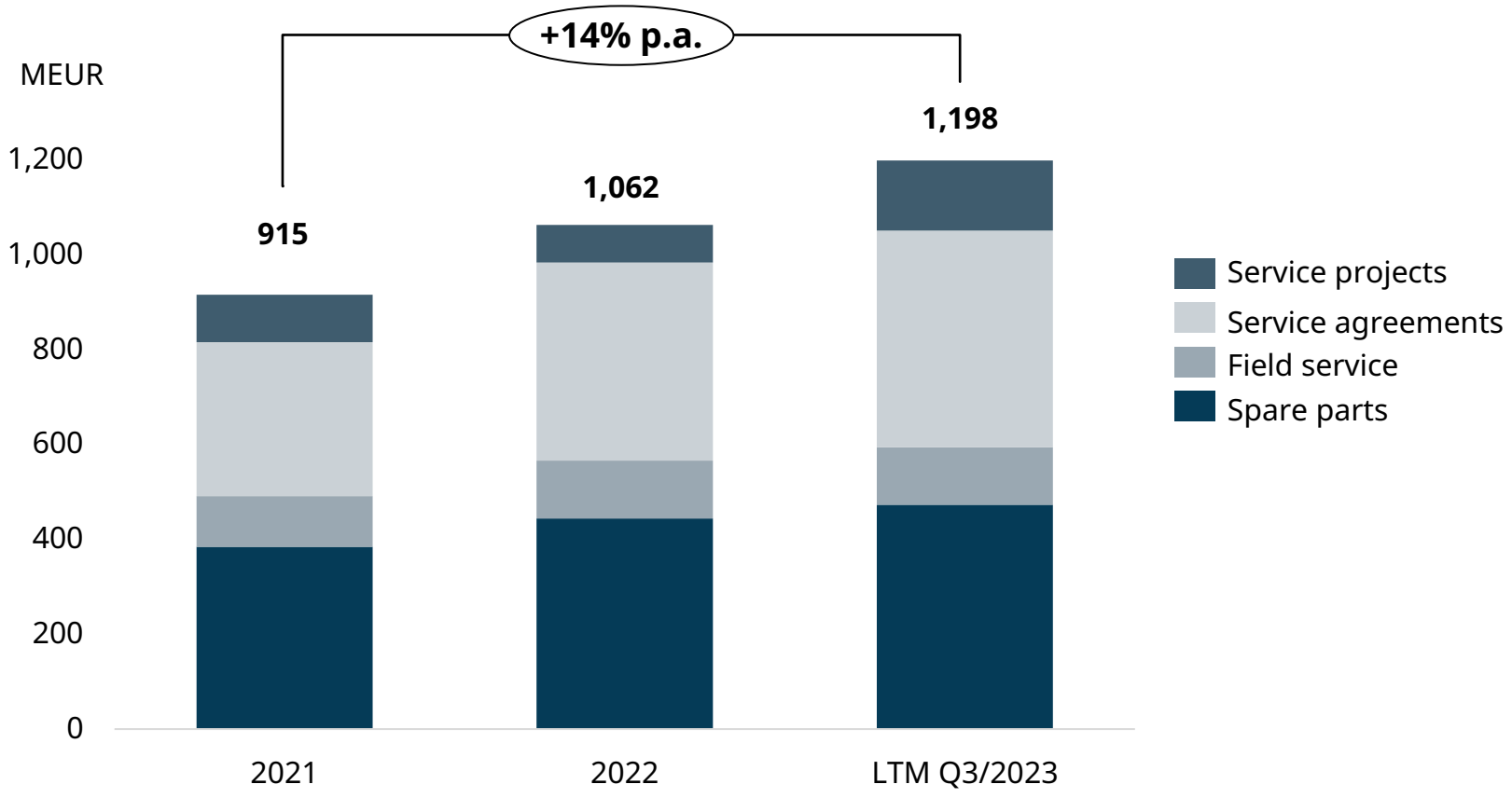
Cost competitiveness

- Hardware and software development for competitive product cost
- Multi-sourcing and active supply chain management to meet regional requirements

1) Net Sales LTM Q3 2023 vs. 2021

Continued good profitability in services with a solid foundation for future growth

Service order intake, MEUR



LTM = Last twelve months, Q422-Q323

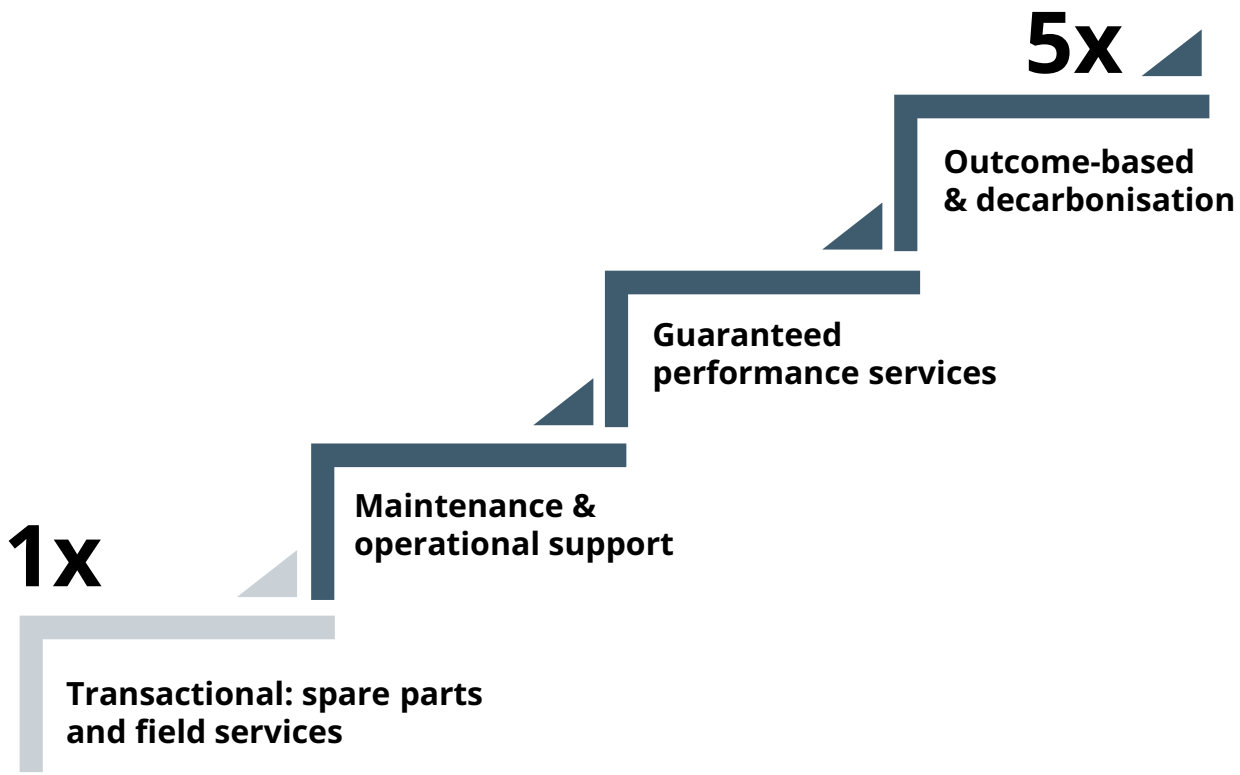
Energy services – growth drivers

- Growing installed base over time
- Stable total operating hours
- Increasing agreement coverage
- Upgrades & fuel conversion demand
- Future growth potential in decarbonisation services and outcome-based agreements

We increase sales, profitability and customer satisfaction by moving up the service value ladder

Wärtsilä service value ladder

Sales EUR/kW relative to transactional



Continuous growth in agreement coverage

- Securing service agreements for **new power plants**
- Maintaining **high renewal rate** for existing agreements: >90% renewal rate shows high customer satisfaction
- Increasing the **share of agreement customers** in our installed base: 29% agreement coverage and ~18GW under agreement[1)], 3,4GW added since 2021

Moving customers up the service value ladder

- Local presence, global operations, and investments in data & digital solutions enable us to meet high customer expectations
- Higher satisfaction scores for agreement customers that are higher up the value ladder
- Portfolio of **agreements with performance guarantees** is growing: Total 7GW with ~2GW added since 2021

1) Includes agreements covering both installed assets and assets to be installed in the future

Future performance will be driven by strong sales growth and service volumes, continuous improvement, and a future-proof solution portfolio

Recent actions:

- ✓ **New organisational structure and processes:** Updated sales-to-order processes and Business Units with P&L responsibility
- ✓ **Rebalance in risk appetite:** EEQ as the preferred offering, EPC only considered in selected markets
- ✓ **Stronger risk / reward profile:** Legacy projects have been concluded

New build margins

- ✓ New organisation & governance
- ✓ Stronger risk management
- ✓ Operational leverage from growth

Continuous improvement

- ✓ Lean operations and flow efficiency
- ✓ Predictive and autonomous operations
- ✓ Cost indexation & active pricing

New build sales

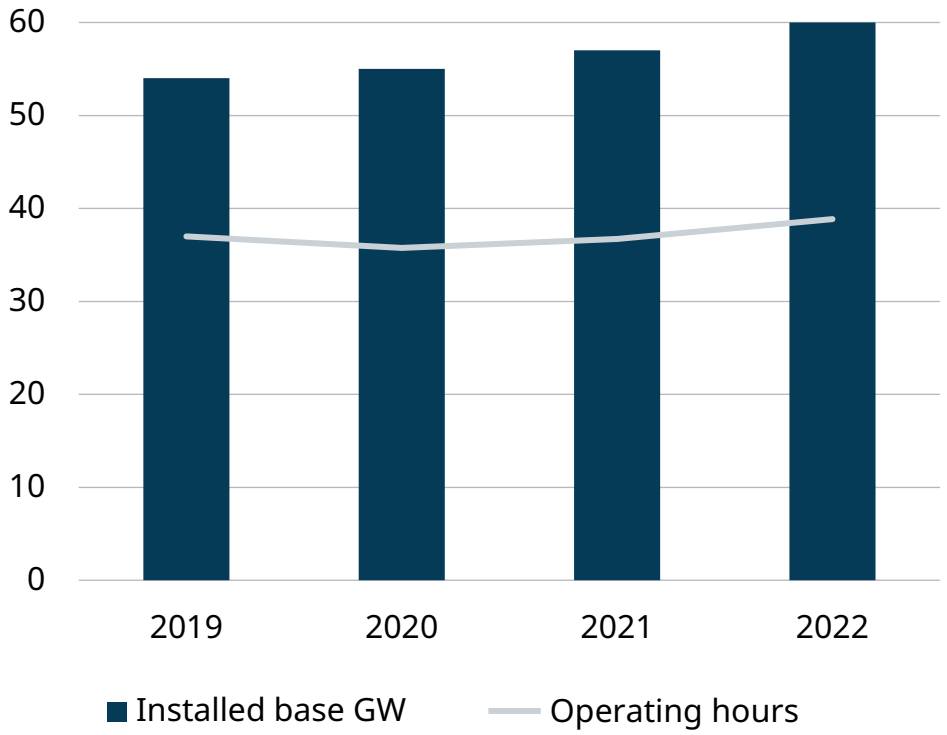
- ✓ Strong thermal balancing growth
- ✓ Strong energy storage growth
- ✓ Future-proofed portfolio for sustainable fuels and optimisation

Service sales

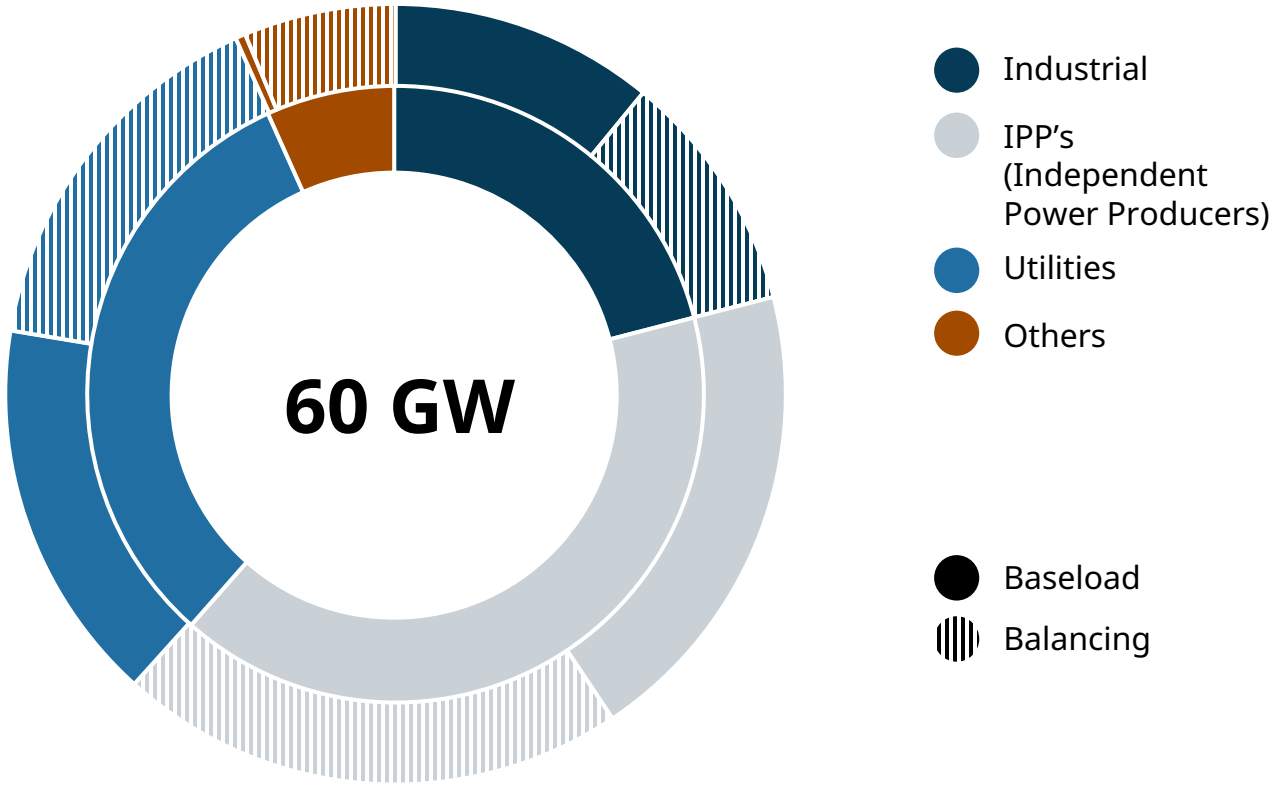
- ✓ Growing installed base
- ✓ Increasing agreement coverage
- ✓ Climbing the service value ladder

Profitability ← → **Growth**

Operating installed base is growing and operating hours are anticipated to remain stable driven by growth in certain customer segments



Current running profile of installed base



Inner circle: division by customer segments
Outer circle: division by baseload and balancing power within each customer segment

Advantages of Wärtsilä power plants over combined cycle gas turbines

Faster startup time

- Combined cycle gas turbines can take over 30 minutes to start, whereas combustion engine power plants can start and reach full load in less than 5 minutes

Advantages of modularity

- Combustion engine power plants are comprised of multiple generating units

Better part-load efficiency and flexibility

- Unlike gas turbines, Wärtsilä engine power plants have near full range capability of emissions-compliant turndown

Better pulse-load efficiency and profitability

- Combustion engine power plants are dispatchable and can adjust load daily, ramping up and down with demand

Higher ramp rate

- Ramp rate = the rate at which a power plant can increase or decrease output
- Wärtsilä engines can ramp at over 100%/minute. For combined cycle gas turbines, typical ramp rates are around 10%/minute.

