



Wärtsilä's year 2024

Shaping the decarbonisation
of marine and energy



WÄRTSILÄ IN BRIEF

Wärtsilä is a global leader in innovative technologies and lifecycle solutions for the marine and energy markets. We emphasise innovation in sustainable technology and services to help our customers continuously improve their environmental and economic performance. Our dedicated and passionate team of 18,300 professionals in more than 230 locations in 77 countries is shaping the decarbonisation of our industries across the globe. www.wartsila.com

Wärtsilä's purpose is to enable sustainable societies through innovation in technology and services.

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This is Wärtsilä

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Sustainability at Wärtsilä

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A portrait of a middle-aged man with a friendly smile, wearing a white hard hat and clear safety glasses. He is dressed in a high-visibility work shirt with orange and grey panels. The background is a blurred industrial environment. A large white triangle is positioned on the left side of the image, partially overlapping the worker's shoulder.

This is Wärtsilä

Wärtsilä is playing a significant role in the decarbonisation transformation



Marine

An unprecedented rate of change is being driven by regulations and the demand for green transport. The aim is to reach net-zero greenhouse gas (GHG) emissions from international shipping by or around 2050.



Purpose

Enabling sustainable societies through innovation in technology and services




Target position

Shaping the decarbonisation of marine and energy

Leading offering to support our customers in decarbonisation

- Fuel-flexible engines enabling decarbonisation
- Hybrid and battery solutions for maritime
- Energy-saving technology for improved vessel performance
- Emission abatement technologies including maritime carbon capture
- Grid balancing engine power plants and battery energy storage systems
- Power system modelling & optimisation
- Decarbonisation services
- The broadest service network for marine and energy industries
- Digital solutions enabling optimised operations and service



Energy

Intermittent sources of energy require balancing solutions. Electricity generation would need to grow by almost 3x, and renewables by 8x to reach Net Zero targets by 2050.

Committed to targets

Financial targets

- 5% annual organic growth
- 12% operating margin
- <0.50 gearing
- ≥50% dividend of earnings

Set for 30 – decarbonisation targets by 2030

- A product portfolio ready for zero carbon fuels
- Carbon neutral in our own operations
- 25% reduction of direct suppliers' GHG emissions*

*Detailed target, scope, and coverage can be found in the Sustainability at Wärtsilä section.

Key figures

The year 2024 was a year of all-time highs regarding order intake, absolute operating result, and cash flow. In 2024, order intake increased by 14% to EUR 8,072 million (7,070). Net sales increased by 7% to EUR 6,449 million (6,015), of which 53% was related to services. The operating result amounted to EUR 716 million (402) or 11.1% of net sales (6.7). The comparable operating result increased by 39% to EUR 694 million (497), which represents 10.8% of net sales (8.3). The Board of Directors proposes that a dividend of EUR 0.44 per share be paid for the financial year 2024. The corporate total recordable injury frequency rate (TRIF) was 2.20 (2.62).

Order intake

8,072 MEUR

Cash flow from operating activities

1,208 MEUR

Total recordable injury frequency rate (TRIF)

