WÄRTSILÄ IN BRIEF
GLOBAL LEADER

in sustainable solutions for the marine and energy markets

- **Order Intake**: 4,359 MEUR
- **Net Sales**: 4,604 MEUR
- **Comparable Operating Result**: 275 MEUR
- **Operations in over 200 Locations**
- **Our Personnel Approx.**: 17,800
- **Nationalities**: 139

Financials are for fiscal year 2020. Location, personnel and nationalities figures are approximations based on the status in December 2020.
ENABLING SUSTAINABLE SOCIETIES WITH SMART TECHNOLOGY

INNOVATING SINCE 1834

TOGETHER

FOR A SUSTAINABLE FUTURE
OUR INDUSTRIES

ENERGY
Leading the path towards a 100% renewable energy future

MARINE
Leading the industry transformation towards a Smart Marine Ecosystem
OUR PERSONNEL

Approx. 17,800 employees
Over 200 locations world-wide
In more than 70 countries
OUR GLOBAL PRESENCE

62% Europe
22% Asia
11% Americas
5% Other

- Offices and workshops
- Production
- Headquarters
### OUR 139 NATIONALITIES

This figure tends to evolve throughout the year, therefore this number is an approximation.
SUSTAINABILITY
SUSTAINABILITY
for our stakeholders and the environment

SUSTAINABILITY STRATEGY AND TARGETS
Strong focus on decarbonisation

HIGH ETHICAL STANDARDS
Values and Code of Conduct program

DEFINED PROCESSES
Certified QEHS management systems

TRANSPARENCY
Sustainability reporting according to GRI standards

RECOGNISED SUSTAINABILITY WORK
I.a. DJSI and FTSE4Good indices
RESEARCH AND DEVELOPMENT
In 2020, research & development investments amounted to 153 MEUR, representing 3.3% of net sales.

Approximately 2,100 patents and 500 patent applications.
FOCUS AREAS FOR OUR RESEARCH & DEVELOPMENT

FUEL FLEXIBILITY AND FUTURE FUELS
OPTIMISING ENERGY SYSTEMS
TOWARDS ZERO EMISSION MARITIME
NEW TECHNOLOGY TO ENABLE A SMART MARINE ECOSYSTEM
FINANCIAL OVERVIEW
## FINANCIAL HIGHLIGHTS

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
<th>2017&lt;sup&gt;1&lt;/sup&gt;</th>
<th>2016</th>
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<tbody>
<tr>
<td>Order intake</td>
<td>4,359</td>
<td>5,327</td>
<td>6,307</td>
<td>5,644</td>
<td>4,927</td>
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<tr>
<td>Order book at the end of the period</td>
<td>5,057</td>
<td>5,878</td>
<td>6,166</td>
<td>5,100</td>
<td>4,696</td>
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<tr>
<td>Net sales</td>
<td>4,604</td>
<td>5,170</td>
<td>5,174</td>
<td>4,911</td>
<td>4,801</td>
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<tr>
<td>Comparable operating result</td>
<td>275</td>
<td>457</td>
<td>577</td>
<td>576</td>
<td>583</td>
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<tr>
<td>% of net sales</td>
<td>6.0</td>
<td>8.8</td>
<td>11.2</td>
<td>11.7</td>
<td>12.1</td>
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<tr>
<td>Earnings/share, EUR&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.23</td>
<td>0.37</td>
<td>0.65</td>
<td>0.63</td>
<td>0.60</td>
</tr>
</tbody>
</table>

1) Figures for 2017 have been restated due to the adoption of IFRS 15.
2) Earnings per share figures for 2016-2017 have been restated to reflect the increased number of shares.
WÄRTSILÄ ENERGY
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Wärtsilä Energy leads the transition towards a decarbonised and 100% renewable energy future. We help our customers in the transition by developing market-leading technologies, from future-fuel enabled flexible power plants and hybrid solutions to energy storage and optimisation technology, including the GEMS energy management platform. Wärtsilä Energy’s lifecycle services ensure increased efficiency, reliability and guaranteed performance.

