

07/03/2019

ANNUAL GENERAL MEETING OF WÄRTSILÄ CORPORATION

- Date and time:** 7 March 2019, 3:15 p.m. to 4:52 p.m.
- Venue:** Messukeskus Siipi, Helsinki
- Attendance:** Shareholders included in the list of votes confirmed at the meeting were recorded as being present, in person or by proxy.
- Also present at the meeting were all members of the Board of Directors, the President and CEO, the auditor, and members of the company's senior management.

1 OPENING OF THE MEETING

Wärtsilä Corporation's Chairman of the Board of Directors Mikael Lilius opened the meeting.

2 CALL TO ORDER

Advocate, Master of Laws Juha Väyrynen was elected as Chairman of the Annual General Meeting. The Chairman invited Executive Vice President Kari Hietanen to act as the secretary of the Annual General Meeting.

The Chairman described the meeting procedures for handling the matters included on the agenda.

It was noted that the Annual General Meeting would be held in Finnish and Swedish, and that when speaking at the meeting the participants could use Finnish, Swedish or English.

It was noted that the proposals of the Board of Directors and its committees were published as a stock exchange release and on the company's website on 30/01/2019.

The Chairman noted that certain nominee-registered shareholders had submitted voting instructions to the company prior to the Annual General Meeting, and then proceeded to describe said voting instructions. A summary list of the voting instructions was appended to the minutes.

It was noted that the summary list or information on the voting instructions provided by the shareholders represented by SEB, Nordea, Svenska Handelsbanken, Danske Bank and Euroclear Bank SA/NA will be appended to the minutes (Appendix 1).

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3

ELECTION OF PERSONS TO SCRUTINISE THE MINUTES AND TO SUPERVISE THE COUNTING OF VOTES

Jens Söderholm and Erkkä Kohonen were elected as scrutinisers of the minutes.

Ann-Sofi Palin and Kim Fors were elected to supervise the counting of the votes.

4

RECORDING THE LEGALITY OF THE MEETING

It was noted that the notice convening the meeting had been published on 30/01/2019 on the company's website in the Internet.

It was noted that the Annual General Meeting had been convened in compliance with the company's articles of association and the provisions of the Limited Liability Companies Act. Based on this, a quorum was ascertained.

The notice convening the meeting was appended to the minutes (Appendix 2).

5

RECORDING THE ATTENDANCE AT THE MEETING AND ADOPTION OF THE LIST OF VOTES

The list of the participants and the list of votes as at the opening of the meeting were presented, according to which 1 904 shareholders were present, either personally or represented by a statutory or authorised representative. It was recorded that 355,176,251 shares and votes were represented at the opening of the meeting.

The list of participants and the list of votes as at the opening of the meeting were appended to the minutes (Appendix 3). It was noted that at the beginning of any vote the list of votes would be confirmed to correspond with the attendance of the meeting.

6

PRESENTATION OF THE FINANCIAL STATEMENTS, ANNUAL REPORT AND AUDITOR'S REPORT FOR 2018

President and CEO Jaakko Eskola presented a review of the company's operational and financial performance in 2018. He also described the company's current position and objectives, topical business developments, and future outlook. The president and CEO's presentation materials were appended to the minutes (Appendix 4).

The financial statements for the financial period 1 January – 31 December 2018 were presented, including the profit and loss account, balance sheet and cash flow statement, with notes, as well as the consolidated financial statements and the Report of the Board of Directors. It was recorded that the financial statements of

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the parent company had been prepared in accordance with the Finnish Accounting Standards (FAS), while the consolidated financial statements had been prepared in accordance with the International Financial Reporting Standards (IFRS).

It was noted that the financial statement documentation had been available on the company's website since 12/02/2019, in addition to which the documentation was available at the meeting venue.

All the financial statement documents were appended to the minutes (Appendix 5).

The auditor's report was presented and then appended to the minutes (Appendix 6).

7

ADOPTION OF THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

The financial statements and consolidated financial statements for the financial period 1 January – 31 December 2018 were adopted.

8

RESOLUTION ON THE USE OF THE PROFIT SHOWN ON THE BALANCE SHEET AND THE PAYMENT OF DIVIDENDS

It was noted that the total distributable funds of the parent company on the balance sheet date 31 December 2018 were EUR 1,037,972,039.58, of which the profit for the financial period was EUR 308,072,530.42.