2.20

Net sales

6,449 MEUR

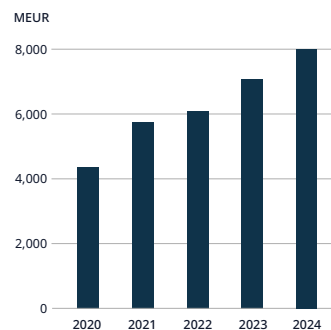
Service sales of total

53%

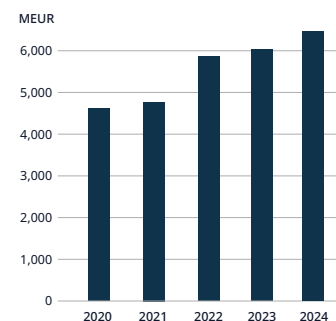
Comparable operating result

694 MEUR

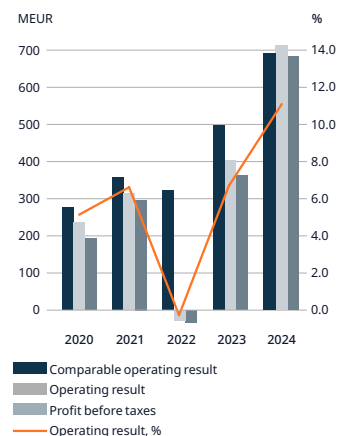
Order intake



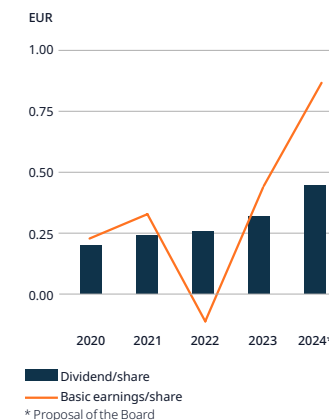
Group net sales development



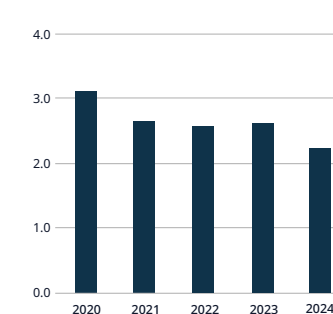
Result

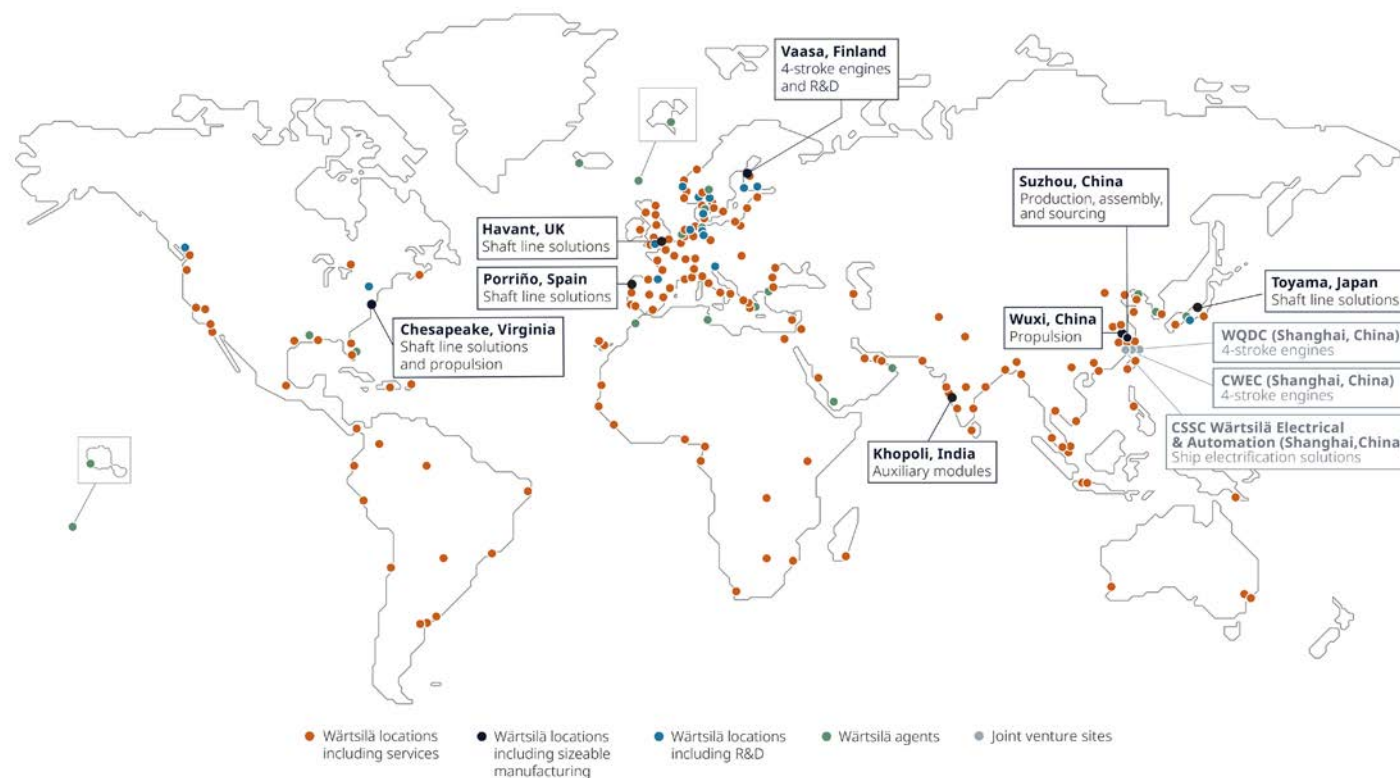


Dividend/share, earnings/share

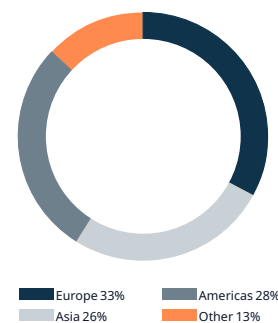


Total recordable injury frequency rate (TRIF)





Net sales, geographical



The geographical breakdown of our net sales highlights Wärtsilä's global position.



Personnel

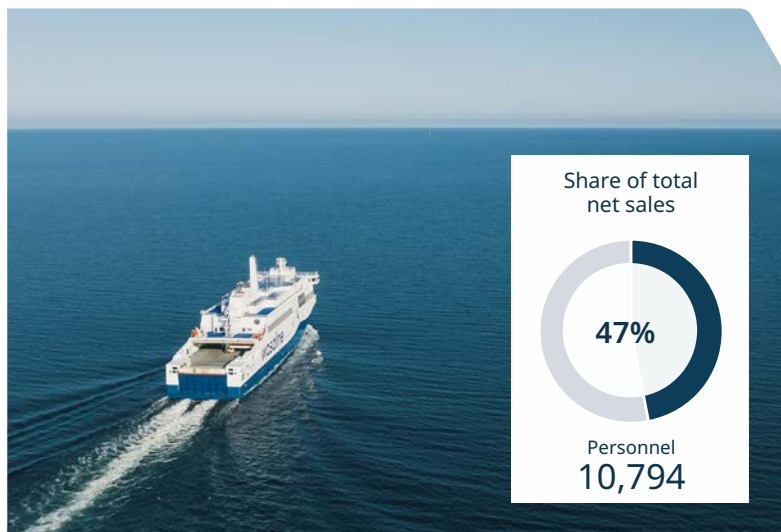
18,300

Operations

in more than 230 locations

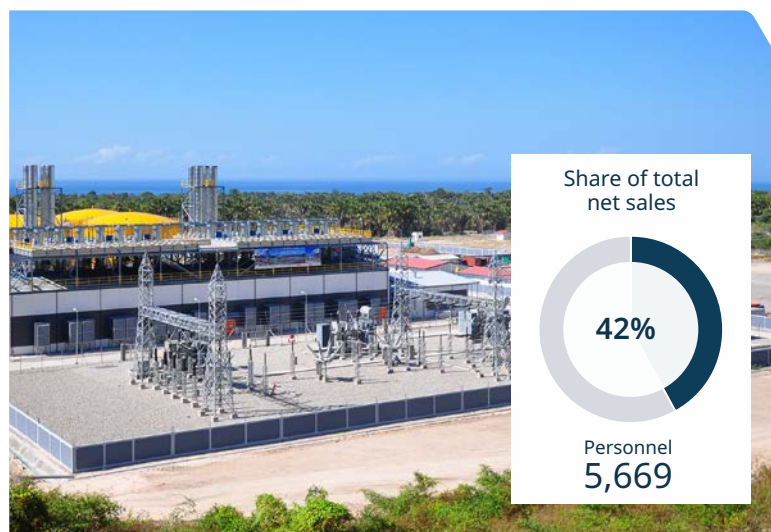
in 77 countries

Businesses in brief



Wärtsilä Marine

Wärtsilä Marine is a global pioneer in power, propulsion, and lifecycle solutions for the marine market. We develop industry-leading technologies, advancing maritime's transition to new fuels. We support building an end-to-end digital ecosystem where all vessels and ports are connected. Ultimately, Wärtsilä Marine is driving the shipping industry forward on its journey towards a decarbonised and sustainable future through our broad portfolio of engines, propulsion systems, hybrid technology, exhaust treatment, shaft line solutions, and digital technologies, as well as integrated powertrain systems. Our offering, which is underpinned by our performance-based agreements, upgrades, lifecycle solutions, decarbonisation services, as well as an unrivalled global network of maritime expertise, delivers the efficiency, reliability, safety, and environmental performance needed to support a safe and sustainable future for our customers, our communities, and our planet.



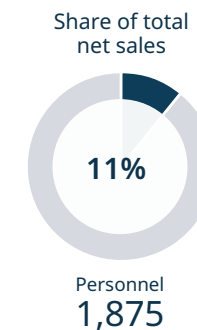
Wärtsilä Energy

Wärtsilä Energy is at the forefront of the transition towards a 100% renewable energy future. We help our customers and the power sector to accelerate their decarbonisation journeys through our market-leading technologies and power system expertise. Our solutions include flexible engine power plants, energy storage and optimisation technology, and services for the whole lifecycle of our installations. Our engines are future-proof and can run on sustainable fuels. Our track record comprises of 79 GW delivered power plant capacity and over 130 energy storage systems in 180 countries around the world. Over 30% of our operating installed base is under service agreements.

Wärtsilä Portfolio Business

Wärtsilä Portfolio Business units are run independently to accelerate performance improvement and unlock value through divestments or other strategic alternatives. Currently Portfolio Business includes Automation, Navigation & Control Systems (ANCS), Gas Solutions, Marine Electrical Systems, and Water & Waste.

Wärtsilä has agreed to divest its ANCS business to Solix Group AB. Subject to approvals, the transaction is expected to be completed in the second quarter of 2025.



Market fundamentals



Accelerated decarbonisation targets are shaping the marine industry

POLICIES AND REGULATIONS

- IMO¹ target: to reach net zero greenhouse gas emissions from international shipping by or around 2050
- Access to capital: EU taxonomy, Poseidon Principles, and ESG
- Cost of carbon: carbon certificates e.g., EU Fit for 55, IMO carbon levy, and local green policies
- Demand for green sea transport: a growing market driven by corporate carbon reduction pledges

TECHNOLOGY

- Focus on carbon-neutral and zero-carbon fuels. The switch to these fuels will be progressive
- Next steps in abatement technologies, e.g. maritime carbon capture
- Increase in battery systems, hybrid solutions, and energy-saving technologies
- Focus on fuel flexibility and upgradeability to increase overall efficiency

CONNECTIVITY AND DATA

- Optimisation solutions based on a holistic view of the entire transport system
- Performance-based service agreements with a focus on uptime, reliability, and fuel efficiency
- Vessels are data pools, and are becoming increasingly complex
- Cyber security growing in importance

1) International Maritime Organization



Energy is moving towards a 100% renewable energy future

POLICIES AND REGULATIONS

- EU: Climate-neutral by 2050
- USA: Carbon-free electricity production by 2035, net zero emissions by 2050
- China: Carbon neutral by 2060
- Countries with net zero targets cover 88% of global emissions

TECHNOLOGY

- Renewables becoming the main source of energy
- Intermittent energy sources requiring balancing solutions
- Sustainable fuels for balancing power
- Digitalisation creates opportunities for optimising energy use and costs
- Cyber security growing in importance

GROWING ENERGY DEMAND

- Electricity generation would need to grow by almost 3x, and renewables by 8x to reach Net Zero targets by 2050 (Source: IEA World Energy Outlook 2024)
- Renewables-based electricity generation is expected to overtake coal-fired production in 2025 (Source: IEA Renewables 2024 report)
- Power systems becoming increasingly complex with different types of generation assets

The Wärtsilä Way strategy

The Wärtsilä Way answers three questions in terms of company direction: why, where, and how.