Wärtsilä has delivered 74 GW of flexible power plant capacity and more than 80 energy storage systems in 180 countries around the world.
Towards a 100% Renewable Energy Future

The energy landscape is in a transition towards more flexible and decarbonised energy systems. We envision a 100% renewable energy future.

Based on our deep understanding and leading position in the energy transition we develop innovative, value-adding solutions for our customers’ future needs.
DRIVERS FOR A 100% RENEWABLE ENERGY FUTURE

- Increasing public resistance against fossil fuels
- Targets for renewables and decarbonisation
- Rapidly decreasing price of renewables
- Electrification increases electricity demand
- Mitigating climate change
- Need for decarbonisation and future fuels
FUTURE-PROOF AND FLEXIBLE SOLUTIONS SUPPORTING THE ENTIRE ENERGY TRANSITION, AVAILABLE TODAY

RES 19%  
Global average today*

RES 20%  
Tipping point

RES 80%  
Renewables as baseload

RES 100%  
Final push

Future-proof **flexible power plants**

**Energy storage** with industry-leading energy management system (GEMS)

**Energy services** that support customer needs in the energy transition

Constantly seeking **innovations** and developing solutions for **future fuels** to accelerate decarbonisation

Source: BloombergNEF New Energy Outlook, 2020  
RES = global production capacity of renewable energy sources (wind and solar)
SOLUTIONS TO SUPPORT THE ENERGY TRANSITION

FLEXIBLE POWER PLANTS
Flexible power plants utilising modular and future-proof technology that will run on any available fuels today and tomorrow.

ENERGY STORAGE AND OPTIMISATION
Energy storage solutions that build a resilient and intelligent power system. Industry-leading software can optimise any of the customer’s assets and power systems.

LIFECYCLE SERVICES
Lifecycle services encompass performance and maintenance management as well as operational expertise, leading to safe, reliable, and environmentally sustainable operations.
STRENGTHS

With a deep understanding of the energy transition and power systems, we can help our customers find their optimal and most efficient path towards 100% renewable energy, while balancing and future-proofing their power system.
KEY FACTS

74 GW
power plant capacity delivered to 180 countries

12,000
engines delivered across 5,000 power plants

92%
customer satisfaction among our service agreement customers with a NPS* of 70

180
countries and power systems modelled worldwide

80+
energy storage and optimisation systems installed globally

≈250
Our expertise centres support nearly 250 power plants globally
WÄRTSILÄ IN THE MARINE MARKET
SMART MARINE ECOSYSTEM

We are on a mission to create a Smart Marine Ecosystem – one in which the maritime industry uses only the cleanest available fuels. Where on-board power production is optimised, and routes are precision-planned to avoid navigational hazards, traffic congestion, and unexpected waiting times.

Through our know-how, integrated product portfolio, and full lifecycle solutions – all supported by the market’s most extensive service network – we are committed to being the main driving force in sustainable shipping.
MARKET TRENDS & DRIVERS

URBANISATION AND INCREASE IN POPULATION

AGING OF POPULATION AND GROWING MIDDLE-CLASS

ADVANCED TECHNOLOGY DEVELOPMENTS

CLIMATE CHANGE

GEOPOLITICAL FACTORS AND SCARCE RESOURCES

MARINE
MARINE

SHIPPING IS THE WORLD’S MOST EFFICIENT MODE OF TRANSPORTATION

90% OF WORLD TRADE IS CARRIED BY SEA

$30 BN WASTED IN OVERCAPACITY, FUEL INEFFICIENCY & WAITING TIMES
LEADING THE WAY TOWARDS A SMART MARINE ECOSYSTEM

A Smart Marine Ecosystem is about the maritime industry working together to address critical challenges and to generate solutions towards a sustainable future.
DRIVING SUSTAINABLE SHIPPING

Data, technology, LNG, biofuels and renewables will take us to reducing -40% GHG levels by 2030
Sustainable fuels and advanced technologies will take us to reducing -50% GHG levels by 2050