It was noted that the Board of Directors had proposed that a dividend of EUR 0.48 per share, a total of EUR 284,027,227.20, be paid from the parent company's distributable funds. According to the proposal, the dividends will be paid in two instalments.

The first dividend payment, EUR 0.24 per share, will be paid to shareholders who, on the dividend record date of 11/03/2019, were registered in the company's shareholders' register held by Euroclear Finland Oy. The Board proposes that the dividends for this instalment be paid on 18/03/2019.

The second dividend payment, EUR 0.24 per share, will be paid in September 2019.

The second dividend instalment will be paid to shareholders who on the dividend record date were registered in the company's shareholders' register held by Euroclear Finland Oy. The Board will decide in its meeting, set for 18/09/2019, on the record and payment dates of the second dividend instalment. According to the present rules of the Finnish book-entry securities system, the dividend record date will then be 20 September 2019 and the dividend payment date 27 September 2019.

It was noted that the Board of Directors had also proposed that the remaining part of the profit be transferred to the retained earnings account.

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The proposal of the board of directors was appended to the minutes (Appendix 7).

The Annual General Meeting resolved, according to the proposal of the Board of Directors, that a dividend of EUR 0.48 per share, totalling EUR 284,027,227.20, be paid from the parent company's distributable funds.

9

RESOLUTION ON THE DISCHARGE FROM LIABILITY OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE PRESIDENT AND CEO

It was noted that the resolution on the discharge from liability for the financial period 1 January – 31 December 2018 concerned the following persons:

Mikael Lilius, Chairman of the Board
Tom Johnstone, Deputy Chairman of the Board
Maarit Aarni-Sirviö, Board member
Kaj-Gustaf Bergh, Board member
Karin Falk, Board member
Johan Forssell, Board member
Risto Murto, Board member
Markus Rauramo, Board member
Jaakko Eskola, President & CEO

It was resolved to grant discharge from liability to the above members of the Board of Directors and President & CEO.

10

PRINCIPLES OF COMPENSATION

Mikael Lilius, Chairman of the Board, presented an overview of the company's principles of compensation (Appendix 8).

11

RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

It was resolved, in accordance with the proposal of the Nomination Committee of the Board of Directors, that the Board members elected for the term of office ending at the closing of the 2020 Annual General Meeting be paid the following annual remuneration:

EUR 140,000 to the Chairman of the Board,
EUR 105,000 to the Deputy Chairman of the Board, and
EUR 70,000 to each other Board member.

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Each member of the Board of Directors will also be paid a fee of EUR 750 for each Board meeting that they attend. The Chairman of the meeting will be paid the fee, increased by 100%.

In addition, the Chairman of the Audit Committee will be paid a fixed fee of EUR 20,000 and each member a fixed fee of EUR 10,000 for the term of office, the Chairman of the Remuneration Committee a fixed fee of EUR 10,000 and each member a fixed fee of EUR 5,000 for the term of office, and the Chairman of the Nomination Committee a fixed fee of EUR 8,000 and each member a fixed fee of EUR 4,000 for the term of office.

Approximately 40% of the annual remuneration of the Board will be paid in Wärtsilä Corporation shares, and the remaining portion in cash, from which tax will be deducted on the basis of the total annual remuneration. The company will reimburse for the transaction expenses and cost of transfer tax. The attendance fees of the Board and the fixed fees for committee work will be paid in cash. Travel expenses will be reimbursed in accordance with the company travel policy.

12

RESOLUTION ON THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS

It was noted that, pursuant to the Articles of Association, the Board of Directors shall comprise no fewer than five and no more than ten members, and that the Board of Directors currently has eight members.

It was noted that the Nomination Committee of the Board of Directors had proposed to the Annual General Meeting that the number of members of the company's Board of Directors be confirmed as eight (8).

In accordance with the proposal of the Nomination Committee of the Board of Directors, the Annual General Meeting resolved that the number of members of the company's Board of Directors be confirmed as eight (8).

13

ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS

It was noted that, in accordance with the Articles of Association, Board members shall be elected for a one-year term, starting on the day of the Annual General Meeting in which the election was held and ending at the closing of the first Annual General Meeting following the election.