Derating due to ambient temperature

- Combustion engines are less sensible to temperature and humidity

Fuel flexibility

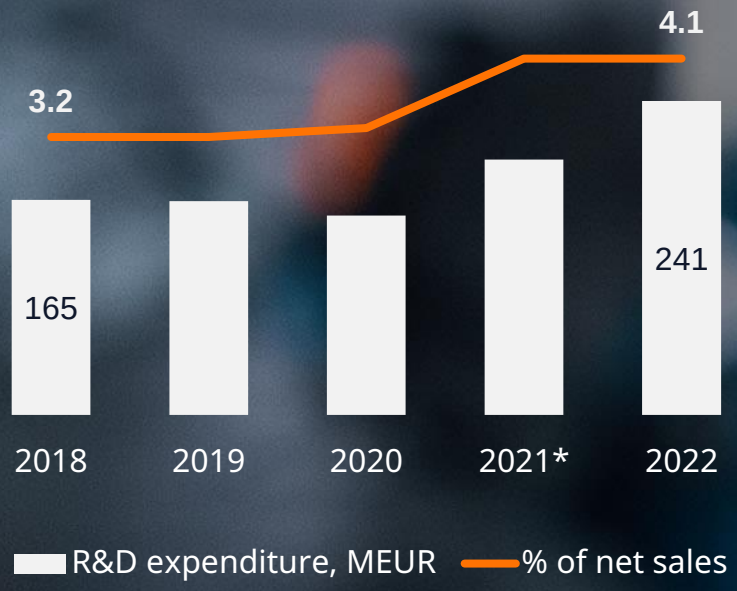
- Gas turbines have reduced availability and output when running on fuel oils

Lower water consumption

- A combined cycle gas turbine power plant (CCGT) with a recirculating system = 780 liters/MWh.
- Wärtsilä combustion engine power plant operating in simple cycle on natural gas = 3 liters/MWh.

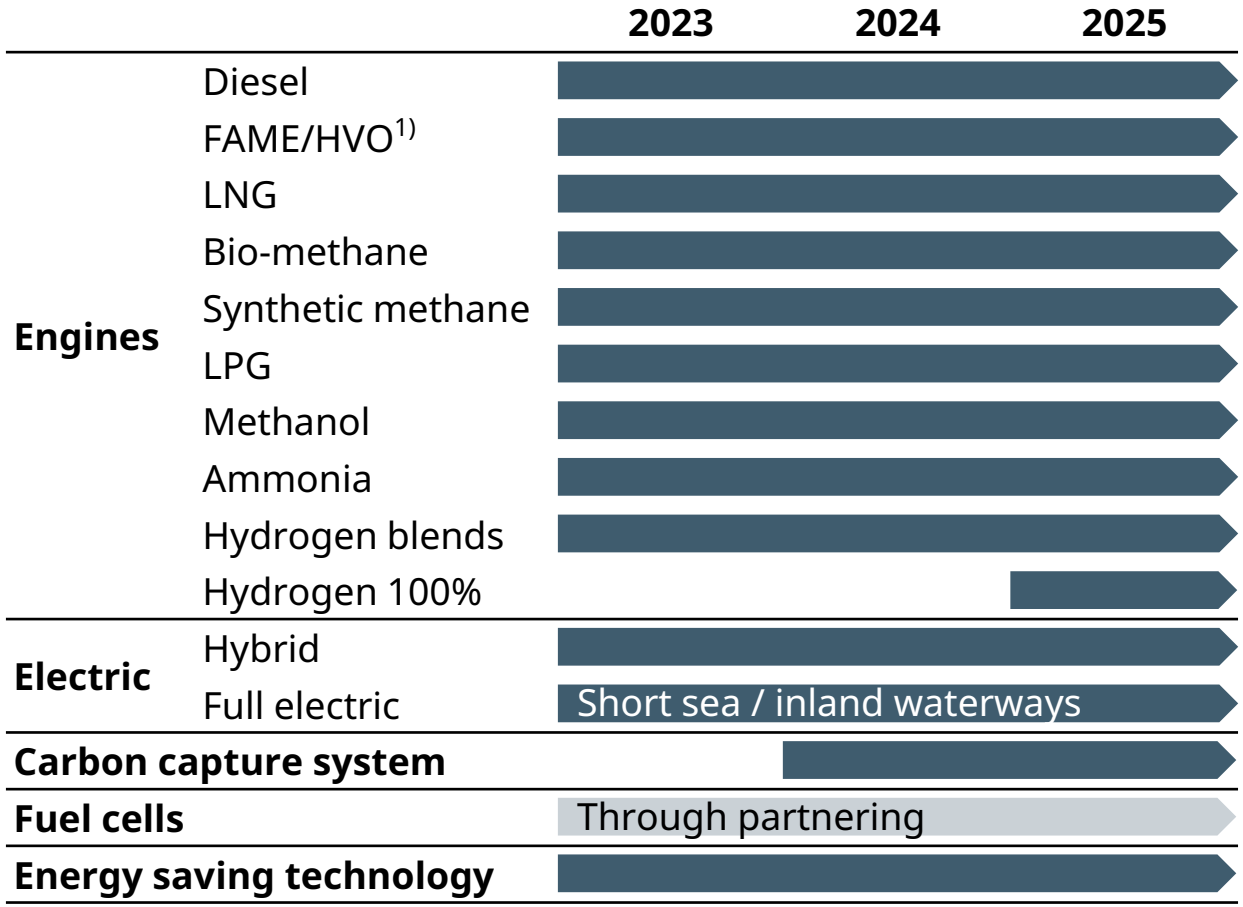
R&D

We continue investing in innovation to ensure a broad, industry-leading solution offering



* Figure in the comparison period 2021 has been restated to reflect a change in the definition of research and development expenditure.

Industry’s most comprehensive offering for decarbonisation



- ✓ Industry’s fastest and broadest future fuel roadmap
  - ✓ Market leaders in 4-stroke medium-speed main engines
  - ✓ Market leaders in hybrids with 26% market share[2)]
  - ✓ Pioneer with the world’s first full scale carbon capture plant in 2024 and full commercial release in 2025
- ✓ Methanol engine types available today[3)], ammonia engine in Q4 2023, full hydrogen technology in 2025
  - ✓ In 2022 Wärtsilä & US partner WEC succeeded with world’s first-of-a-kind engine power plant fuel tests using 25% hydrogen blend

1) Biodiesels: FAME – Fatty Acid Methyl Esters, HVO – Hydrogenated Vegetable Oil; 2) Battery MWh on 2000+ GT hybrid vessels; 3) Newbuild and retrofits

Q3 development

Improved profitability, strong cash flow and good development in services

- Order intake increased by 11%
- Good progress in services continued:
  - Service order intake increased by 15%
  - Service net sales increased by 15%
- The comparable operating result increased by 53%
  - Supported by good development in services
  - Energy storage business profitable*
- Cash flow from operating activities improved

*LTM comparable operating profit

Good development in key figures

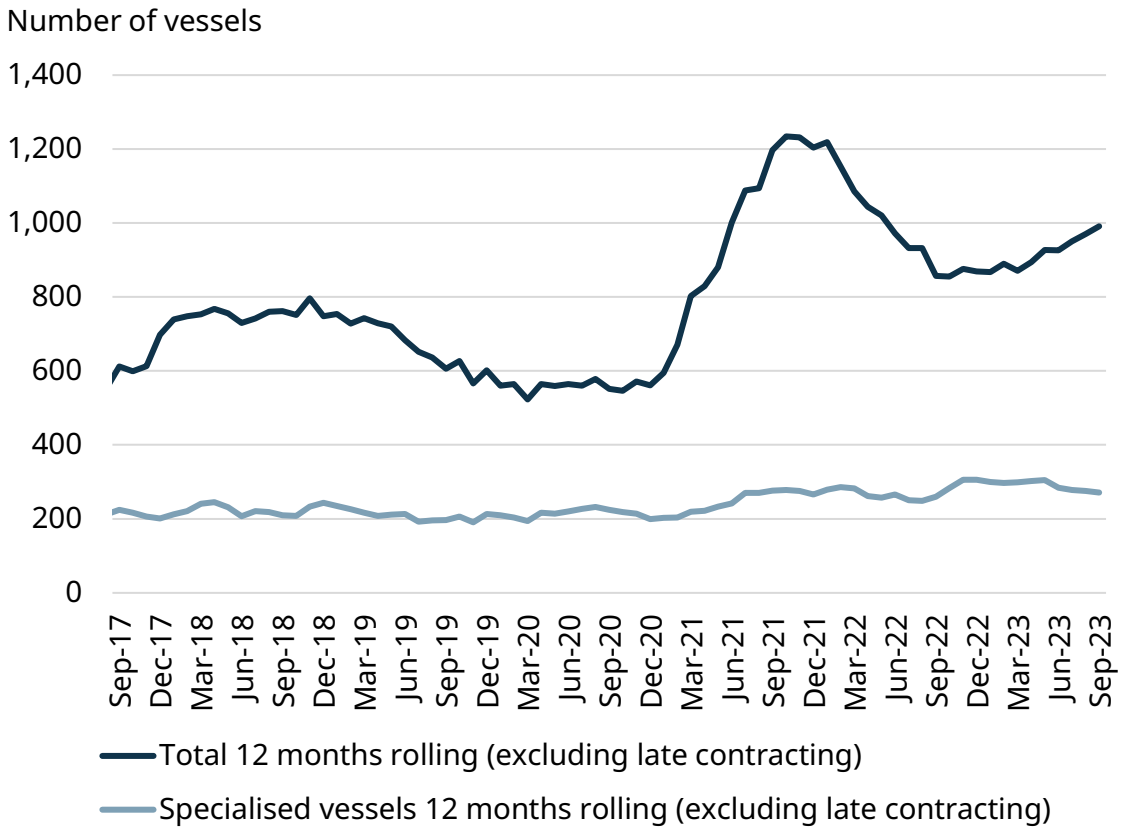
MEUR	7-9/2023	7-9/2022	CHANGE	1-9/2023	1-9/2022	CHANGE
Order intake	**1,787**	1,616	11%	5,214	4,436	18%
of which services	**842**	732	15%	2,644	2,275	16%
of which equipment	**946**	884	7%	2,570	2,161	19%
Order book				6,594	6,229	6%
of which current year deliveries				1,570	1,651	
Net sales	**1,452**	1,433	1%	4,371	4,072	7%
of which services	**762**	664	15%	2,305	1,991	16%
of which equipment	**690**	769	-10%	2,066	2,080	-1%
Book-to-bill	**1.23**	1.13		1.19	1.09	
Operating result	**117**	10	1123%	274	-62	
% of net sales	**8.0**	0.7		6.3	-1.5	
Comparable operating result	**125**	82	53%	320	232	38%
% of net sales	**8.6**	5.7		7.3	5.7	

Marine market sentiment remained positive for Wärtsilä's key segments

Low capacity available at shipyards combined with further escalation of newbuild prices have limited investments

- The number of vessels ordered in the review period increased to 1 356 (1 095 in the corresponding period in 2022, excluding late reporting of contracts).
- Mostly driven by the changed mix of contracted vessels. The uptake of alternative fuels remained more limited with 316 orders reported, representing 23% (30%) of all contracted vessels and 44% (58%) of vessel capacity.
- Demand for new cruise ship capacity remained limited as cruise lines are focused on managing the current orderbook and deleveraging their business.
- In July, the International Maritime Organisation (IMO) revised its strategy on greenhouse gas emission reduction from ships which puts pressure on shipping companies to increase their investments to decarbonise their operations.

Total and specialised vessel contracting



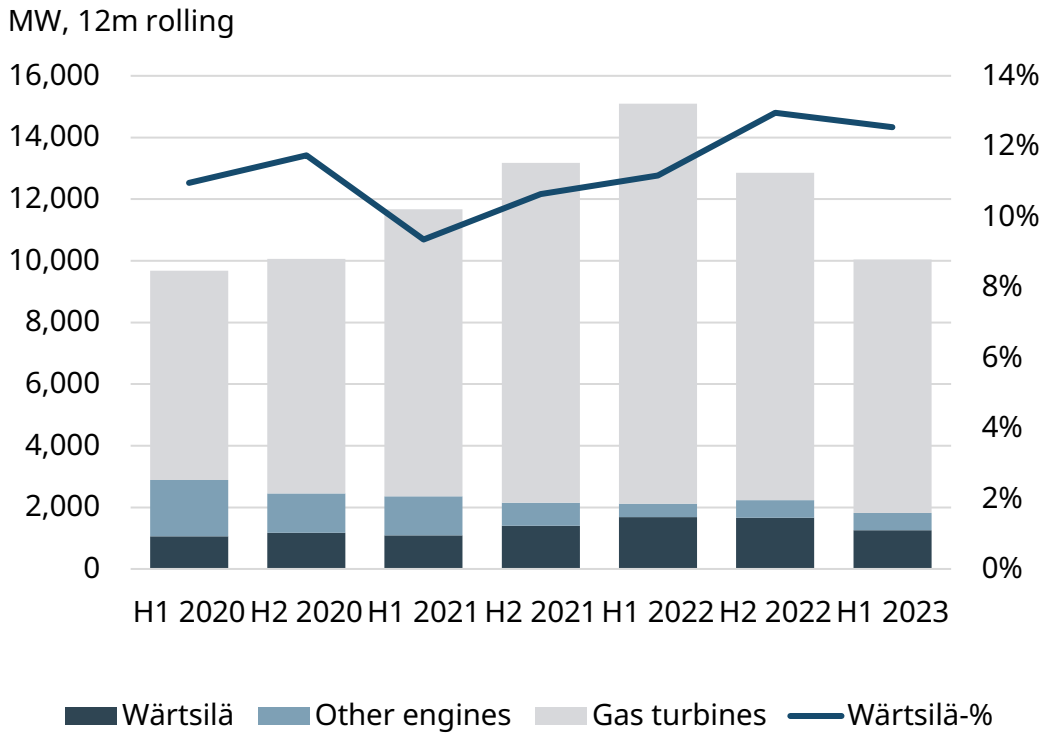
Source: Clarksons Research, 12m rolling contracting as per 6th of October 2023 (+100 gt, excluding late reporting of contracts)
Specialised vessels include LNG carriers, LPG carriers, cruise & ferry, offshore, and special vessels.

Solid long-term opportunities in energy market

Energy transition outlook improving amid fragile global economy

- Market share stayed at 13% (13%), as global orders for natural gas and liquid-fuelled power plants decreased by 22% to 10.0 GW during the twelve-month period ending in June 2023.
- Market decrease from the high levels of 2022 was driven by Europe and Asia.
- Global natural gas prices witnessed significant price volatility in Q3, showcasing the market's remaining sensitivity to disruptions in supply and demand.
- The trend in transition to renewable energy sources continues globally, being a key driver in the development of battery energy storage and thermal balancing technologies.
- The energy transition outlook in the mid-term remains strong.