Why

The way forward is guided by the purpose: it describes the reason why our company exists and sets the direction for how everyone at Wärtsilä can make a difference for the world. Wärtsilä's purpose is "Enabling sustainable societies through innovation in technology and services".

Where

The target position, "Shaping the decarbonisation of marine and energy", reflects our ambition as a company: where does Wärtsilä want to be in the long term. Wärtsilä's target position is focused on its customers, its people, continuous improvement, and performance.

How

The strategic priorities define Wärtsilä's most important focus areas for reaching the target position. They outline the company's direction in terms of reaching profitable growth, and clearly formulate the biggest opportunities for a positive impact on Wärtsilä's performance. Each business and function has its own execution plans, which define the concrete actions they will prioritise over the coming 12 months.

Wärtsilä's values unite everyone in the company and bring the strategy to life by guiding our behaviour when working together. Wärtsilä's values are Customer success, Passion, and Performance.

In our leadership model, we outline our desired leadership behaviours. In leadership, we believe in energising and leading the way, developing people and teams, and challenging and supporting change.

In our framework for continuous improvement, we focus on creating customer value and making customers successful, while continuously eliminating waste and improving teamwork, predictability, and performance.



Our values

Wärtsilä's values guide our priorities and decision-making in everyday situations. These values are about how we interact, and what behaviours we wish to role model when collaborating with others.

Customer success

- We are successful by making our customers successful
- We truly understand our customers' business
- We listen to and talk with our customers
- We provide reliability and efficiency

Passion

- We are proud of our work and celebrate success
- We innovate and find new ways to create value
- We value teamwork and inclusiveness
- We foster candour, respect, and trust
- We engage with energy and drive
- We drive sustainability

Performance

- We are committed to safety and zero injuries
- We take ownership and go the extra mile to deliver on our commitments
- We continuously improve and learn something new every day
- We look after Wärtsilä's best interests
- We take pride in quality
- We act with integrity

Our purpose

"Enabling sustainable societies through

We shape our markets by generating transformative results through collaboration, partnerships, market insight, and active engagement in ecosystems.

The long-term environmental, social, and economic impact of our operations drives our priorities and behaviour. We take pride in diversity, providing equal opportunities and demonstrating high ethical standards.

We care about the communities in which we operate, and our people want to make a difference for our customers and partners. We are committed to giving back to society.

innovation in technology and services"

We believe in challenging the status quo. We believe in implementing ideas that result in new solutions and new ways of working.

We are known as a thought leader in the industry. We deliver products and services that are reliable, efficient and which fulfil customer needs.

We believe our customers' success is our success. We serve our customers and partners with a cooperative and data driven approach throughout the entire lifecycle.

Our leadership model

The Wärtsilä Leadership Model supports our strategic growth by outlining the desired leadership behaviours at Wärtsilä. It provides our leaders with direction and guidance on how to collaborate, communicate, and lead in different situations.



Our desired leadership behaviours

Energise and lead the way

- Set the direction. Be clear on prioritisation and performance expectations. Provide support to remove obstacles
- Inspire and engage the team in transparent dialogue to increase understanding of our direction
- Follow up on agreed actions. Highlight how actions are linked to the strategy and priorities
- Encourage collaboration across the entire Wärtsilä organisation
- Act as we want others to act and role model the behaviours we want

Develop people and teams

- Be yourself and show empathy
- Recognise people's competence & experience and actively build trust
- Create a safe environment where people can grow and perform
- "Go and See" and learn how to create customer value
- Empower and coach the team to reach its best performance
- Invest time to develop people and yourself as a leader

Challenge and support change

- Foster an environment where we try new ideas and learn from mistakes
- Challenge ways of working. Encourage continuous improvement
- Build an environment where we give and receive feedback
- Give recognition and celebrate success together

Our framework for continuous improvement

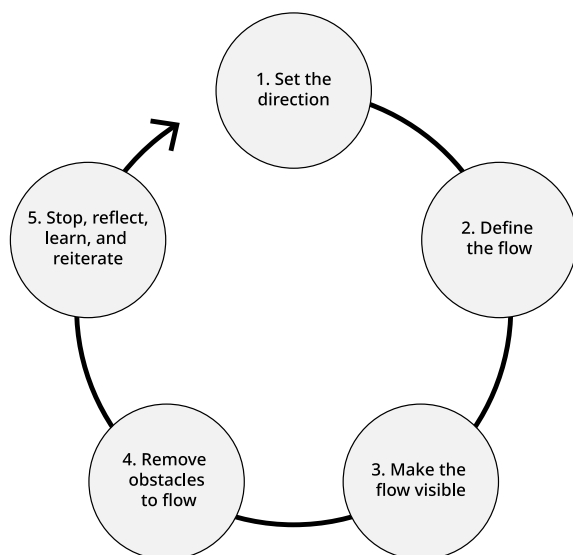
Together with our values and leadership model, our framework for continuous improvement describes how we will reach our target position.

In continuous improvement, we focus on:

- Creating customer value and making our customers successful while continuously eliminating waste
- Making it easier to work together as a team to serve our customers. Improving predictability and health and safety for our people with less stress
- Creating competitive advantage and improving our performance

We start from our values and let our continuous improvement principles guide us on how to think when addressing challenges. We use our methods and tools to create results in our daily business.

Continuous improvement principles



A year on the journey of Continuous Improvement

In 2024, we set up the governance for the Wärtsilä Continuous Improvement (WCI) framework and started actively promoting learning and experimentation through a WCI eLearning and self-assessment platform. By the end of 2024, approximately 50% of Wärtsilä employees had completed the Foundation training.

Numerous continuous improvement initiatives are already in progress and the WCI thinking has proven to be relevant throughout our organisation. We have experienced significant reductions in lead times and improvements

in flow efficiency. For example, we promoted better customer service by automating invoicing documentation, reducing errors, and boosting efficiency through actions taken by our Parts and Field Service team in Marine. This has positively affected how our travelling representatives and workshop teams operate. Also, average claim resolution times have been cut by 55%, thanks to actions by our Global Logistics Services and Supply Management team. This improvement means faster and more effective service and solutions for our customers.

Transform and perform

Wärtsilä's strategy is based on two key themes: Transform and Perform.

The decarbonisation transformation in both the marine and energy sectors is accelerating. It is enabled by numerous new technologies and sustainable fuels. Wärtsilä is set for performance and is well-positioned to drive this transformation.

By transforming and performing, we are shaping the decarbonisation of marine and energy.