ENERGY SOURCE AND FUEL FLEXIBILITY
ENERGY EFFICIENT TECHNOLOGIES
DATA

... ADOPTED IN A SMART MARINE ECOSYSTEM
OUR THREE MARINE BUSINESSES

Since July 2020, Wärtsilä has organised its Marine operations under three distinct Businesses. With this simplified structure we aim to increase agility and speed in decision-making, and thus accelerate the execution of our Smart Marine strategy.
WÄRTSILÄ MARINE POWER
Wärtsilä Marine Power leads the industry in its journey towards a decarbonised and sustainable future. Our portfolio of engines, propulsion systems, hybrid technology, and integrated powertrain systems deliver the reliability, safety, and environmental performance that Wärtsilä’s smart marine vision encompasses. We offer our customers performance-based agreements, lifecycle solutions, and an unrivalled global network of maritime expertise.
Never has it been clearer, that the maritime industry needs to step up its sustainability game.

WÄRTSILÄ MARINE POWER LEADS THE MARITIME INDUSTRY BY CREATING A COMMERCIALY VIABLE PATH TOWARDS DECARBONISATION.
MARINE POWER OFFERS CUSTOMERS A SOLUTION TO PRESENT CHALLENGES AND AN UPGRADE PATH TO THE FUTURE

CORE STAND-ALONE PRODUCTS

- Engines
- Propulsion

KEY COMPLEMENTARY TECHNOLOGIES

- Catalysts (NOx reduction)
- Fuel Gas Supply Systems
- Electrical & Power Management Systems

LIFECYCLE SOLUTIONS

- Part services
- Field & workshop services
- Retrofit & upgrade services
- Maintenance agreements
- Performance based agreements

AN UPGRADE PATH TOWARDS DECARBONISATION

- Fuel Flexibility
- Hybrids
- IMO Targets compliance

MARINE POWER OFFERS CUSTOMERS A SOLUTION TO PRESENT CHALLENGES AND AN UPGRADE PATH TO THE FUTURE
KEY FACTS

The world's most extensive network of maritime expertise. In 193 locations, 53 countries.

Wärtsilä’s biggest business. 2 Bn EUR Net Sales, over 57,000 equipments installed in 19,000 vessels.

70,000 transactions for Parts and 3.8 Million man hours billed for Field Services each year.

Market leader in medium speed main engines. 67 GW of engines installed base, 17.5 GW under agreement.

Leading the path towards decarbonisation by developing state of the art technology and enabling adoption of clean fuels.

Top player within controllable pitch propellers (CPP), large waterjets and steerable thrusters.
STRENGTHS

DELIVERING THE WORLD'S MOST EFFICIENT INTEGRATED POWERTRAIN SYSTEM

PIONEERING RESEARCH & DEVELOPMENT OF NEW TECHNOLOGIES

UNRIVALLED KNOW-HOW IN ALTERNATIVE FUELS & FUEL FLEXIBILITY

INCREASING CUSTOMER VALUE THROUGH LIFECYCLE SOLUTIONS

SUBJECT MATTER EXPERTS WITH A PASSION TO MAKE A DIFFERENCE
WÄRTSILÄ MARINE SYSTEMS
Wärtsilä Marine Systems offers high-quality products, solutions, and lifecycle services related to the gas value chain, exhaust treatment applications, shaft line solutions, and marine electrical integrations. Our aim is to provide the latest and most efficient solutions in line with Wärtsilä’s Smart Marine Ecosystem vision for a safer, better, and more sustainable future for our customers.
MARINE SYSTEMS

Wärtsilä Marine Systems comprises four individual business units with full lifecycle ownership of their respective products and solutions, which are sold for both newbuild and retrofit applications.

- Shaft Line Solutions
- Exhaust Treatment
- Gas Solutions
- Marine Electrical Systems
SHAFT LINE SOLUTIONS

Leading experts in Shaft Line Solutions, offering a comprehensive portfolio of products, integrated Shaft Line Solutions and complete aftermarket services

KEY FACT:
30,000 vessels worldwide have Shaft Line Solution installations

- Reliability
- Lifecycle support
- Remote monitoring
- Zero environmental emissions
GAS SOLUTIONS

Wärtsilä’s gas solutions bring carbon neutral or transition fuels to the market and minimise emissions from the gas infrastructure. In so doing, Wärtsilä helps customers on the journey towards a sustainable future through a focus on lifecycle support innovation, and digitalisation.