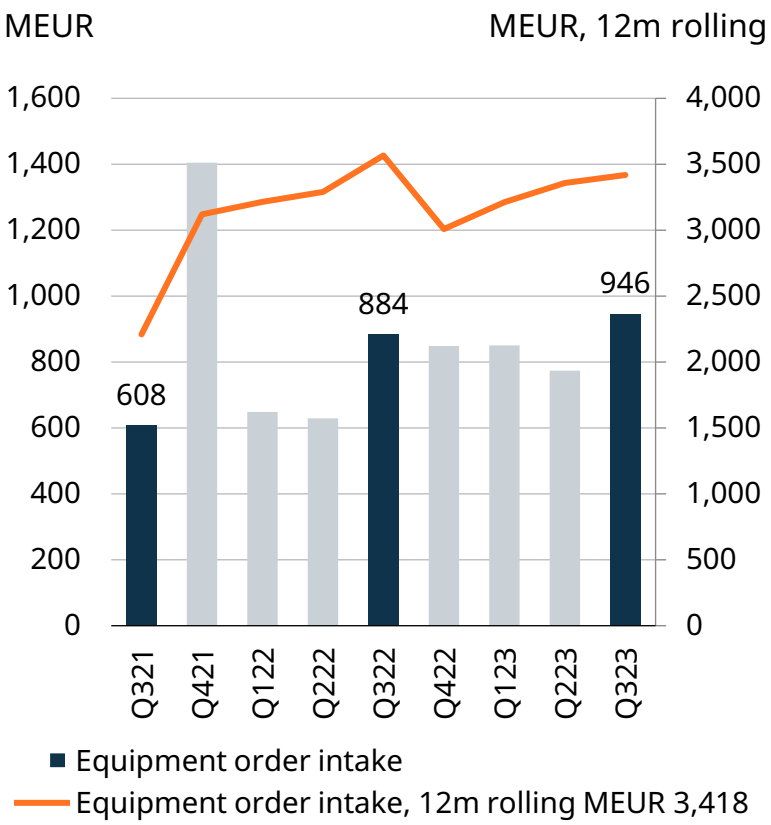
Contracting for gas and liquid fuelled power plants 5-400 MW



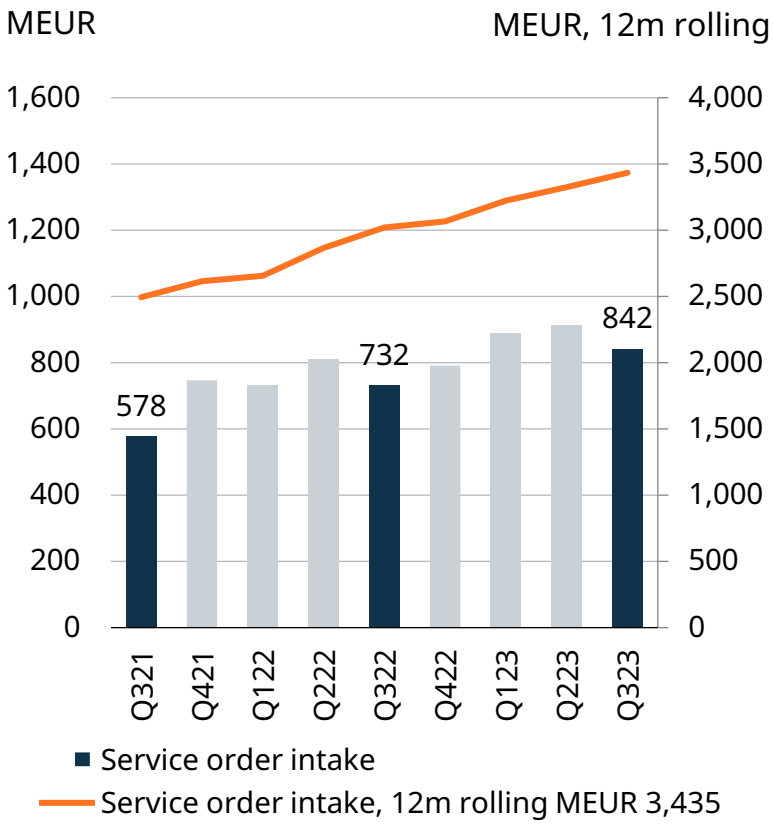
The market data includes prime movers over 5 MW in size in up to 400 MW gas and liquid-fuelled gas turbine plants and engine plants of all sizes. The gas turbine data is gathered from the McCoy Power Report, reported with a one quarter delay due to data availability. Engine data is collected from press releases and Wärtsilä sales teams. Output of steam turbines for combined cycles is estimated. Power plant market share reporting was updated this quarter to reflect our most relevant markets more accurately. Previously, market shares included gas turbine plants up to 500 MW but did not include non-Wärtsilä engine plants.

Order intake increased by 11%

Equipment



Services



Equipment order intake increased by 7%

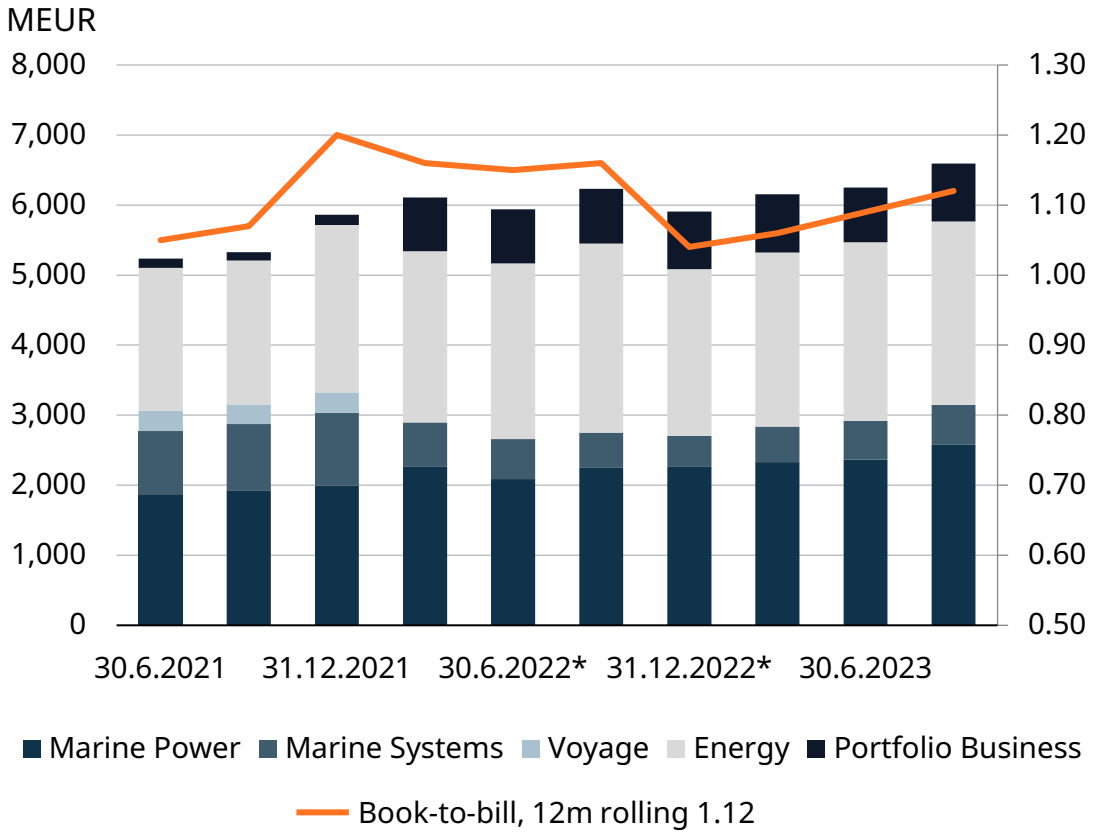
Service order intake increased by 15%

Organic order intake growth 18%

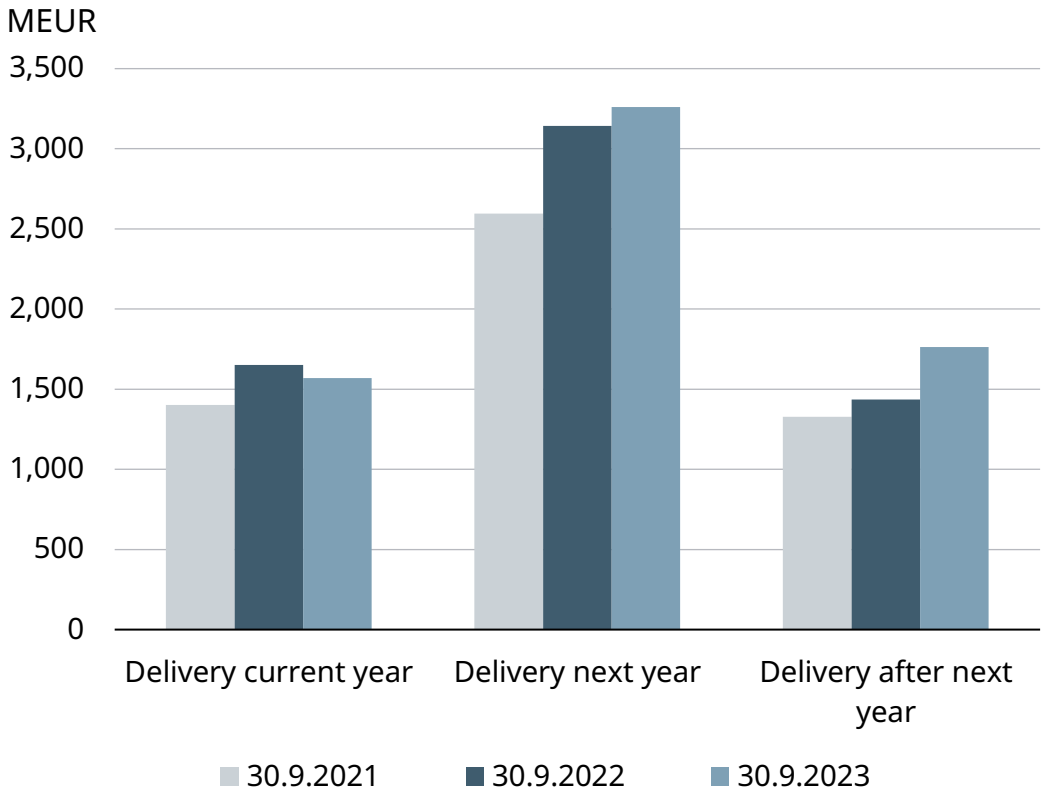
Strong order book, rolling book-to-bill continues to trend up

Remaining order book for the current year lower than last year

Order book by business



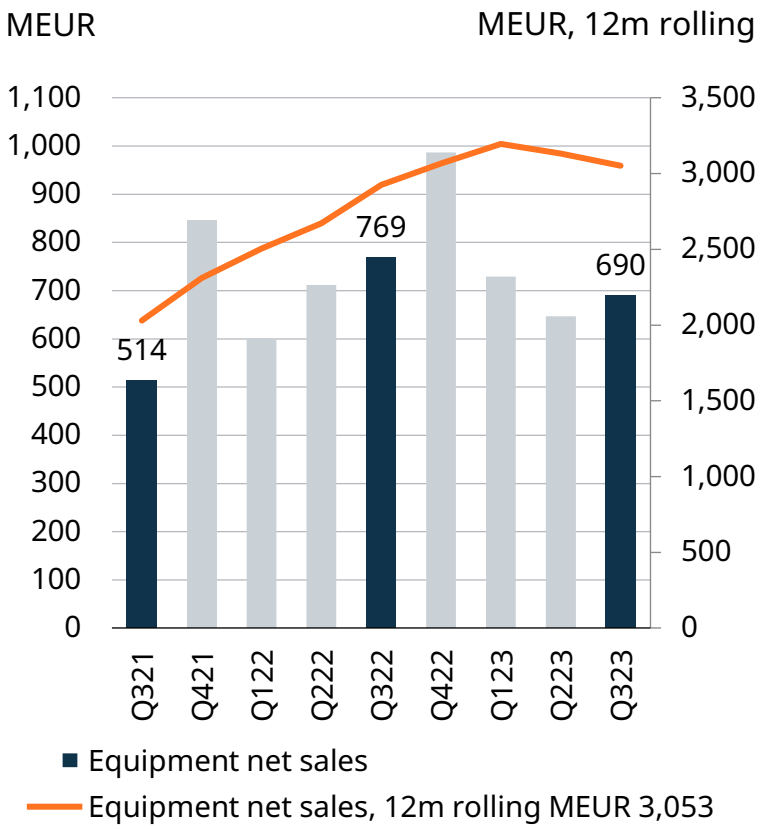
Order book delivery schedule



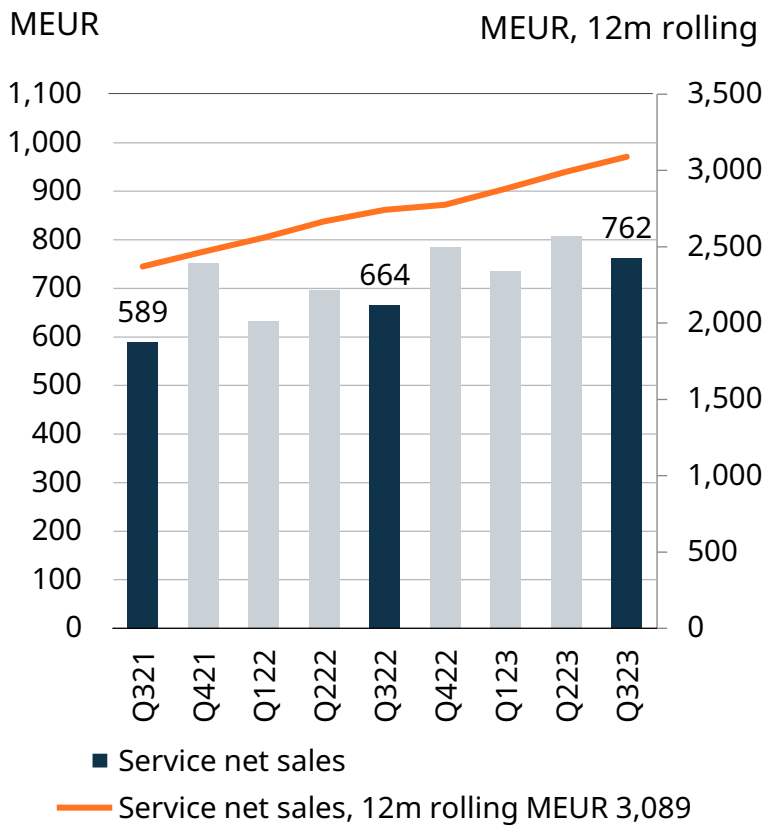
*As of 1 January 2023, Voyage has been integrated with Marine Power. During the second quarter of 2023, further organisational changes have been implemented: a part of Marine Power, as well as a part of Marine Systems, have been moved to Portfolio Business. The segment related comparison figures for 1–3/2023 and 2022 have been restated to reflect the current organisational structure. The segment related comparison figures for 2021 have not been restated accordingly.