1 | **TRANSFORM** – attractive growth opportunities at the centre of the decarbonisation transformation

2 | **PERFORM** – a clear path for operational improvements and increased profitability

Wärtsilä's evolution in the 2000's



2002–2010

Lifecycle power solutions

Expansion into propulsion, services acquisitions



2011–2015

Becoming a total solution provider

Expansion into environmental solutions, acquisitions in Electrical & Automation



2016–2020

Smart marine and 100% renewable energy

Digital solutions, end-to-end value chains, divestments



2021–

Shaping the decarbonisation of marine and energy

Customer and services focus, technology leadership, organic growth, continuous improvement

Transform

Attractive growth opportunities at the centre of the decarbonisation transformation

Decarbonisation will transform the world and create new business opportunities, both in marine and energy. In marine, there will be an unprecedented rate of change in newbuild and existing fleets. Regulations and the demand for green transport will accelerate this change. In energy, electricity generation would need to grow by almost 3x, and renewables by 8x to reach Net Zero targets by 2050¹. Until 2030, the balancing power market is expected to grow by more than 20% annually².

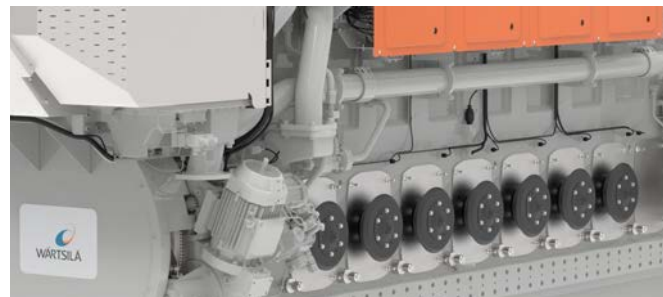
As a technology leader in the decarbonisation transformation, Wärtsilä has significant value creation potential. The company is the frontrunner in developing engines that can run on carbon-neutral and zero-carbon fuels, such as biofuels, methanol, ammonia, and hydrogen. At the same time, Wärtsilä delivers flexible solutions that maximise energy efficiency while fossil fuels are still necessary, and solutions that enable increasing the share of renewables in the power system through efficient balancing power.

Wärtsilä has a leading position in power system optimisation, where both energy storage and flexible grid-balancing engine power plants play a key role. In marine, Wärtsilä is a market leader in ship electrification and a pioneer in onboard carbon capture solutions and digital offerings related to marine optimisation. The company is also partnering in offering complementary technologies for the decarbonisation transformation.

1) Source: IEA World Energy Outlook 2024

2) Source: Wärtsilä analysis

Leading the decarbonisation transformation in 2024



1 Newly introduced NextDF technology for Wärtsilä 25DF engine delivers ultra-low methane emissions

[Read more](#)



©Peter Tubaas_Vestland Media

2 A landmark deal between Wärtsilä and Eidesvik Offshore pioneers growing demand for ammonia in shipping

[Read more](#)



3 Wärtsilä launches world's first large-scale 100% hydrogen-ready engine power plant concept

[Read more](#)



4 Wärtsilä's decarbonisation efforts gain global recognition from TIME magazine and the Financial Times

Read more [here](#) and [here](#)

Perform

A clear path for operational improvements and increased profitability

Wärtsilä is on a clear path for operational improvements and increased profitability. The growth is driven by opportunities in decarbonisation and services, complemented by potential partnerships and synergistic bolt-on acquisitions.

The existing installed base provides a strong foundation for service growth. Moving up the service value ladder has significant growth potential, both in marine and energy. This growth is supported by our strong offering in the transactional services business and lifecycle agreements. The green transformation provides notable opportunities for retrofits and conversions.

We focus on performance excellence and robust execution, and strive for transparency and accountability in our businesses. All businesses have a clear profit and loss responsibility, enabling decisions to be made close to where the customer value is created. To create sustainable long-term value, we foster high-performing teams with a focus on continuous improvement. We believe this also helps to attract and retain the best talent, which we further nurture and develop.

The strong balance sheet and financing structure support strategy execution. We have a clear path to reach our financial targets and have a strong commitment to realise them. With clear capital allocation principles and active portfolio management, we are set to deliver long-term shareholder value.

Market leader in several key decarbonisation technologies

Financial targets:

- 5% annual organic growth
- 12% operating margin
- Gearing <0.50
- Distribute a dividend of at least 50% of earnings

Set for 30 decarbonisation targets:

- carbon neutral in our own operations by 2030
- a product portfolio ready for zero-carbon fuels by 2030
- 25% reduction of direct suppliers' GHG emissions by 2030



Clear financial targets and strong commitment to realise them



Robust capital allocation principles and active portfolio management



Notable opportunity in retrofits and conversions



Extensive service network, positioned for growth both in transactional services and lifecycle agreements



Focus on:

- High performing teams
- Performance excellence and robust execution
- Continuous improvement
- Cost structure – actions taken whenever and wherever necessary





Strategic priorities

- 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 the industries we serve.
- 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.

Company targets

NET SALES

Target

5% annual organic growth

Development

In 2024, organic net sales growth was 9%.

PROFITABILITY

Target

12% operating margin

Development

In 2024, the operating result amounted to EUR 716 million, which represents 11.1% of net sales.

DIVIDEND

Target

At least 50% of earnings

Development

The Board of Directors proposes that a dividend of EUR 0.44 per share be paid for the financial year 2024.

SET FOR 30 DECARBONISATION TARGETS

- A product portfolio ready for zero-carbon fuels by 2030
- Carbon neutral in our own operations by 2030
- 25% reduction of direct suppliers' GHG emissions by 2030

Read more in the [Sustainability at Wärtsilä](#) section.

CAPITAL STRUCTURE

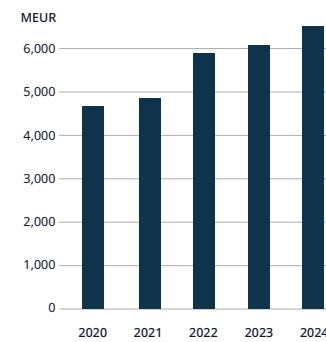
Target

Gearing below 0.50

Development

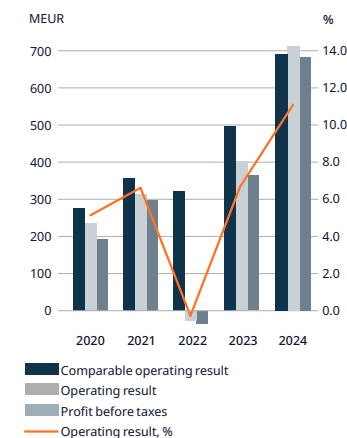
In 2024, gearing was -0.31.

Net sales

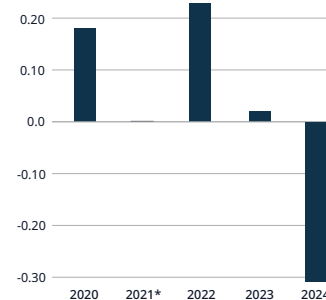


CAGR 2020–2024:
Wärtsilä's net sales +9% organically

Result

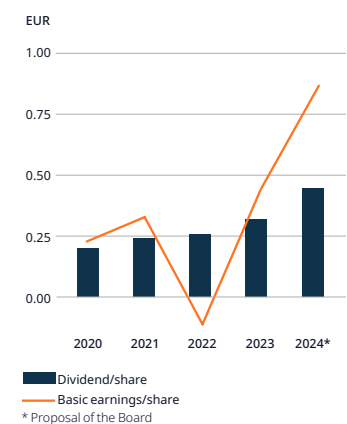


Gearing



* In 2021, gearing was 0.00

Dividend/share, earnings/share



* Proposal of the Board

We can make a difference to the world, and we can secure our financial performance and deliver attractive long-term shareholder value.