It was noted that the Nomination Committee of the Board of Directors had proposed to the Annual General Meeting that, for the term of office ending at the closing of the 2020 Annual General Meeting, the following persons be re-elected as Board members:

- Maarit Aarni-Sirviö
- Kaj-Gustaf Bergh

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- Karin Falk
- Johan Forssell
- Tom Johnstone
- Mikael Lilius
- Risto Murto and
Markus Rauramo.

It was noted that the persons listed above had agreed to accept their nomination.

It was resolved, in accordance with the proposal of the Nomination Committee of the Board, to elect the following persons as Board members for the term of office ending at the closing of the 2020 Annual General Meeting:

- Maarit Aarni-Sirviö
- Kaj-Gustaf Bergh
- Karin Falk
- Johan Forssell
- Tom Johnstone
- Mikael Lilius
- Risto Murto and
- Markus Rauramo.

It was recorded that shareholder Martti Waltasaari was not in favour of electing Risto Murto to the Board.

14

RESOLUTION ON THE REMUNERATION OF THE AUDITOR

It was resolved that the remuneration to the auditor be paid in accordance with the auditor's invoice, approved by the company.

15

ELECTION OF AUDITOR

It was noted that, in accordance with the Articles of Association, the company shall have one auditor, which must be an audit firm approved by the Finland Chamber of Commerce. For the previous financial period, the company's auditor was public accountants PricewaterhouseCoopers Oy, with Tomi Hyryläinen acting as the responsible auditor up to 16 September and Merja Lindh thereafter.

It was resolved that the elected auditor will be requested to provide a statement on the discharge of liability and the distribution of profit for 2019.

The Annual General Meeting decided in accordance with the Audit Committee's proposal that public accountants PricewaterhouseCoopers Oy be elected as the company's auditor for 2019.

16

AUTHORISATION REGARDING THE PURCHASE OF COMPANY SHARES

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It was resolved to approve the Board of Directors' proposal for granting authorisation regarding the purchase and transfer of company shares (Appendix 9).

The board of directors was authorised to resolve on the purchase of no more than 57 000 000 company shares, in accordance with the proposal of the board of directors. The purchase authorisation shall remain in force until the end of the first Annual General Meeting following the resolution, but no later than 18 months from the resolution made at the Annual General Meeting.

It was recorded that, based on the authorisation, the Board of Directors is entitled to resolve on the purchase of company shares even otherwise than in proportion to the existing number of company shares held by shareholders.

17 SHARE ISSUE AUTHORISATION

It was resolved to approve the Board of Directors' proposal for share issue authorisation (Appendix 10).

The Board of Directors was authorised to resolve on the issue of no more than 57,000,000 shares, in accordance with the proposal of the Board of Directors. It was recorded that, based on the authorisation, the Board of Directors is entitled to resolve on a share issue against payment or without payment. Shares may also be issued through a directed share issue even otherwise than in proportion to the existing number of company shares held by shareholders, if the company has a financially weighty reason to do so. The Board of Director's share issue authorisation shall remain in force for three years from the date of the resolution made at the Annual General Meeting. It repeals the authorisation granted by the Annual General Meeting on 8 March 2018 on the transfer of company shares.

18 CLOSING OF THE MEETING

The Chairman of the Annual General Meeting noted that the items on the agenda had been discussed, and that the minutes of the meeting would be available to the shareholders at the company's head office and on the company's website no later than two weeks from the date on which the Annual General Meeting was held.

The Chairman concluded the meeting.

Chairman of the Annual General Meeting:

Juha Väyrynen

MINUTES
No 1/2019

WÄRTSILÄ CORPORATION
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In witness whereof:

Kari Hietanen

Minutes scrutinised and approved:

Jens Söderholm

Erkka Kohonen

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APPENDICES

<u>Appendix 1</u>	Voting instructions by nominee-registered shareholders
<u>Appendix 2</u>	Notice convening the meeting
<u>Appendix 3</u>	Adopted list of votes
<u>Appendix 4</u>	Presentation materials of the president and CEO's review
<u>Appendix 5</u>	Financial statement documentation
<u>Appendix 6</u>	Auditor's report
<u>Appendix 7</u>	Board of directors proposal for the use of profit and payment of dividends
<u>Appendix 8</u>	Company's principles of compensation
<u>Appendix 9</u>	Board of directors' proposal for the authorisation regarding the purchase of company shares
<u>Appendix 10</u>	Board of directors' proposal for share issue authorisation