Net sales increased by 1%

Equipment



Services



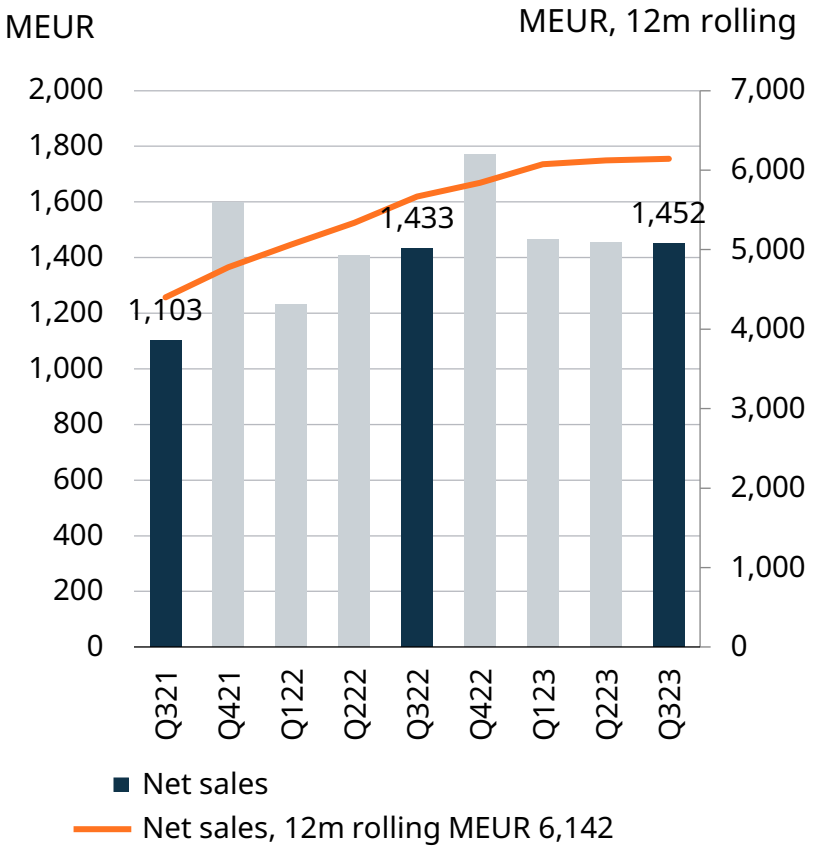
Equipment net sales decreased by 10%

Service net sales increased by 15%

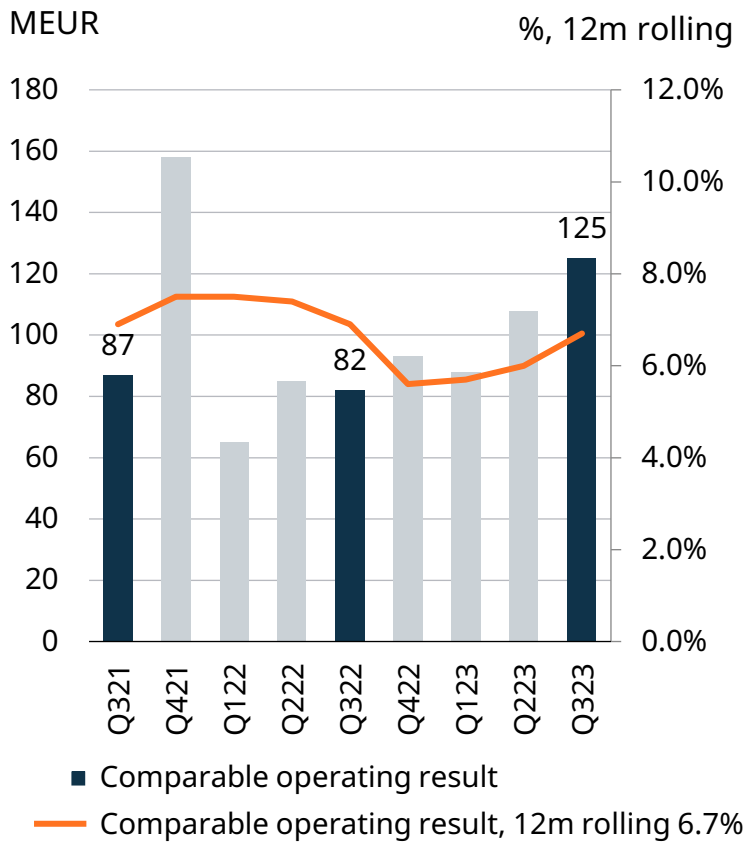
Organic net sales growth 7%

Profitability continued to improve

Net sales



Comparable operating result



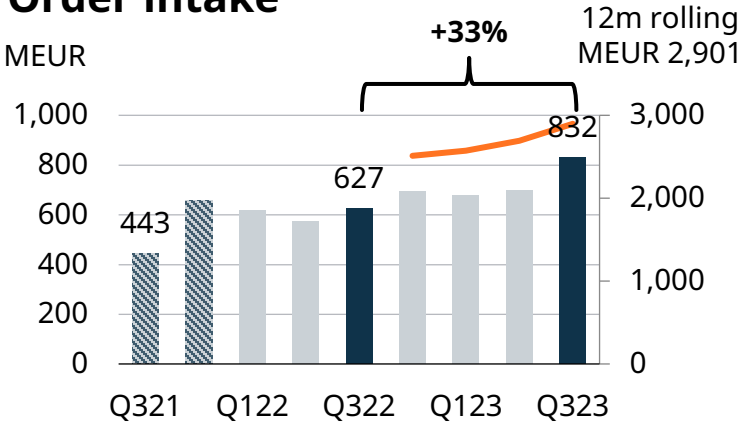
Net sales increased by 1%

Comparable operating result increased by 53%

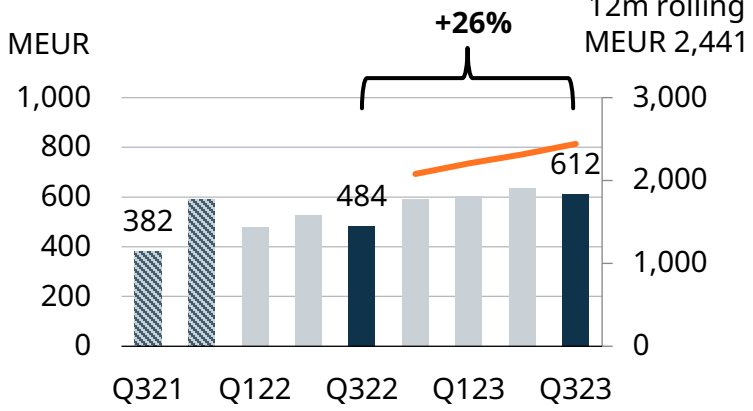
Marine Power: Strong development in order intake and profitability

Good development in service continued

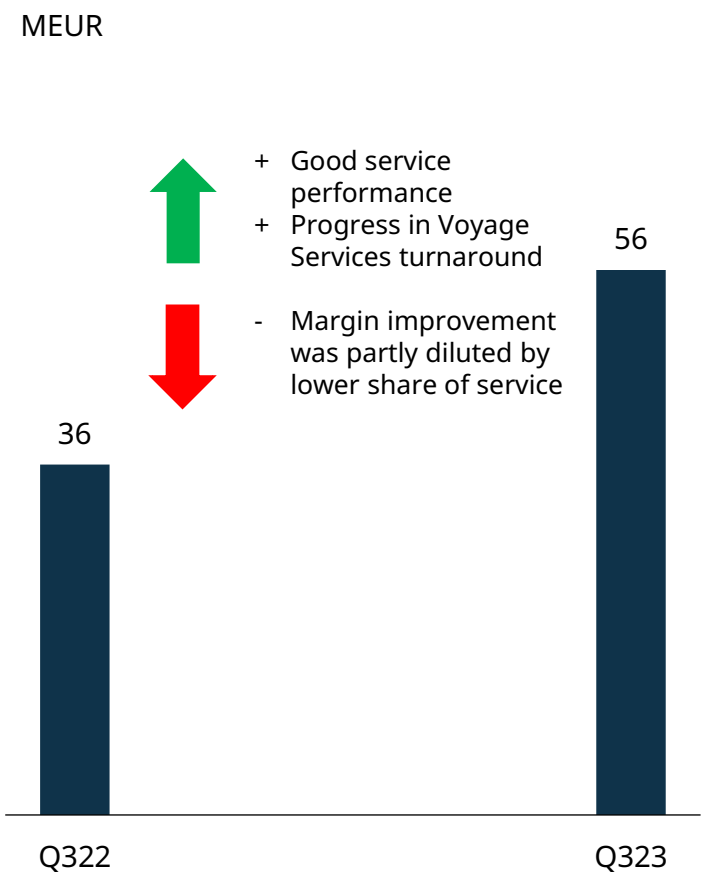
Order intake



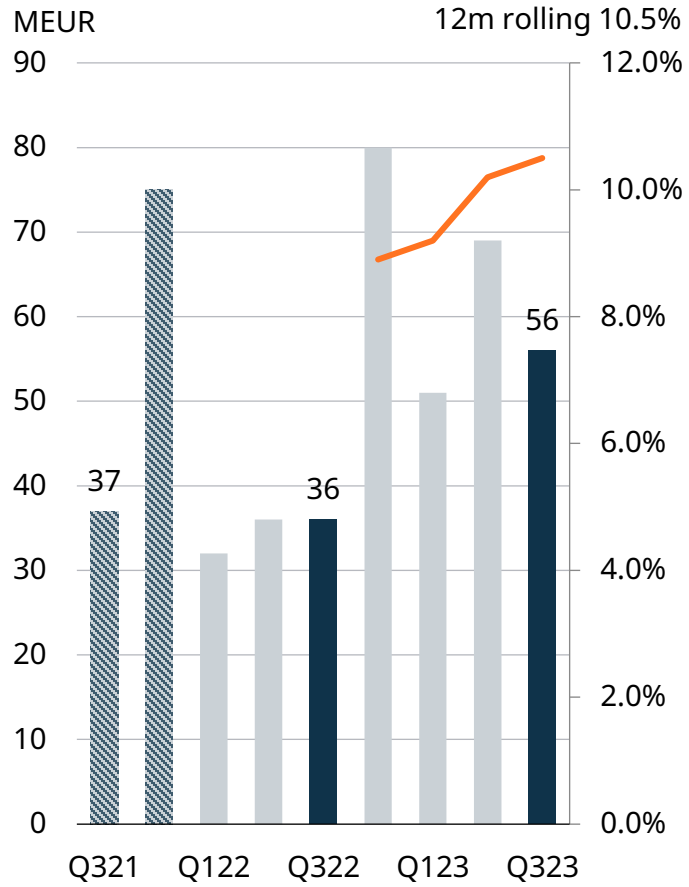
Net sales



Comparable operating result



Comparable operating result

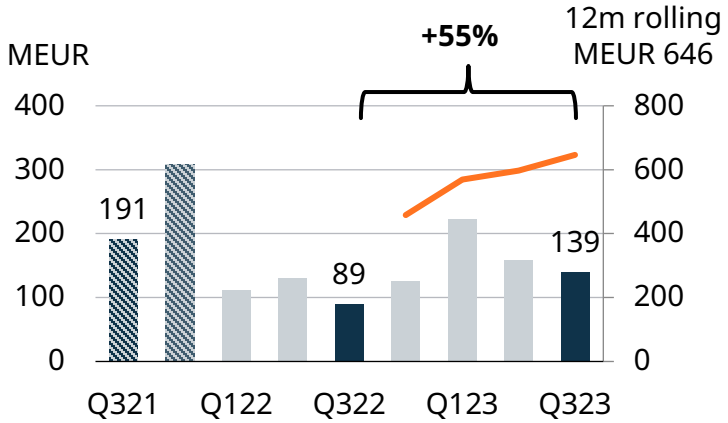


The 2022 and Q1 2023 figures have been restated to reflect the redefined organisational change considering integration of Voyage to Marine Power and moving part of the Voyage business to Portfolio Business (after integration into a new business unit).

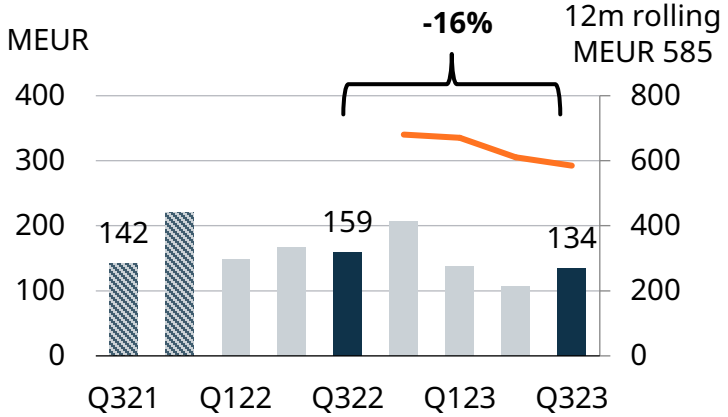
Marine Systems: Equipment order intake increased

Lower equipment net sales

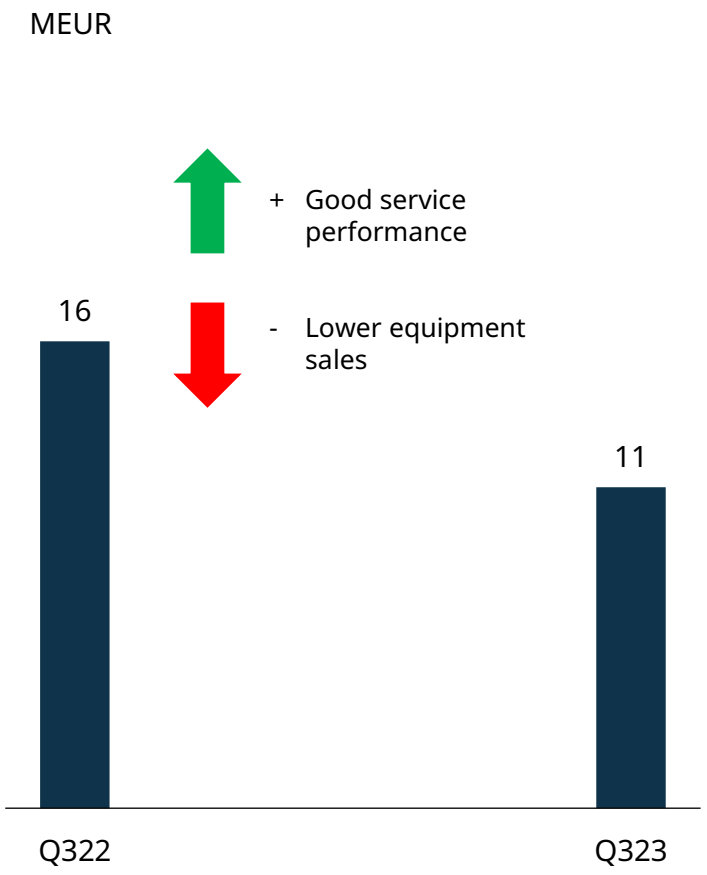
Order intake



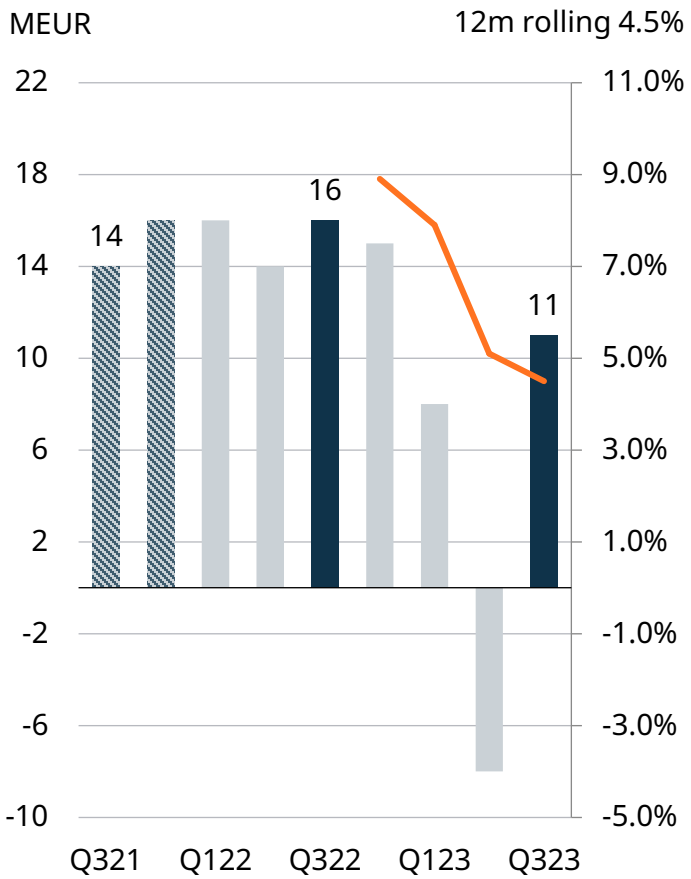
Net sales



Comparable operating result



Comparable operating result

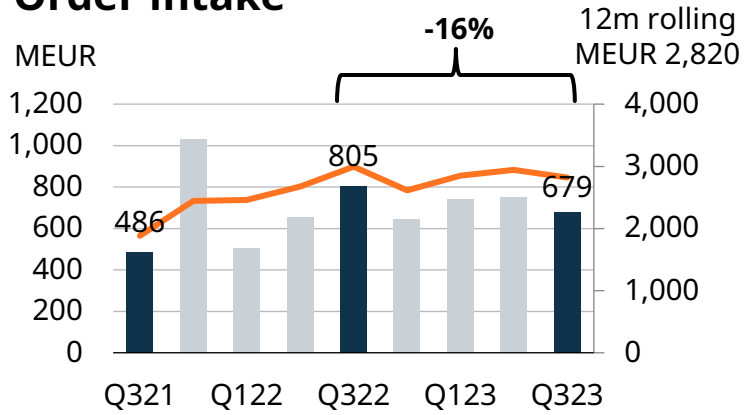


The 2022 and Q1 2023 figures have been restated to reflect the move of Marine Electrical Systems business unit to Portfolio Business.