Delivering customer value in marine

Decarbonisation is shaping the future of the marine industry, with the target of reaching net zero greenhouse gas emissions from international shipping by or around 2050. Wärtsilä has the industry's most comprehensive offering for decarbonisation, focusing on fuel flexibility, efficiency optimisation, emission abatement technologies, and digital services. 2050 is a single vessel's lifespan away, while the technology decisions for new vessels are being made now.

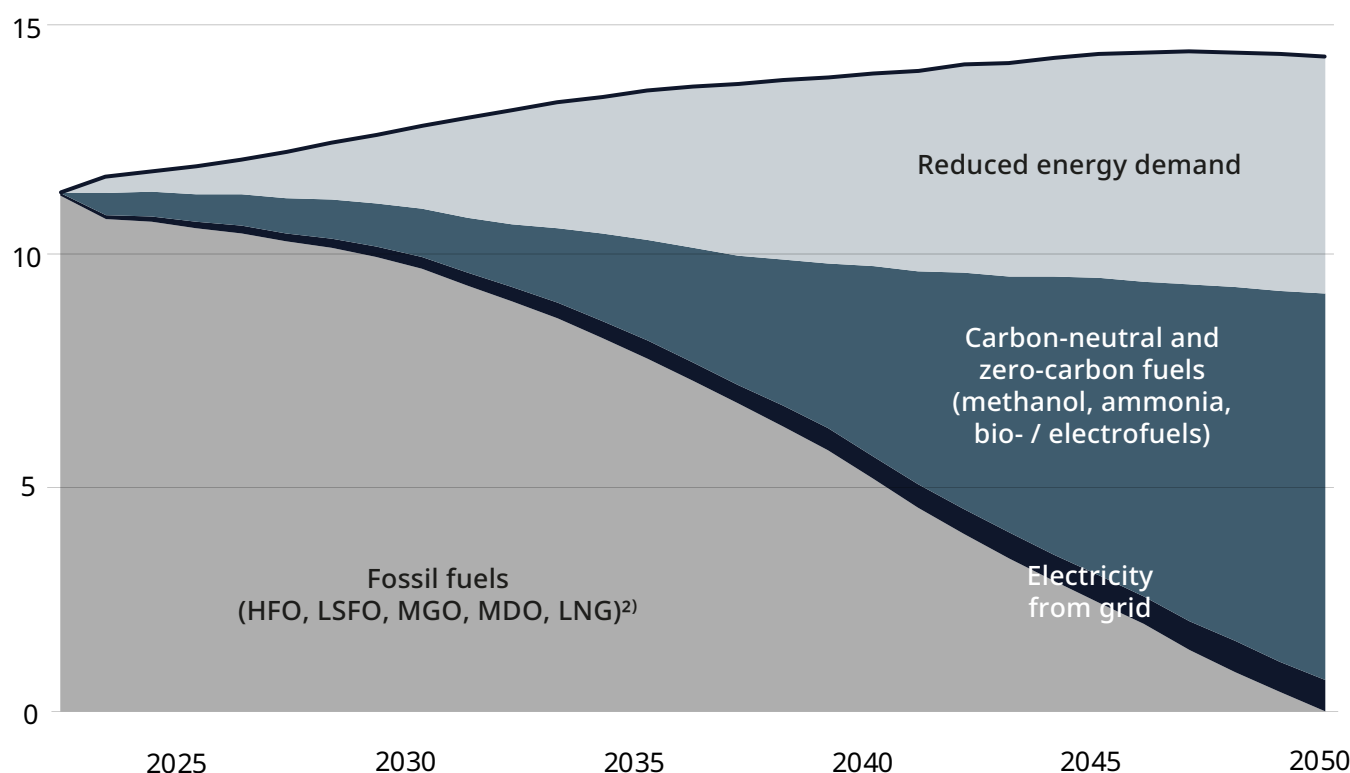
Wärtsilä is developing an unprecedented range of engine and fuel gas supply systems to help ship owners navigate the route to reduced greenhouse gas emissions – fuel flexibility and efficiency being at the centre of our development activities. With our multifuel technology, ranging from transition fuels to sustainable, 100% green fuels, our customers have a viable upgrade path for the future.

Today, Wärtsilä has the most comprehensive development programme for sustainable fuel technologies in the industry, with proven 4-stroke technology for the use of LNG, LPG, methanol, and ammonia. We are preparing for a commercial release of carbon capture and storage (CCS) in 2025. Our CCS-ready scrubbers are available already today.

Wärtsilä's fleet optimisation solutions manage voyage performance with real-time decision support, helping our customers achieve optimised routing and port operations with tangible fuel savings.

Sustainable fuel uptake scenario for net-zero in 2050¹⁾

Total energy consumption, EJ



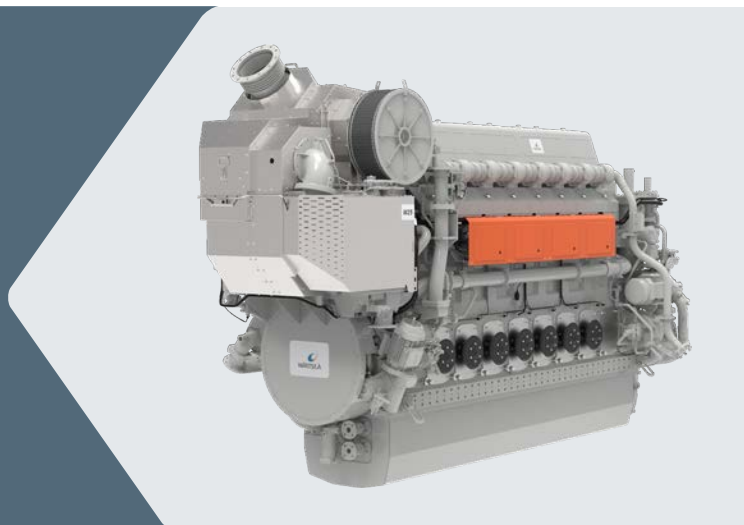
1) Source: DNV Maritime Forecast 2050

2) HFO (Heavy Fuel Oil), LSFO (Low Sulphur Fuel Oil), MGO (Marine Gas Oil), MDO (Marine Diesel Oil), LNG (liquefied natural gas)

HIGHLIGHTS 2024 | Delivering customer value in marine

Significantly reducing methane emissions with NextDF

In 2024, Wärtsilä introduced an innovative [NextDF feature for its 25DF dual-fuel engine](#). While operating on liquefied natural gas (LNG), the NextDF feature reduces methane emissions to less than two per cent of fuel use across all load points, achieving as low as 1.1 per cent in a wide load range. The 25DF has already set an industry benchmark for low methane slip.



Wärtsilä has signed a contract with Norwegian shipowner Eidesvik to supply the equipment for the conversion of an offshore platform supply vessel to operate with ammonia fuel.

[Read more](#)



Upskilling for sustainable fuels in Singapore

As a continuation of long-term collaboration, Wärtsilä supplied Singapore's Wavelink Maritime Institute with its [new dual-fuel engine simulator technology](#), designed to train seafarers in the latest efficiency concepts and prepare them for operating with the next generation of marine fuels.