KEY FACT:
500 gas solution projects, almost 3,000 inert gas systems and 45 biogas solutions delivered by Gas Solutions

Decarbonisation  Lifecycle solutions  Remote monitoring  Operational efficiency
EXHAUST TREATMENT

Wärtsilä Exhaust Treatment provides abatement technologies for the marine industry and is the market leader. We develop solutions that go beyond the current marine sector regulatory framework addressing current and future environmental challenges.

KEY FACT:
650 scrubber projects delivered by Exhaust treatment

Decarbonisation and towards zero emission
Optimisation for reliability
Lifecycle services
Digital solutions
MARINE ELECTRICAL SYSTEMS

Wärtsilä Marine Electrical Systems is an integrator of all electrical systems onboard ships. MES forms an integral part of customers’ design and building processes from early planning until the delivery of the vessel.

- Flexibility
- Complex Project Execution
- Risk mitigation
- Lifecycle service
WÄRTSILÄ VOYAGE
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From unconnected traditional sails to data-driven intelligent ships and ports that make voyages safer, greener and more efficient: Wärtsilä Voyage is on a mission to build a Smart Marine Ecosystem. We combine hard- and software solutions to optimise the entire lifecycle of marine operations. Our technology is futuristic, but it is targeted to solve today’s shipping challenges. Be it energy efficiency, operational efficacy, decarbonisation or navigational safety – we are constantly researching, developing and investing in a wide range of products and solutions that help our partners and clients achieve their goals in every part of the world and oceans. With over 100 years of experience and one the broadest portfolio in the market, we are ready to build the future.

TECHNOLOGY SOLUTIONS.
FOR A SAFER, GREENER AND MORE EFFICIENT MARINE INDUSTRY.
THE WÄRTSILÄ VOYAGE BUSINESS PORTFOLIO

- AUTONOMY & AUTOMATION
- VOYAGE & FLEET OPTIMISATION
- SIMULATION & TRAININGS
- SERVICE & MAINTENANCE
- PORT SOLUTIONS
KEY FACTS

5,000 vessels sail into the future with our integrated navigational bridges

10,000 vessels find the best routes possible with our ECDIS, including charts and publications

12,000 vessels left inefficiencies behind with our automation systems

1,000 vessels benchmark their fuel efficiency with our fuel performing monitoring

5,500 of our simulators prepare seafarers in maritime schools around the world

1,500 pilots said goodbye to worry lines with our pilot personal unit

300 ports ensure traffic without jams with our port solutions
TACKLING DECARBONISATION
AT THE INTERSECTION OF DECARBONISATION & DIGITALISATION

- LNG BUNKERING AND FUEL GAS SUPPLY SYSTEM SIMULATOR
- WÄRTSILÄ FLEET OPERATIONS SOLUTION
- WÄRTSILÄ NAVI-PORT
- CLOUD SIMULATION
- WÄRTSILÄ SMARTMOVE SUITE
PORTFOLIO BUSINESS
PORTFOLIO SIMPLIFICATION STRENGTHENS THE CORE AND UNLOCKS THE VALUE OF NON-CORE BUSINESSES

Businesses identified as non-core and moved to BU Portfolio Business

- Hydropower solutions and turbine services
- Power converter products and UPS control systems
- Tank control systems
- Water & Waste
- Entertainment Systems (Divestment signed but not yet closed)

Businesses divested in 2020

- Valves
- Jovyatlas
- ELAC

BU Portfolio Business

Financial profile

- Approx. EUR140 million sales, 0% EBIT

Agenda

- Realisation of full potential through increased autonomy
- Long-term sustainability of the businesses through dedicated incentive structure

Objectives

- Simpler, more focused core portfolio
- Accelerated performance improvement of non-core assets
- Value unlock through divestments
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