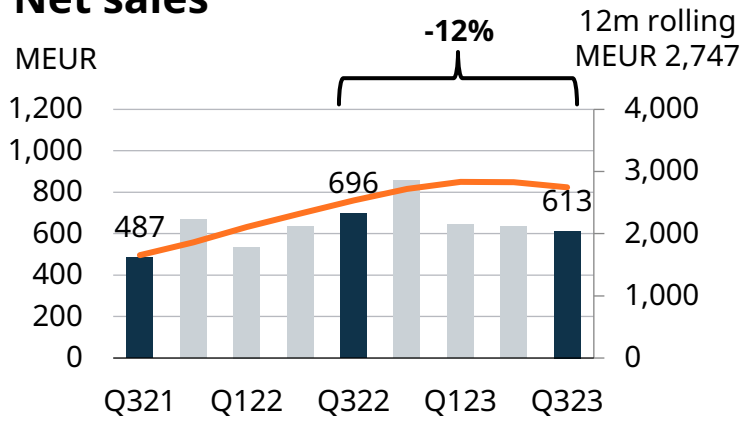
Energy: Comparable operating result increased

Good development in service continued

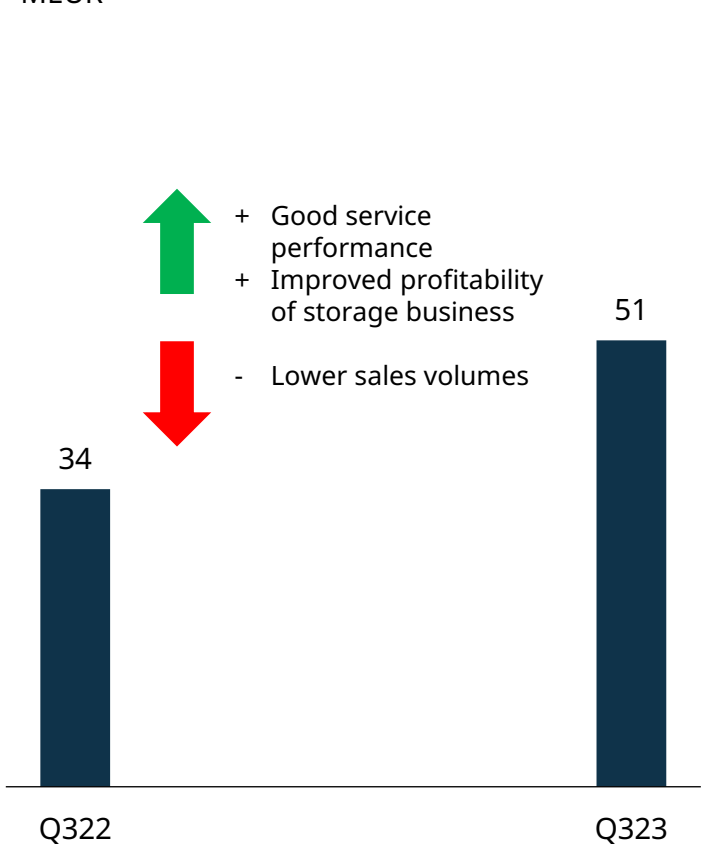
Order intake



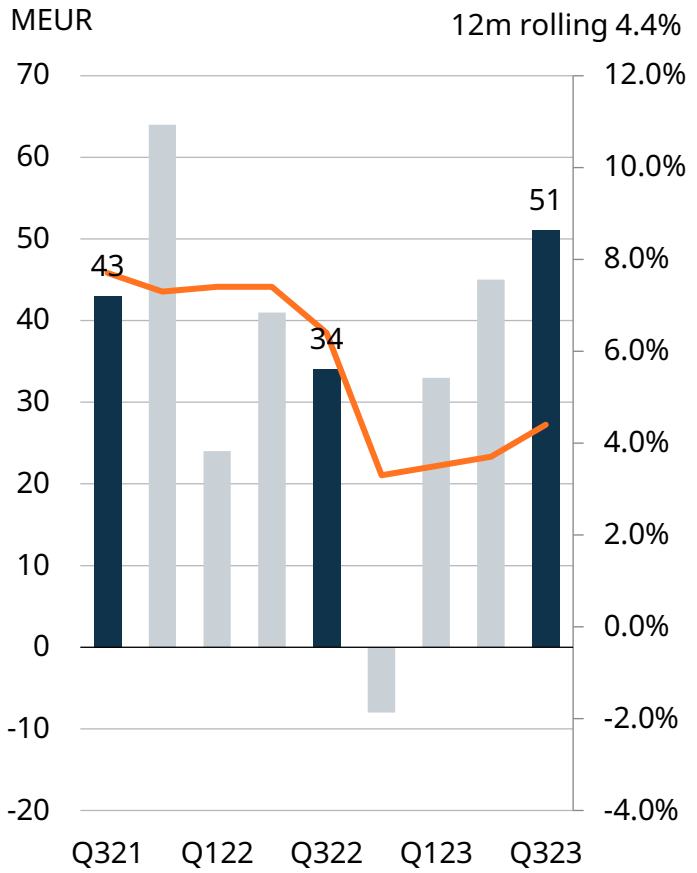
Net sales



Comparable operating result



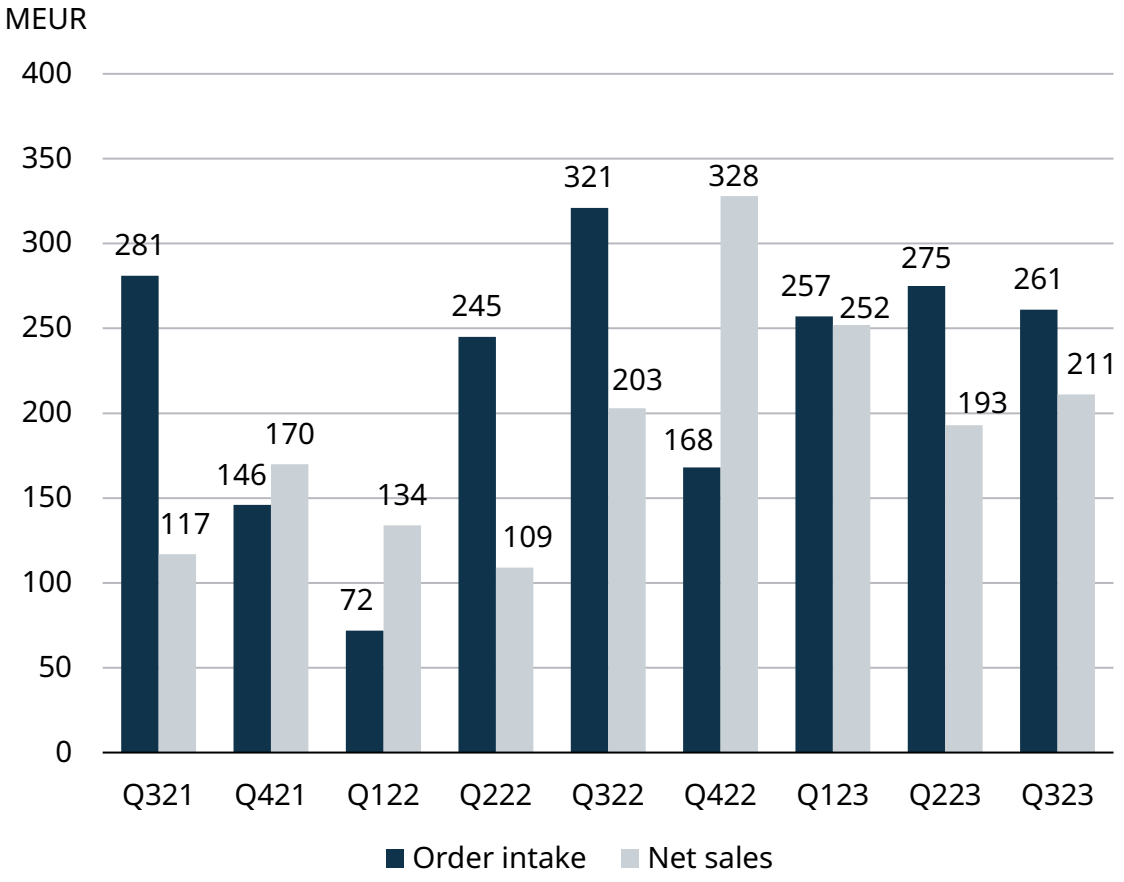
Comparable operating result



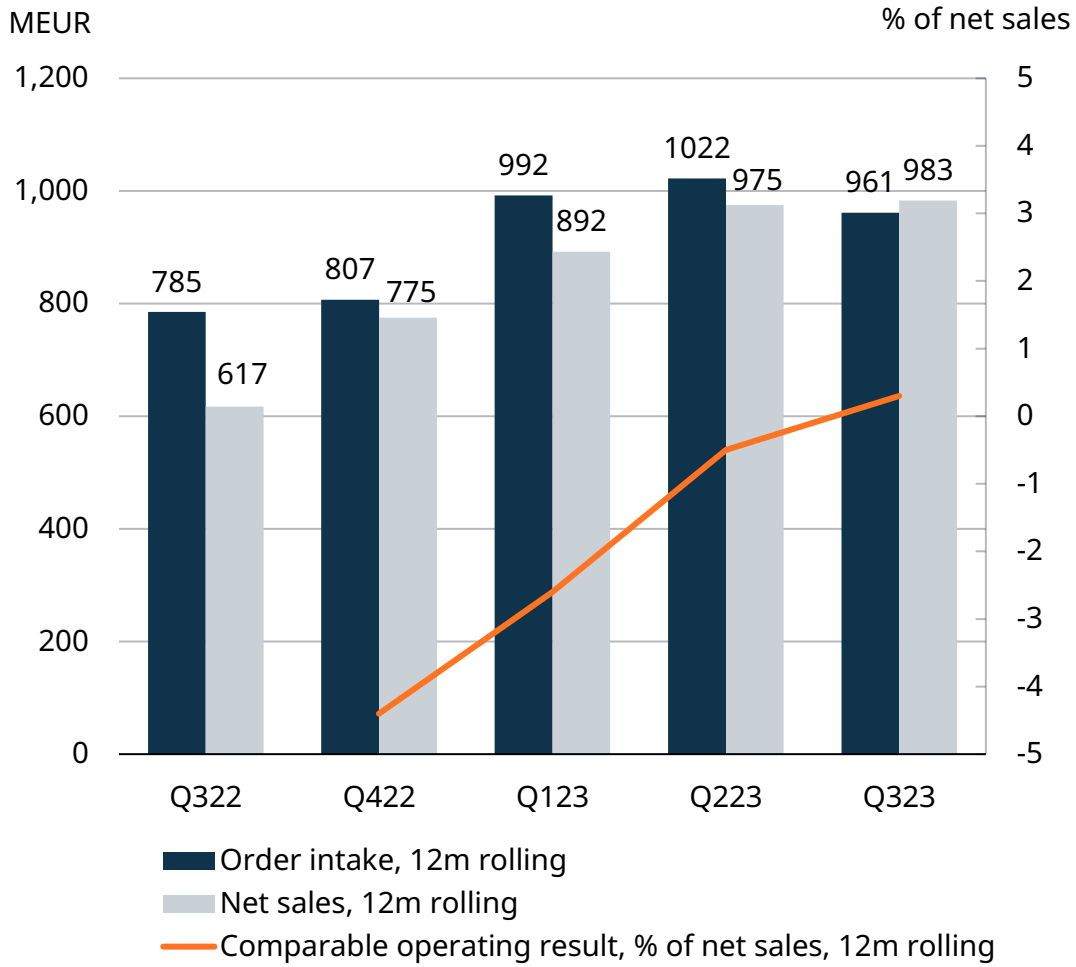
Energy storage: Comparable operating result margin (12m rolling) positive

Profitability improving

Quarterly development

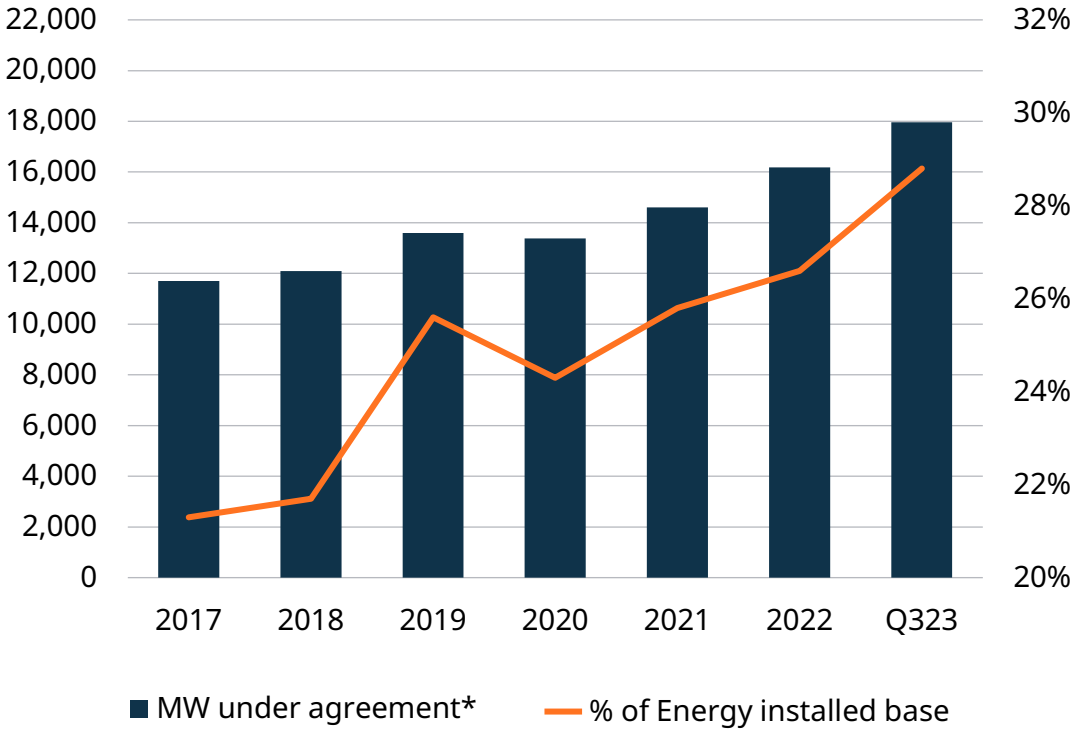


Rolling 12 months development



Service agreements

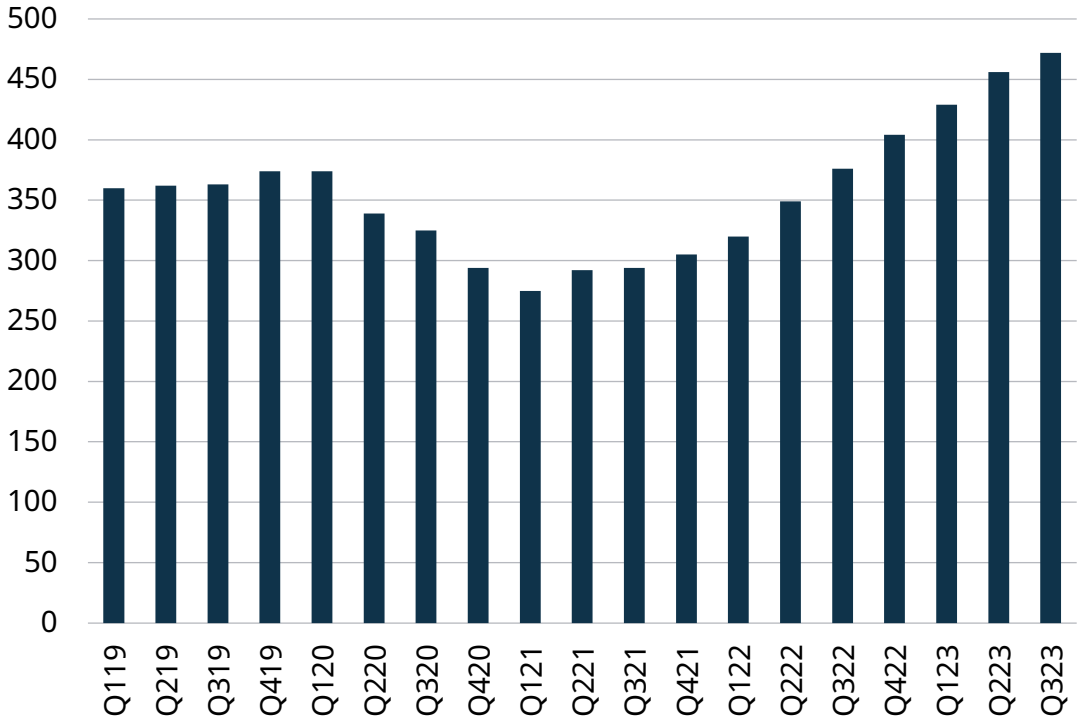
Continuous growth in Energy agreement coverage



* Includes agreements covering both installed assets and assets to be installed in the future

Marine net sales to agreement installations

MEUR, 12m rolling



Prospects

Marine

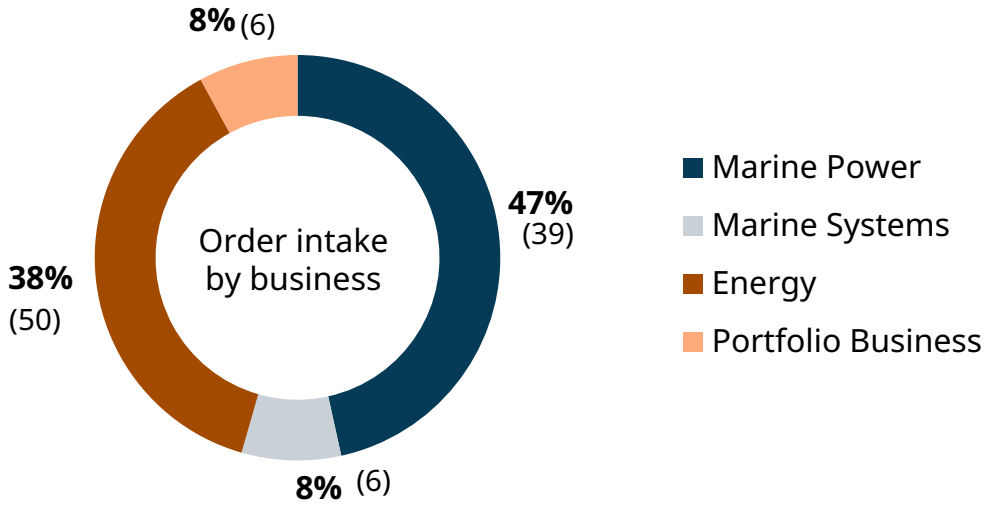
- Wärtsilä expects the demand environment for the next 12 months (Q4/2023-Q3/2024) to be similar to that of the comparison period.