Lowering emissions with minimal service disruption

Wärtsilä supplies the [engines, fuel gas supply system, and thrusters](#) for two new Ropax ferries for La Mériidionale, a subsidiary of CMA CGM. Ferries are on the front line of the energy transition and among the first sectors to target net zero carbon operations. Ferry operators face increasing pressure to decarbonise, while maintaining a fast and cost-efficient service. These vessels have been specifically designed to minimise emissions while also offering minimal service disruption.



©James Fisher

Supporting decarbonisation for James Fisher tankers

Wärtsilä supplies a [fully integrated mechanical drive propulsion package](#) for new 6000 dwt LNG-fuelled tankers for British James Fisher Everard Ltd, supporting the decarbonisation of the fleet with improved fuel economy, lower emissions, and flexibility in fuelling choices.

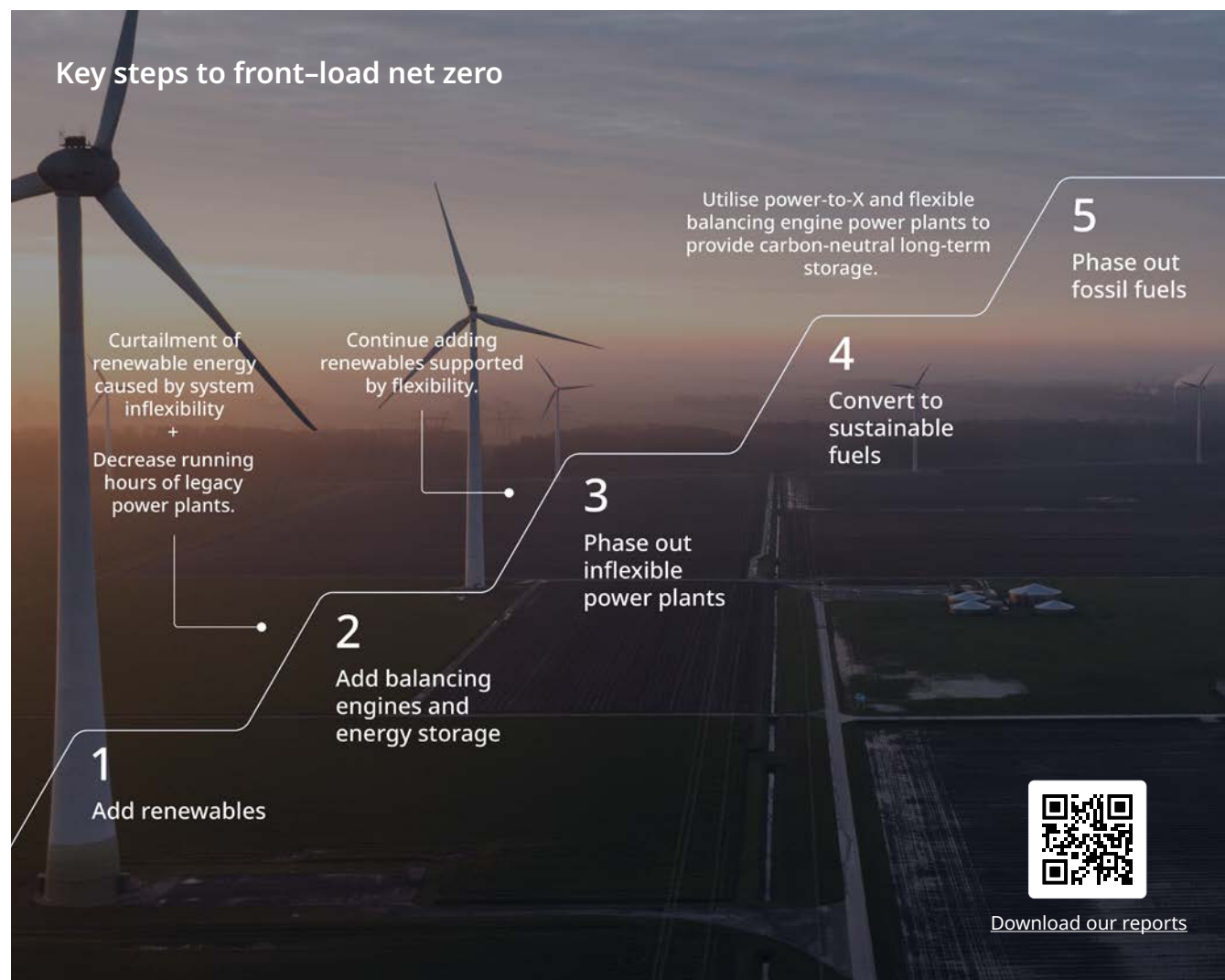
Delivering customer value in energy

Wärtsilä offers flexible engine power plant and energy storage solutions, providing both balancing power and baseload generation, and lifecycle services to enable an optimised transition to renewable energy systems. Due to the intermittency of wind and solar power, the transition to a 100% renewable energy future requires balancing solutions. Our market-leading technologies enable the safe addition of an increasing share of renewables to power systems to futureproof our customers' assets and to reduce costs and emissions. With our deep understanding of power systems and different generation technologies, we support our customers on their path towards decarbonised operations.

Flexible balancing power capacity, such as engines and energy storage, complement each other and can quickly react to changes in the volatile energy system, providing the needed flexibility and stability to ensure the maximum utilisation of renewables.

Our engine power plants can already use 100% synthetic and carbon-neutral methane and methanol. They are also capable of using hydrogen/natural gas blends containing up to 25% hydrogen. In 2024, we launched the world's first large-scale 100% hydrogen-ready engine power plant concept.

As the share of renewables in the energy mix grows, more balancing power is needed. Our 200+ power system studies have shown that careful planning of power systems can save billions and rapidly reduce CO₂ emissions. We create value through our extensive knowledge of power systems and from integrating different energy solutions and assets. With our leading digital energy platform, GEMS, we can help our customers optimise different assets at the lowest overall energy cost.



HIGHLIGHTS 2024 | Delivering customer value in energy

Wärtsilä supports Curaçao's decarbonisation efforts

Wärtsilä supplies Caribbean Island of Curaçao's utilities company Aquallectra with a 25 MW / 25 MWh Battery Energy Storage System and a 38 MW power plant. Delivery is on a full engineering, procurement and construction (EPC) basis. The partnership represents an important step towards a sustainable energy future for the island.



©Aquallectra

Wärtsilä and AVK-SEG signed a cooperation agreement to provide reliable and uninterrupted electricity supply for data centres, including on-site power generation.

[Read more](#)



Supporting renewable energy adoption in Kentucky

Wärtsilä supplies the engineering and equipment for a new power plant project in the USA for Kentucky Municipal Energy Agency (KYMEA). The plant will provide the grid balancing capabilities necessary to increase the share of electricity from renewable sources, while also protecting KYMEA's members from price volatility in electricity markets.

Wärtsilä brings Eraring battery capacity to 700 MW

Origin Energy selected Wärtsilä to deliver the second and third stages of the Eraring battery facility at Origin's Eraring Power Station in New South Wales, Australia. The deliveries will bring the facility's total capacity to 700 MW / 2 800 MWh, making it the largest battery project in the Southern Hemisphere and one of the largest in the world. The Eraring battery will connect to Australia's National Electricity Market, enhancing energy security and reliability in New South Wales as renewable energy supply increases. A critical aspect of the system is Wärtsilä's GEMS Digital Energy Platform, which monitors and controls the flow of energy, enabling Eraring to provide grid support during periods of instability.