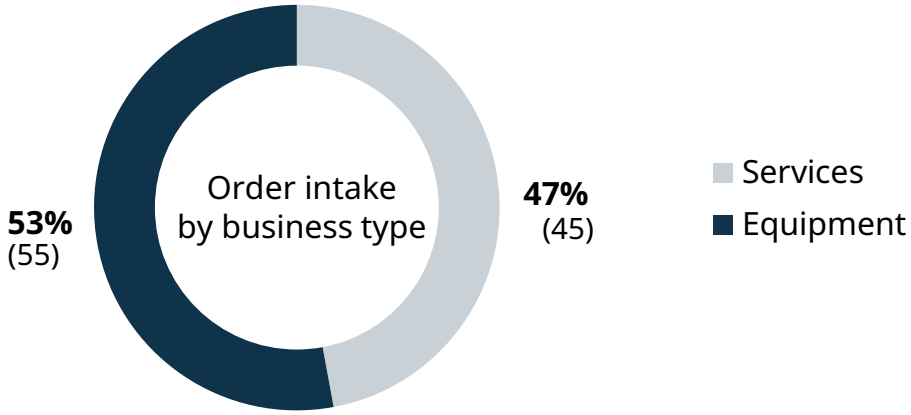
Energy

- Wärtsilä expects the demand environment for the next 12 months (Q4/2023-Q3/2024) to be better to that of the comparison period.

Order intake

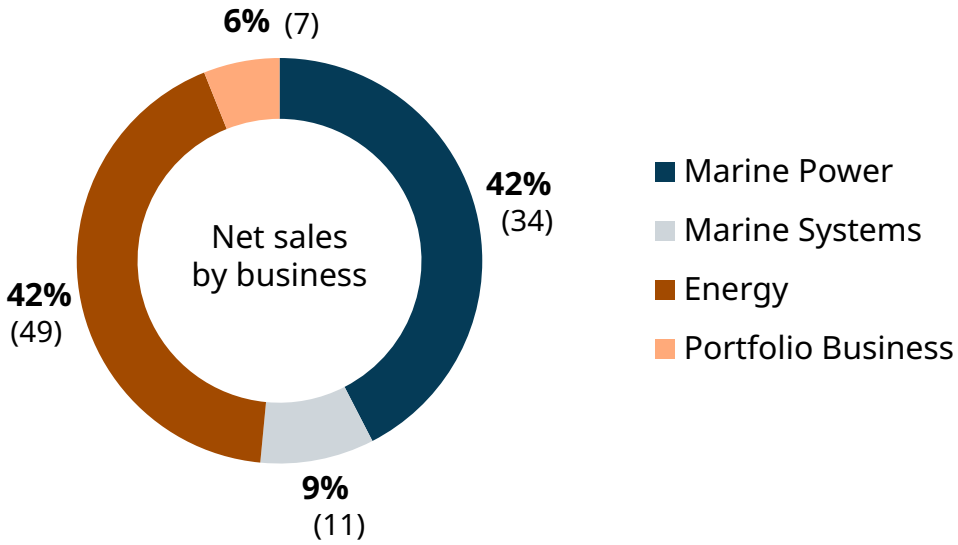
Third quarter development

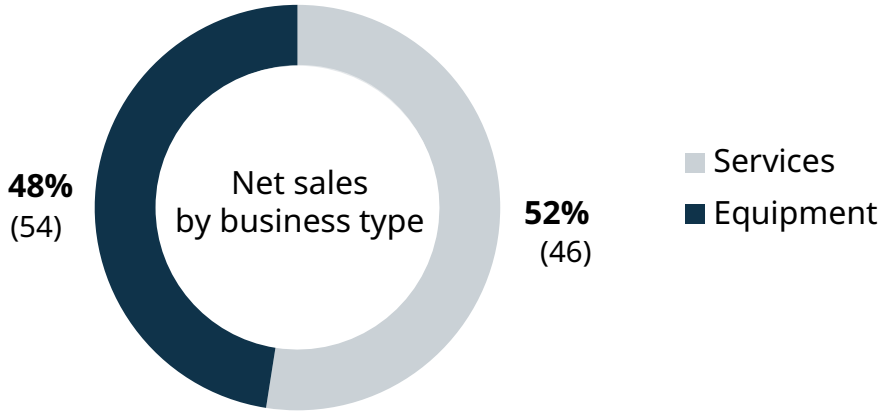




Net sales

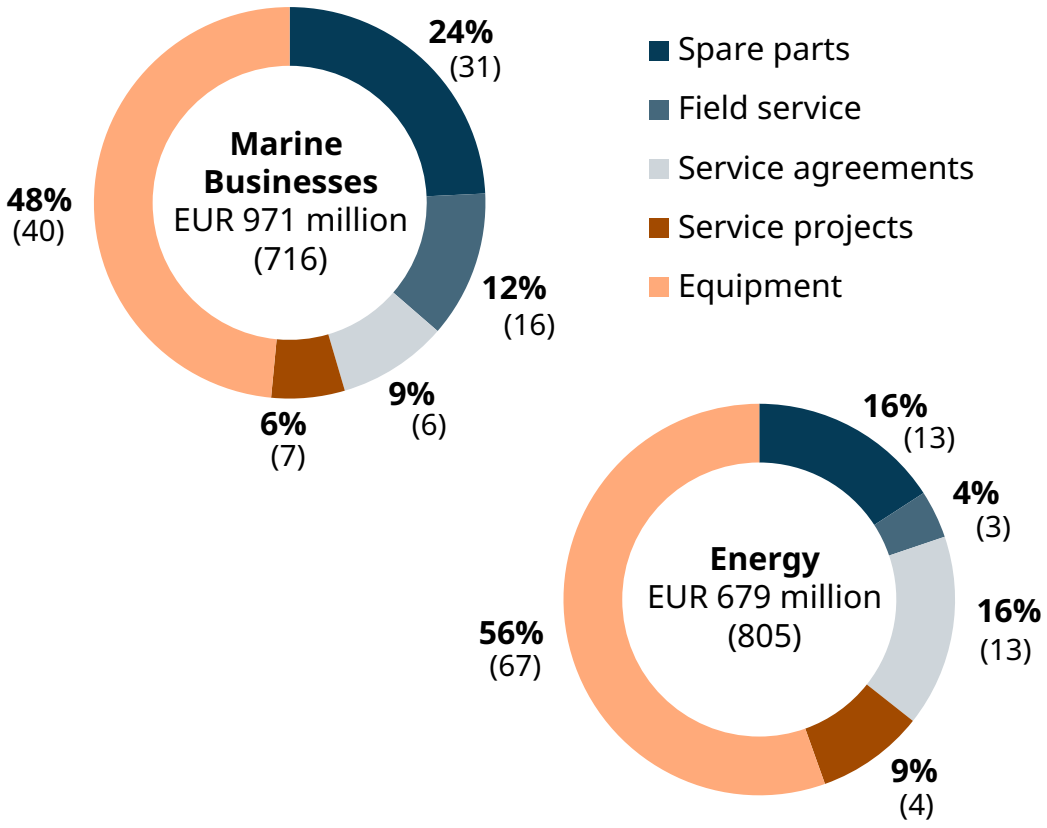
Third quarter development



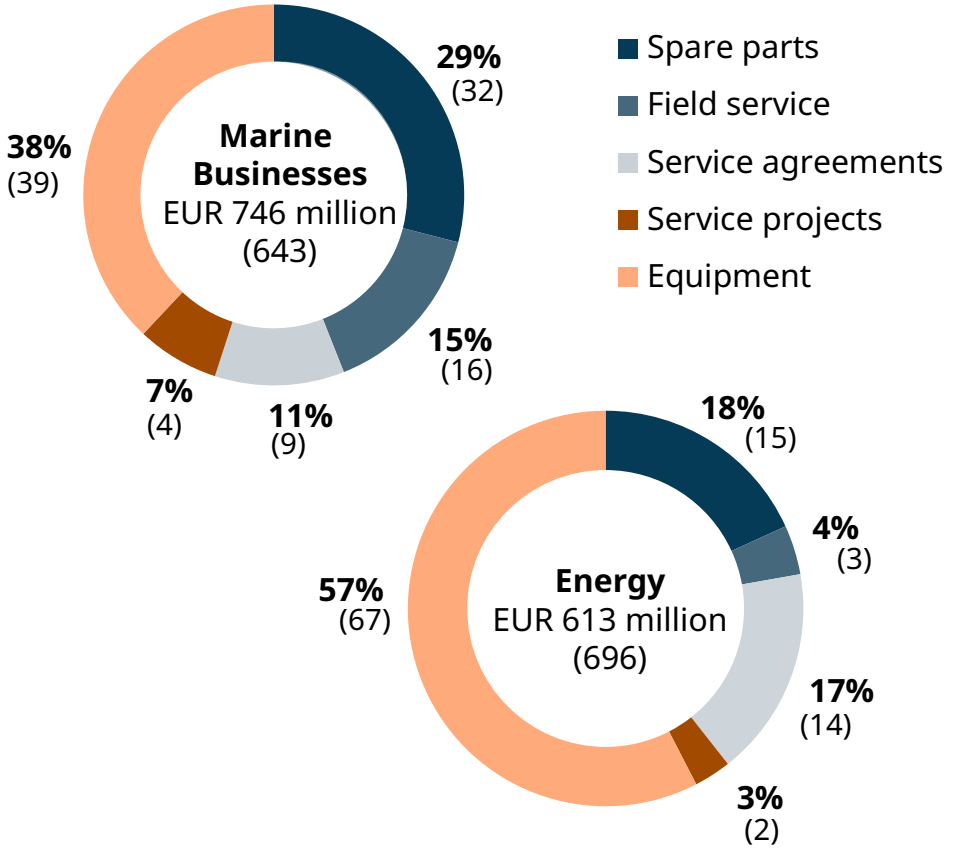


Third quarter development by business type

Order intake



Net sales

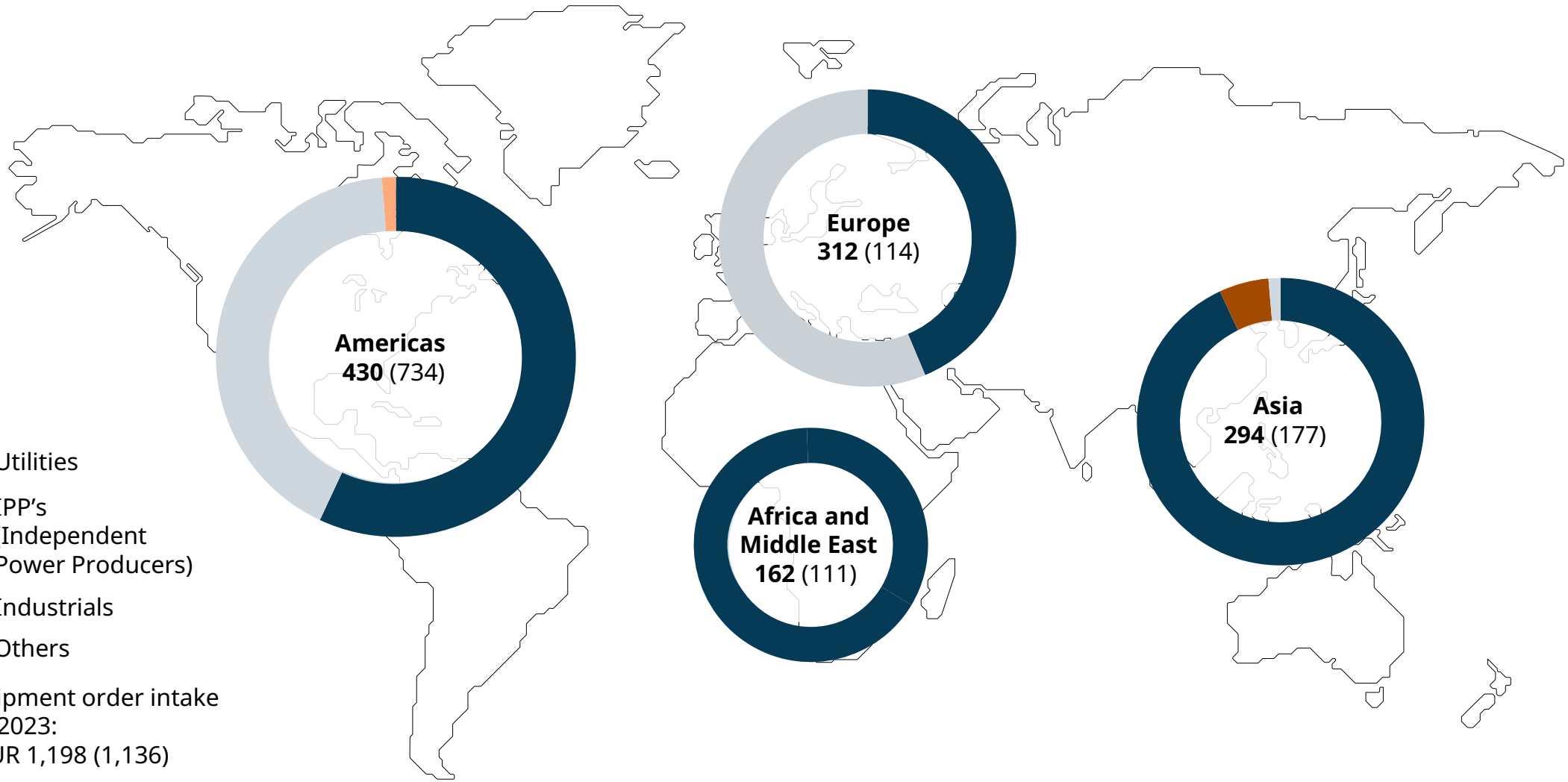


January–September order intake by customer segment

Marine Businesses	Gas carriers	Cruise & ferry	Offshore	Navy	Special vessels	Merchant	Other
Marine Power							
Equipment	9% (15)	29% (21)	7% (2)	9% (3)	3% (17)	38% (35)	5% (7)
Services	16% (15)	23% (22)	19% (14)	6% (7)	11% (12)	23% (29)	2% (2)
Marine Systems							
Equipment	57% (47)	1% (4)	14% (1)	2% (4)	0% (1)	20% (16)	6% (27)
Services	4% (3)	8% (8)	4% (6)	24% (23)	7% (7)	49% (49)	4% (3)
Marine businesses, in total	18% (17)	22% (19)	13% (9)	8% (7)	7% (12)	29% (31)	3% (5)
Equipment	23% (22)	21% (18)	9% (2)	7% (4)	2% (13)	33% (31)	5% (11)
Services	14% (14)	22% (20)	17% (13)	8% (9)	11% (11)	26% (31)	2% (2)

Energy	Utilities	Independent Power Producers	Industrials	Other
Equipment	59% (35)	30% (52)	10% (13)	1% (0)
Services	33% (40)	32% (28)	22% (23)	13% (9)

Orders received for Energy equipment globally



Equipment order intake
1-9/2023:
MEUR 1,198 (1,136)

Sustainability

We are delivering towards our sustainability targets

On track for our 2030 decarbonisation targets

- ✓ To become **carbon neutral in own operations**
- ✓ To provide a **product portfolio ready for zero carbon fuels**

Improving safety, wellbeing and employee engagement

- ✓ **Positive trend in safety indicators**
- ✓ **Wellbeing behaviours & toolkit launched** to support teams
- ✓ **Improving trend in employee engagement**

Strengthening thought leadership and being a responsible company

- ✓ Developing **industry ecosystems** and **co-operation with academia**
- ✓ Continued focus on **ethical compliance**
- ✓ Listed by TIME magazine as **TIME100 most influential companies in 2023**

Strong presence in sustainable development indices

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA

S&P Europe 350 ESG Index

Corporate Responsibility Prime
RATED BY ISS ESG

ECPI Sense in sustainability

2021 MSCI ESG Leaders Indexes Constituent

OMXSUSTAIN INDEX
NASDAQ OMX
OMX GES SUSTAINABILITY FINLAND

Sustainability Yearbook
Member 2021
S&P Global

STOXX

Member 2020/2021
ESG Leaders
Indices

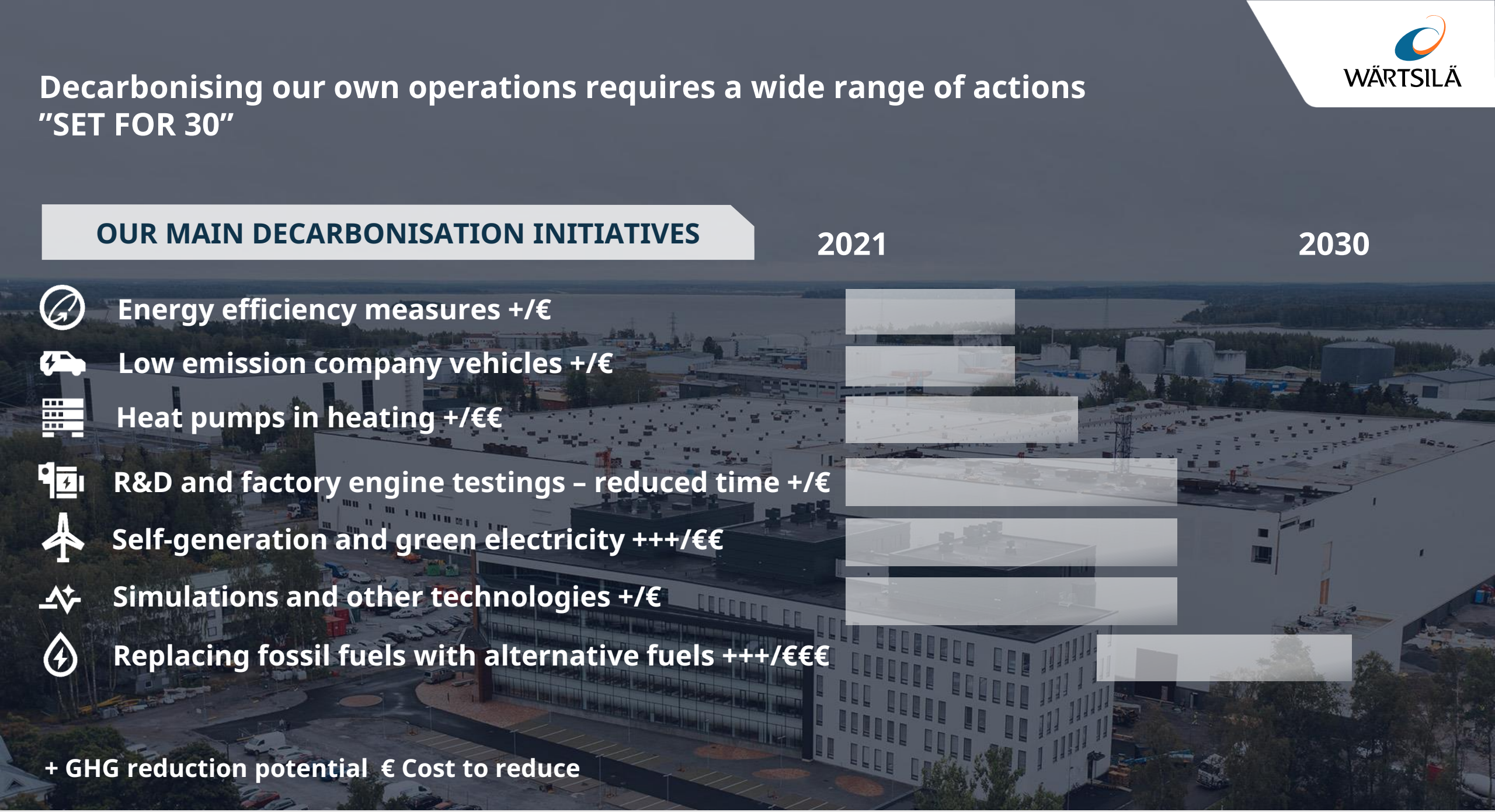
NASDAQ ESG TRANSPARENCY PARTNER
Nasdaq

FTSE4Good

included in
ETHIBEL
SUSTAINABILITY
INDEX
EXCELLENCE Europe

Decarbonising our own operations requires a wide range of actions ”SET FOR 30”

OUR MAIN DECARBONISATION INITIATIVES



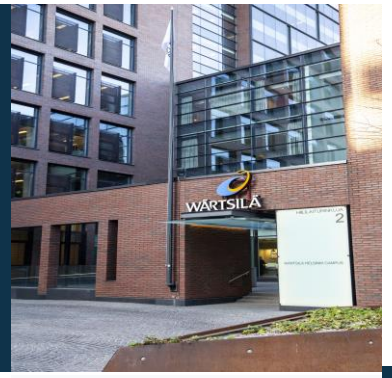
+ GHG reduction potential € Cost to reduce

Wärtsilä “Set for 30” is progressing well

Variety of concrete actions have been taken – some examples

Green electricity purchasing fully in use in Finland

Solar panel investment in Bermeo Spain



Environmental standards for selecting new facilities in use

Electric Vehicle policy defined and being rolled out

Heat pumps installed in server room in Norway

Intelligent energy meters installed in Norway - leakages detected

Electric Forklift policy defined and being rolled out

Variety of actions identified to reduce engine testing time

Set for 30

Wärtsilä's ESG Agenda in brief

E

Ambitious decarbonisation targets for 2030

- Portfolio ready for zero carbon fuels
- Carbon neutrality in own operations

S

Good Corporate Citizen and Responsible Employer

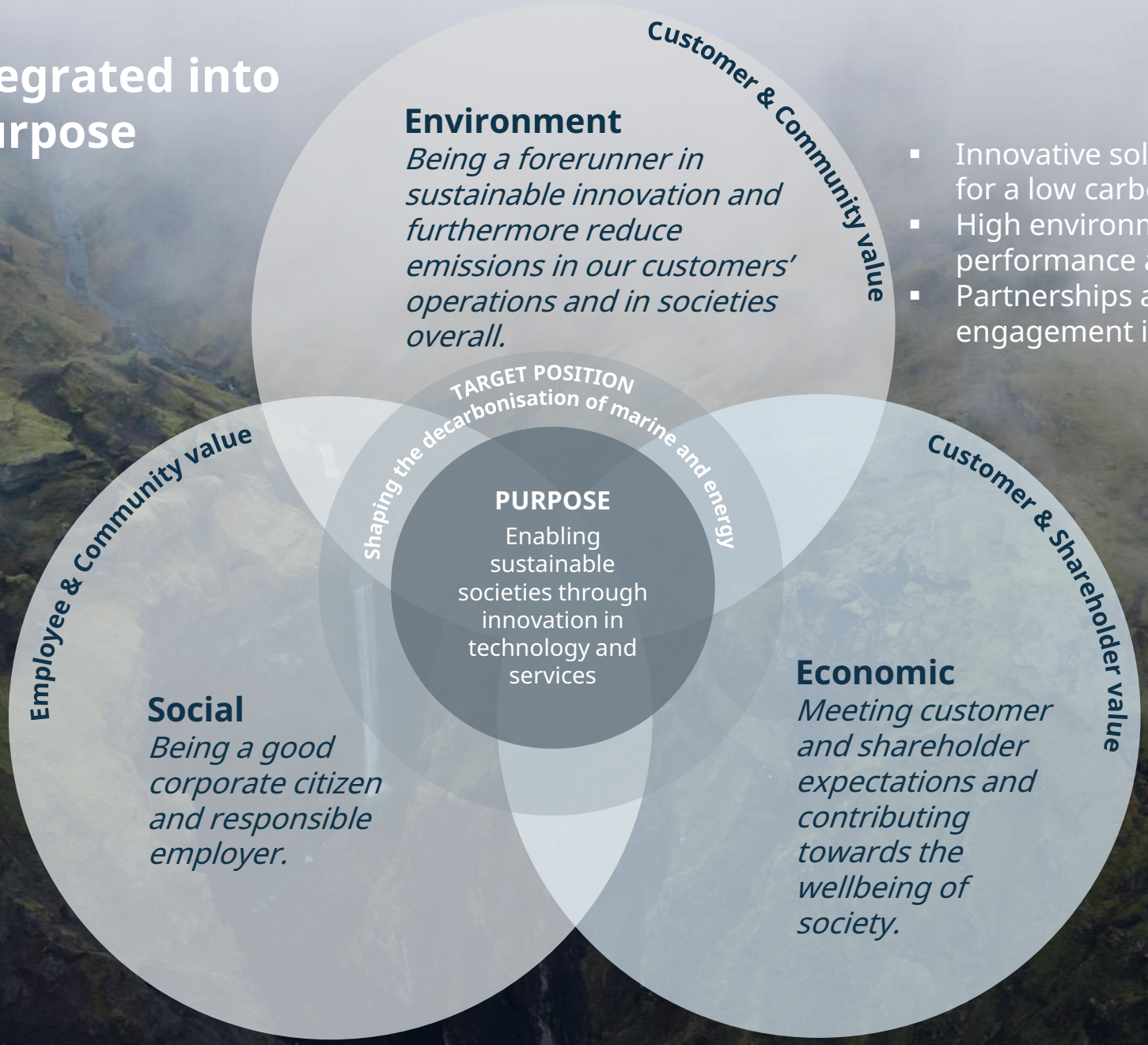
- High ethical standards
- Diversity in focus
- Strive for safety

G

Effective Governance model

- Sustainability matters embedded

Sustainability is integrated into our strategy and purpose



- Innovative solutions for a low carbon economy
- High environmental performance and efficiency
- Partnerships and active engagement in ecosystems

- High ethical standards
- Responsible employer offering, interesting and exciting workplace
- Equal opportunities and diversity
- Hazard free working environment

- Efficient, profitable, and competitive company operations

Wärtsilä's focus on social responsibility

Strong ethical culture

Fair competition
Trade compliance
Anti-corruption
Human and Labour Rights

- Clear policies and instructions
- Ethical training programmes and transparent communication
- Effective compliance programmes

A responsible employer

Equal opportunities and diversity
Fair employment practices
Well-being of our employees
Talent and leadership development

- Global policies and processes
- Training programmes and effective communication
- Co-operation and consultation with our employees

A Safe place to work

Strong safety culture
Providing means for safe work
Product design principles

- Employee and leadership engagement
- Consistent safety competencies
- High quality tools and protective equipment
- Robust risk assessment practices
- Incident reporting and investigation
- Emergency preparedness

Responsible value chain

Human and Labour Rights
Compliance
Anti-corruption

- Clear supplier requirements
- Supplier assessment process
- Setting contractual obligations
- Monitoring the supplier performance
- Taking necessary actions in case of non-compliance

Governance

Board of Management

Håkan Agnevall,
President & CEO

Arjen Berends,
Chief Financial Officer

Tamara de Gruyter, President,
Wärtsilä Marine Systems

Kari Hietanen, Corporate
Relations and Legal Affairs

Roger Holm, President,
Wärtsilä Marine Power

Anders Lindberg, President,
Wärtsilä Energy

Teija Sarajärvi,
Human Resources

Saara Tahvanainen,
Marketing and Communications

Board of Directors

Tom Johnstone CBE, Chair of the Board, President and CEO of AB SKF 2003–2014

Mika Vehviläinen, Deputy Chair of the Board, President & CEO of Cargotec Oyj 2013-2023

Karen Bomba, President of Smiths Interconnect 2017–2020

Morten H. Engelstoft, CEO & EVP of A.P. Møller - Mærsk A/S, APM Terminals 2016–2022

Karin Falk, President, Husqvarna Construction Division

Johan Forssell, President and CEO of Investor AB

Mats Rahmström, President & CEO of Atlas Copco AB

Tiina Tuomela, CFO, Fortum Corporation

Largest shareholders October 2023 (CMi2i quarterly update)

#	Name	Shares	Share %
1	Invaw Invest AB	104,711,363	17.70%
2	Varma Mutual Pension Insurance Company	31,768,252	5.37%
3	BlackRock Fund Advisors	18,364,207	3.10%
4	The Vanguard Group, Inc.	17,436,479	2.95%
5	Ilmarinen Mutual Pension Insurance Company	13,541,503	2.29%
6	Norges Bank Investment Management	10,939,602	1.85%
7	Amundi Asset Management SA (Investment Management)	8,807,538	1.49%
8	Keskinäinen Työeläkevakuutusyhtiö Elo	7,692,000	1.30%
9	Legal & General Investment Management Ltd.	7,260,981	1.23%
10	SSgA Funds Management, Inc	6,596,074	1.11%
11	BlackRock Advisors (UK) Ltd.	6,112,802	1.03%
12	The Social Insurance Institution of Finland (Invt Port)	5,517,730	0.93%
13	Marathon Asset Management LLP	5,329,977	0.90%
14	BlackRock Investment Management (UK) Ltd	4,963,198	0.84%
15	Valtion Eläkerahasto - The State Pension Fund	4,700,000	0.79%
	Total Top 15	**253,741,706**	**42.88%**

For more information, call us or visit our Investors page

Next upcoming IR events

- 5 December, GS Industrials Conference
- 5 – 7 December, US Roadshow
- 7 December, Oslo Roadshow

Wärtsilä Investor Relations

Hanna-Maria Heikkinen, Vice President, Investor Relations
tel. +358 10 709 1461, email: hanna-maria.heikkinen@wartsila.com

Samu Heikkilä, Senior Manager, Investor Relations
tel. +358 44 5817979, email: samu.heikkila@wartsila.com

Meeting requests

Janine Tourneur, Executive Assistant
tel. +358 10 709 5645, e-mail: janine.tourneur@wartsila.com

Appendix

Main competitors

Engines	Other marine solutions	Other energy solutions
MAN Himsen Rolls-Royce	Kongsberg Alfa Laval GE Siemens Schottel	GE Siemens Tesla Fluence

Customer base

Marine businesses	Energy
Ship owners Ship operators Ship management companies Charterers Shipyards Port authorities	Utilities Independent Power Producers (IPPs) Industrial customers