WISE Wide & Intelligent Sustainable Energy



Leading the WISE collaboration

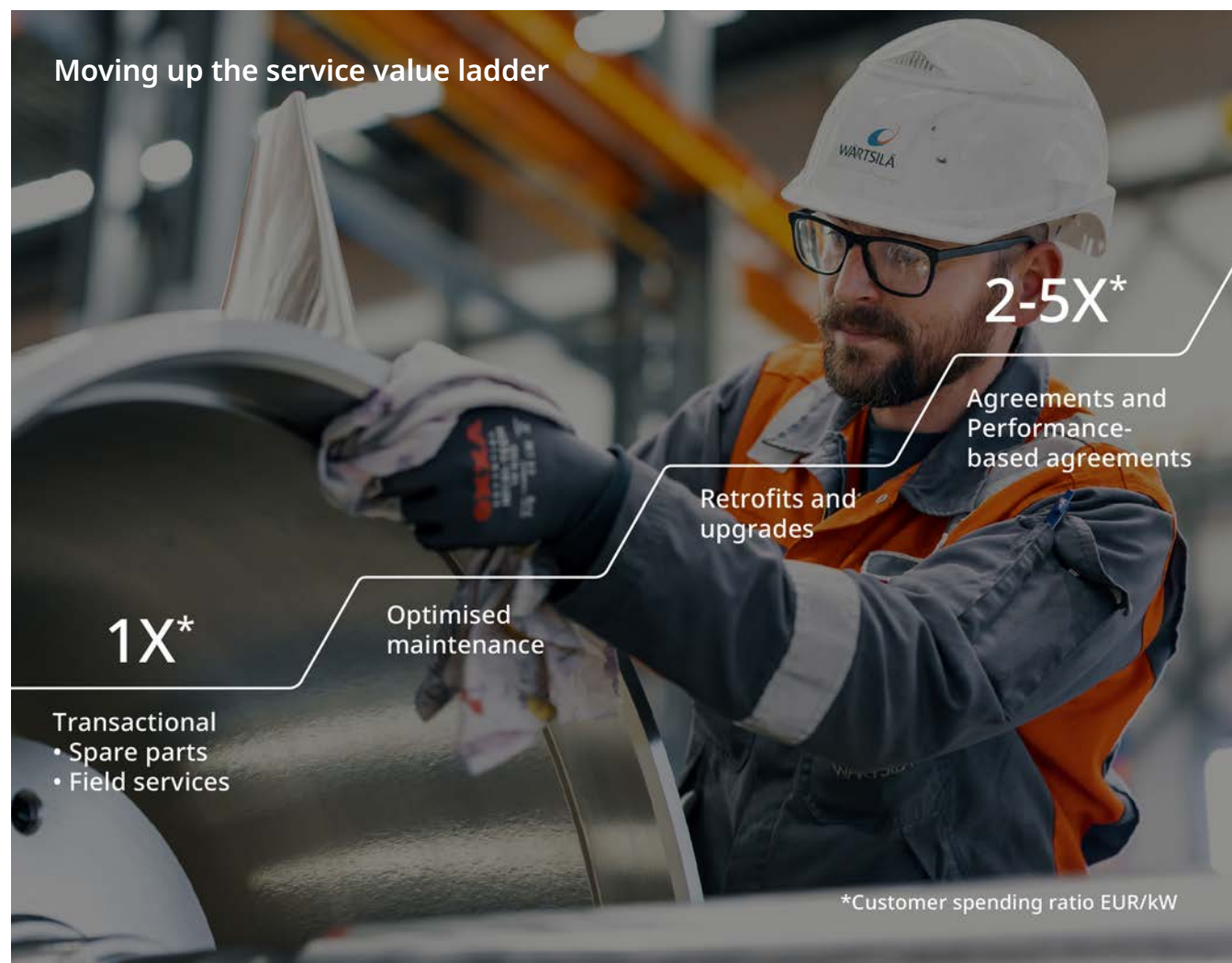
Wärtsilä leads a five-year "Wide & Intelligent Sustainable Energy" (WISE) project of more than 200 Finnish actors. The consortium intends to strengthen the Finnish energy sector to become a world leader in energy innovation by building a scalable ecosystem and by introducing secure and autonomous zero-emission balancing power generation.

Delivering customer value in services

Wärtsilä's industry-leading service network is a key enabler for maximum uptime, reliability, and total lifecycle solutions, all of which ensure customer success. Our network provides preventive, responsive, and optimised service, as well as lifecycle upgrades and remote support throughout the lifecycle of an installation. With our quality field service professionals around the globe, we can provide our customers with timely support wherever needed.

Wärtsilä has significant growth opportunities in all steps of the service value ladder. In transactional services, we support our customers by leveraging digital solutions for customer intelligence and automated lead management. We deliver enhanced performance through optimised maintenance and performance-based service agreements, where we guarantee the agreed performance by leveraging connectivity, big data, and analytics. The green transition is expected to provide a potential growth of +2x for retrofits and conversions of Wärtsilä's running engine fleet by 2030.

The agreement coverage rate of our installed base is around 30%, and we see clear further opportunities for growth. The renewal rate of our service agreements is more than 90%, which is a proof point of the value that our lifecycle agreements are creating for our customers.



HIGHLIGHTS 2024 | Delivering customer value in services

Five-year performance-based agreement with Royal Caribbean

Wärtsilä signed a five-year [Lifecycle Agreement](#) with Royal Caribbean Group covering 37 of the company's cruise ships. The agreement is designed to ensure the highest level of operational efficiency to support and accelerate Royal Caribbean's sustainability goals. The agreement implements a performance-based model, which means that gains, resulting from best operation and maintenance practices, will be shared between Royal Caribbean Group and Wärtsilä.



©Royal Caribbean Group

Wärtsilä supplies the electrical systems to convert two Scandlines ferries to a plug-in hybrid solution, supporting Scandlines' vision to realise zero emissions by 2040.

[Read more](#)

Groundbreaking agreement

Wärtsilä's existing Operations and Maintenance (O&M) agreement with QIT Madagascar Minerals S.A was [renewed and expanded to include a Decarbonisation Agreement](#), a groundbreaking offering in the energy sector, that allows for optimising all of the assets in the microgrid, including renewable energy usage. This not only reduces emissions, but also delivers notable cost savings.

Industry-first spark gas conversion

As a marine industry first, Wärtsilä and Chevron Shipping announced their plans to convert one engine on six of Chevron's LNG Carriers [from dual-fuel \(DF\) to spark gas \(SG\) operation](#). The conversions are intended to reduce greenhouse gas emissions by lowering methane slip in support of Chevron's broader efforts to reduce the carbon intensity of its operations.

Reliable power for a remote location

Wärtsilä signed a [ten-year Operations and Maintenance Agreement](#) for a captive power plant providing the energy for Mangal Industries' cement producing facility in Nigeria. The power plant is critical to the facility's cement production since the site is remotely located with limited access to the electricity grid. The agreement assures the reliability and cost predictability the facility needs to reach their targets.