Key figures in 2022

KEY FIGURES 2022

Order intake
6,074 MEUR

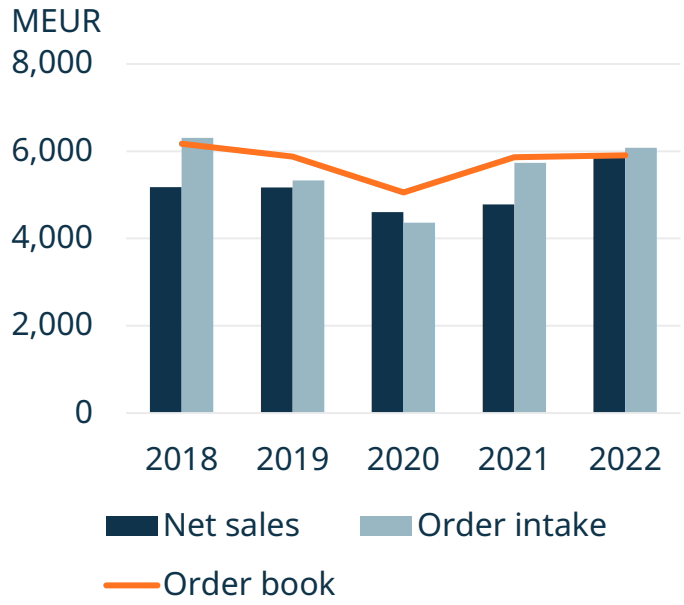
Net sales
5,842 MEUR

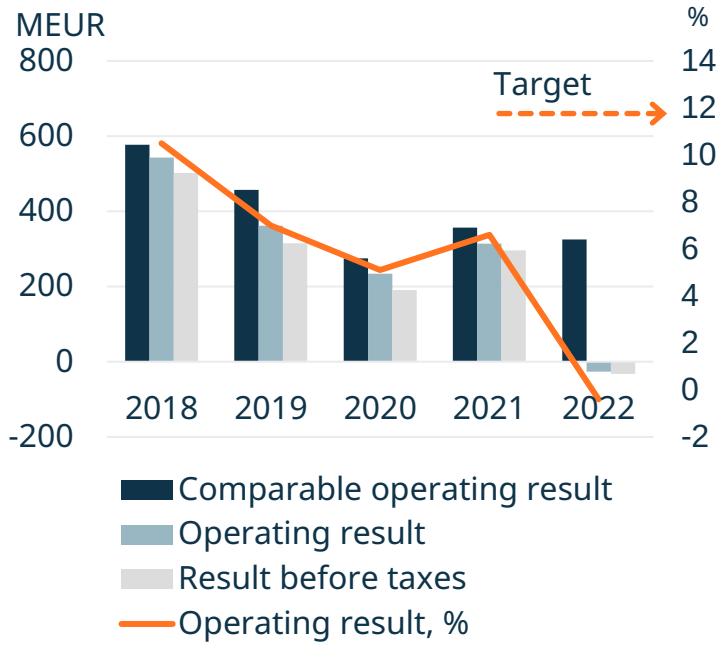
Comparable operating result
325 MEUR
5.6% of net sales

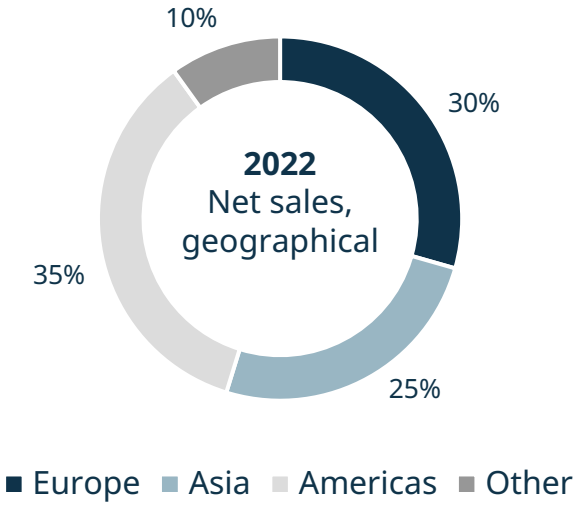
Operating result
-26 MEUR
-0.4% of net sales

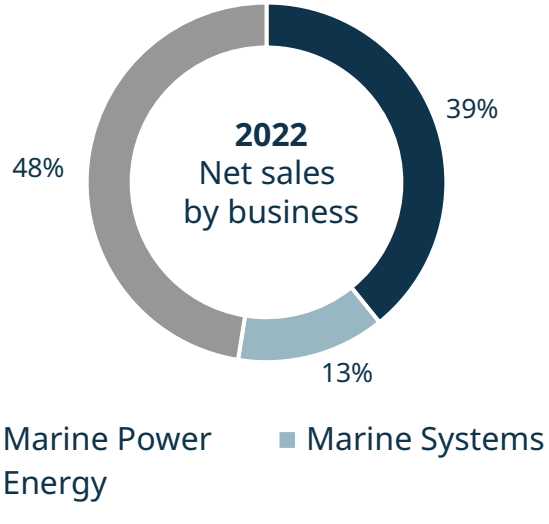
Cash flow from operating activities
-62 MEUR

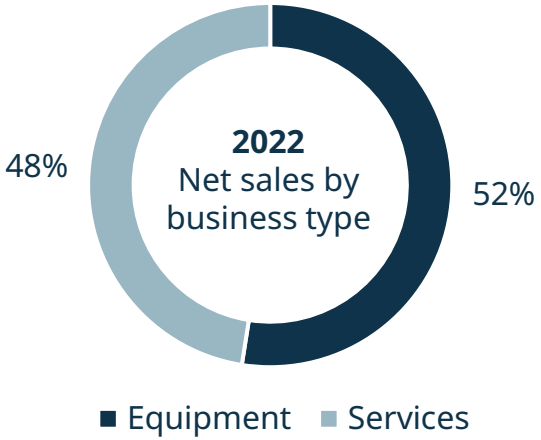
Personnel
17,500











Wärtsilä Marine Power – Leading the path towards decarbonisation by developing state of the art technology and enabling adoption of clean fuels

Key figures in 2022

Order intake

2,707 MEUR

Net sales

2,247 MEUR

Comparable operating profit

179 MEUR

8.0% of net sales

Share of total net sales in 2022

Net sales by business type in 2022

Offering

- Multi-fuel 4-stroke engines
- Propulsion systems
- Catalyst systems
- Fuel gas supply systems
- Hybrid and electrification solutions
- Voyage and fleet optimisation
- Services
  - Spare parts and maintenance services
  - Performance based agreements
  - Retrofits and upgrades

Key customer segments

- Gas carriers
- Cruise & ferry
- Offshore
- Navy
- Special vessels
- Merchant

Wärtsilä Marine Systems – Solutions for our customers decarbonisation and optimisation journey

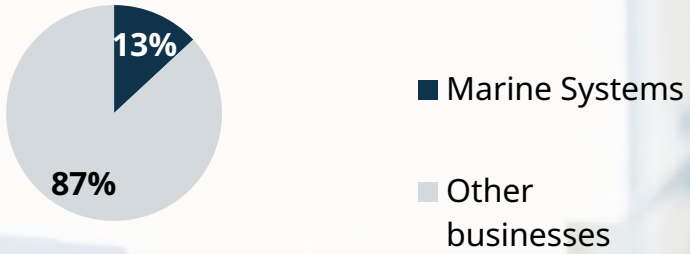
Key figures in 2022

Order intake
654 MEUR

Net sales
765 MEUR

Comparable operating profit
56 MEUR
7.3% of net sales

Share of total net sales in 2022



Net sales by business type in 2022

Offering

- Gas solutions
  - Cargo handling systems for gas carriers
  - Liquefaction and gasification systems for various applications
  - Fuel systems and biogas solutions
- Exhaust treatment
- Shaft line solutions

Key customer segments

- Cruise & ferry
- Gas carriers
- Offshore
- Merchant
- Navy
- Special vessels

Wärtsilä Energy – Towards a 100% renewable energy future

Key figures in 2022

Order intake
2,612 MEUR

Net sales
2,721 MEUR

Comparable operating profit
91 MEUR
3.3% of net sales

Share of total net sales in 2022

Net sales by business type in 2022

Offering

- Future-fuel enabled grid balancing power plants
- Hybrid solutions
- Energy storage and optimisation technology, including the GEMS Digital Energy Platform
- Lifecycle services

Key customer segments

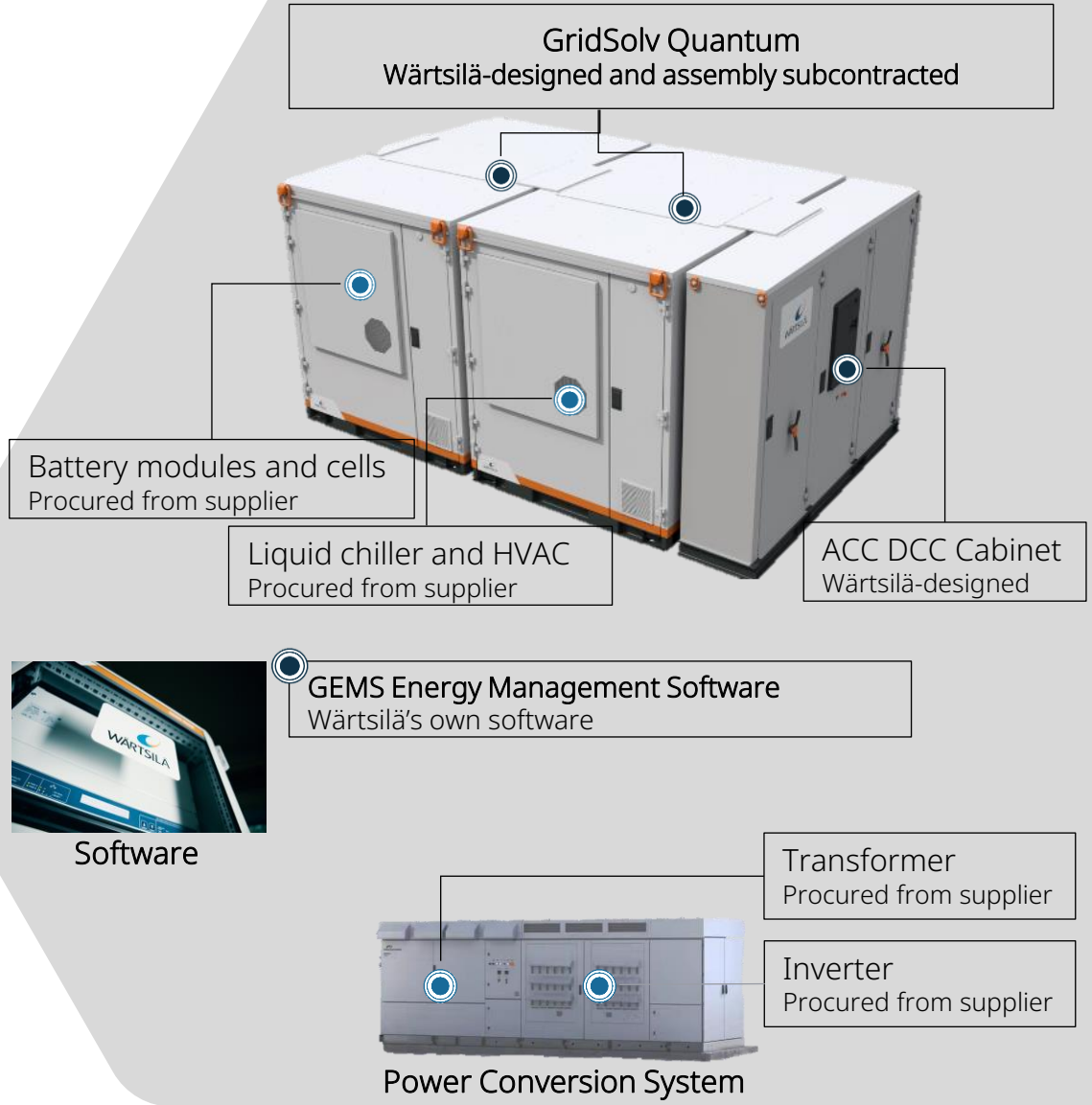
- Utilities
- Independent Power Producers (IPPs)
- Industrial customers

Wärtsilä Energy Storage offering

Our role in the value chain

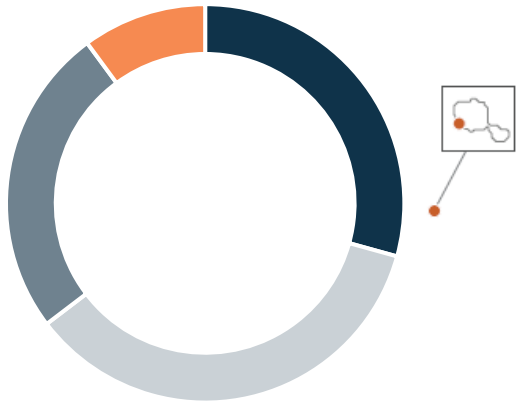
- Our **core offering** consists of 1) battery energy storage hardware, 2) GEMS Digital Energy Platform, and 3) lifecycle services,
- We are an energy storage **system integrator**, adding value to our customers by providing fully-engineered, end-to-end storage solutions:

1. **Wärtsilä's energy storage hardware** integrates battery modules, Battery Management System and Power Conversion System to a Wärtsilä-designed GridSolv enclosure to offer a complete energy storage system (ESS) to our customers.
2. Our project execution team manages **full installation and integration** at the customer's site(s).
3. Wärtsilä's **GEMS Digital Energy Platform** monitors, controls and optimises storage and other energy assets in the system
4. Our **Service+ lifecycle solutions** include Expertise Center support, planned maintenance, performance guarantees and software maintenance

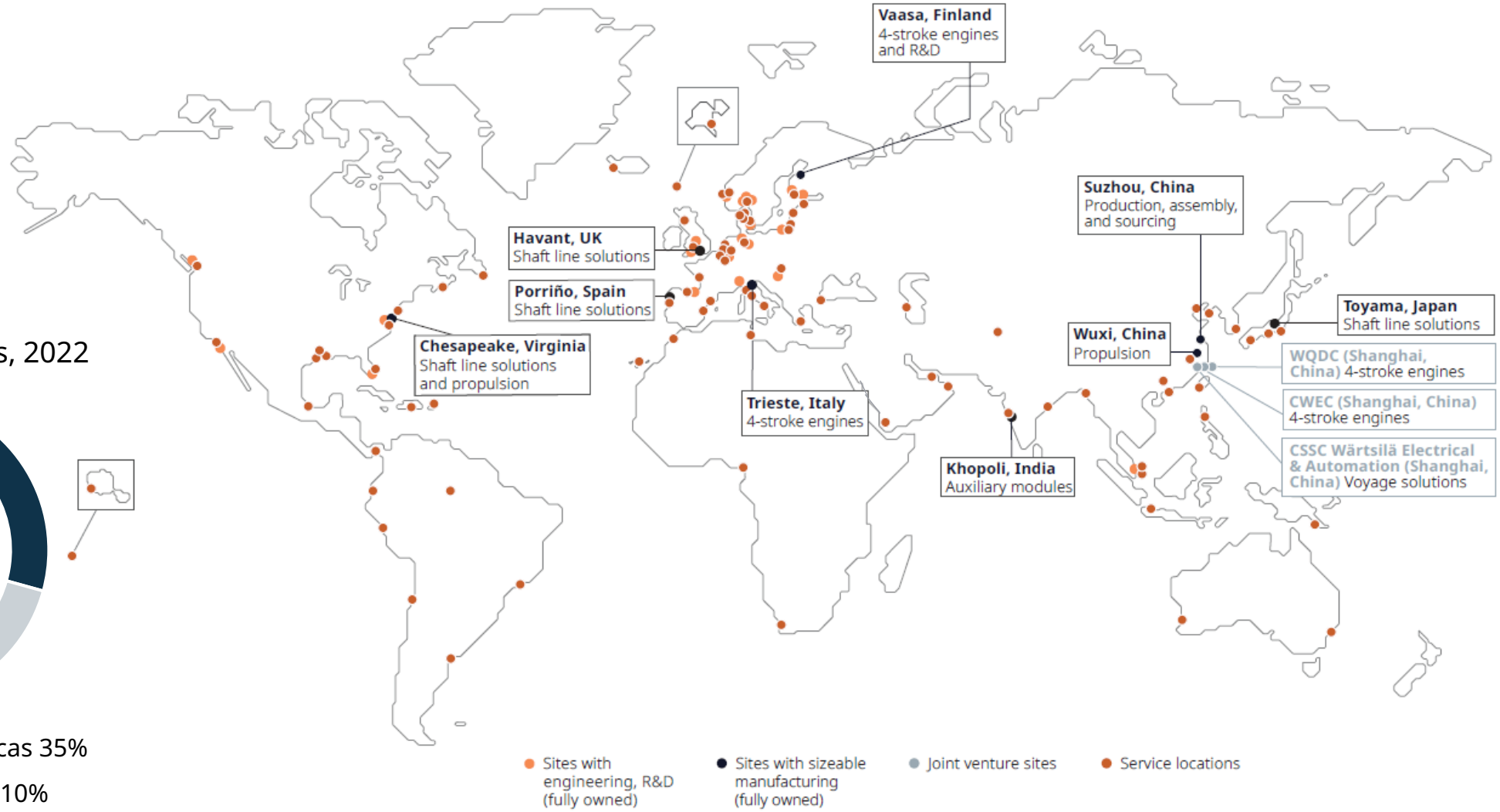


Wärtsilä's position as a global company is reflected in the geographical breakdown of our net sales

Geographical net sales, 2022



- Europe 29%
- Americas 35%
- Asia 25%
- Other 10%

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