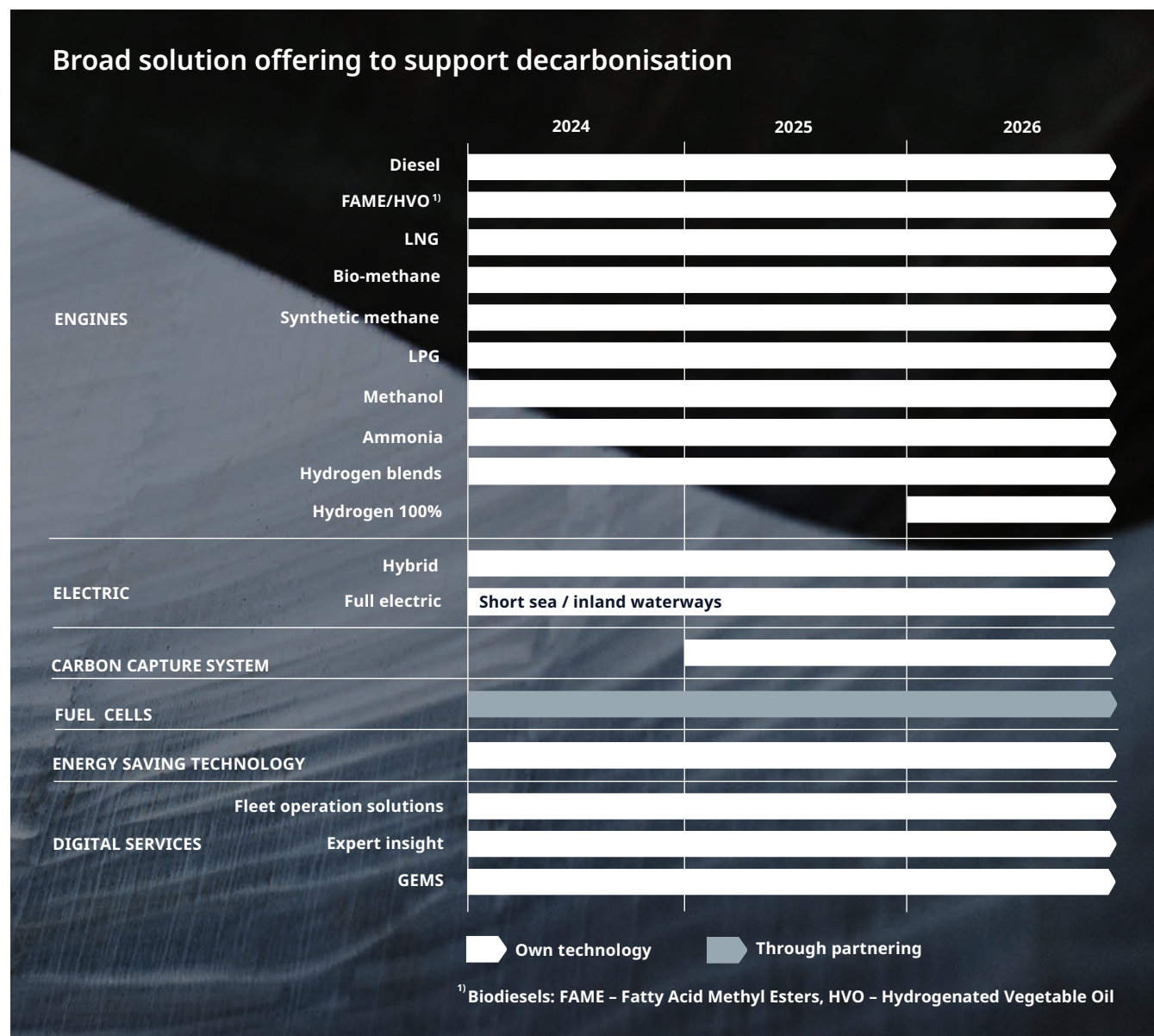
Delivering customer value through leading R&D and partnerships

At Wärtsilä, we believe that there will be a need for a broad array of solutions to decarbonise marine and energy. Different solutions will be used in different applications and in different geographies. There will be a gradual shift to new technologies, blending different types of fuel. Our in-house focus will remain on the development of core technologies. By partnering with technology providers, we can ensure a broad solution offering for our customers.

We continue to see strong synergies between marine and energy in research and development (R&D) and manufacturing of the new technologies. Throughout the decarbonisation transformation, we continue to invest ~4% of net sales in R&D.

Our decarbonisation go-to-market approach

- Proactive dialogue on our customers' specific technology roadmap
- The competence and experience to engage in a credible customer dialogue on "all" technologies
- Solution offering for "most" technologies
- Leveraging leadership in core technologies and partnering for complementary technologies





Sustainability at Wartsilä

Sustainability at Wärtsilä

Wärtsilä is a purpose-driven organisation, with sustainability at the core of our purpose and strategy. Together with our company values, principles, and sustainability objectives, they create the framework for a strong drive towards decarbonisation and responsible business practices.

Our sustainability efforts are driven by economic, environmental, and social performance. We aim to be a profitable company and, as a forerunner in advanced solutions, enabling sustainable societies while upholding high ethical, health, and safety standards. With our strong focus on decarbonising the marine and energy industries, innovations in technology and services play a central role in contributing to a low-carbon future. We set measurable targets, promote a strong safety culture, embrace diversity, and enhance responsible business practices.

Sustainability targets reflect our focus areas

Our sustainability targets are approved by our Board of Management and their implementation is monitored on a regular basis. Each target has a designated owner responsible for preparing action plans, overseeing their implementation, and reporting on progress. The management teams of the businesses and global functions oversee the execution of target actions.

Sustainability targets

Target	Year	Progress
Set for 30: To become carbon neutral in our own operations.	2030	By the end of 2024, Scope 1 and 2 emissions reduced by 50% compared to the baseline value (3 years average, 2019–2021).
Set for 30: To provide a product portfolio that will be ready for zero-carbon fuels.	2030	The development of concepts for pure hydrogen for land-based power plants continued throughout 2024. The market release was given in mid-2024, and the concept for industrialisation will be selected during 2025. Progress towards the target is seen to be proceeding well, although details of the plan are continuously being modified according to business needs, market situation, and technology developments.
Set for 30: 25% reduction of suppliers' GHG emissions by 2030 compared to the 2024 baseline.*	2030	New target
Reduce energy consumption by at least 7% from 2015 levels in terms of absolute consumption (GWh).	2025	By the end of 2024, energy savings of 14.5 GWh were achieved, representing 49% of the final 2025 target.
Reach the long-term goal of zero injuries.	Long-term target	In 2024, the corporate total recordable injury frequency rate (TRIF) was 2.20, which was 16% lower than in 2023.
Zero injuries to contractors: we aim to reduce the total recordable injury frequency on a yearly basis.	Continuous target	New target. In 2024 the contractor total recordable injury frequency rate (Contractor TRIF) was 5.01.
Achieve long-term goal of 100% individual development plan coverage for eligible population.	Long-term target	New target
Achieve a Code of Conduct training coverage of 100%.	Continuous target	At the end of 2024, the training coverage was 86.7% of all employees.
Achieve an anti-corruption training coverage of 100%.	Continuous target	At the end of 2024, the training coverage was 87.4% of all employees.

* The target covers Tier 1 direct suppliers of Wärtsilä and their Scope 1 and 2 greenhouse gas (GHG) emissions related to deliveries to Wärtsilä. This is a relative target, which baseline is defined by Wärtsilä-allocated GHG emissions and spend.

Responsible business practices

At Wärtsilä, we strive to have ethics and compliance at the core of our business. We are committed to conducting our business responsibly as required by our group and business-level policies, procedures, and practices. Our Code of Conduct sets joint ethical principles to be applied in our business. We implement the Code through support material and processes, with a group-wide mandatory e-learning programme and other training events, management systems, reporting, and by investigating misconduct incidents, monitoring, and communicating related activities. Our suppliers and business partners are also required to follow at least the same level of legal and ethical standards and business practices.

Our Code of Conduct e-learning programme provides information about the Code and its themes, as well as guidance on making the right decisions in everyday work. The mandatory training programme is required to be taken every second year. By the end of 2024, 86.7% of our employees had completed this e-learning.

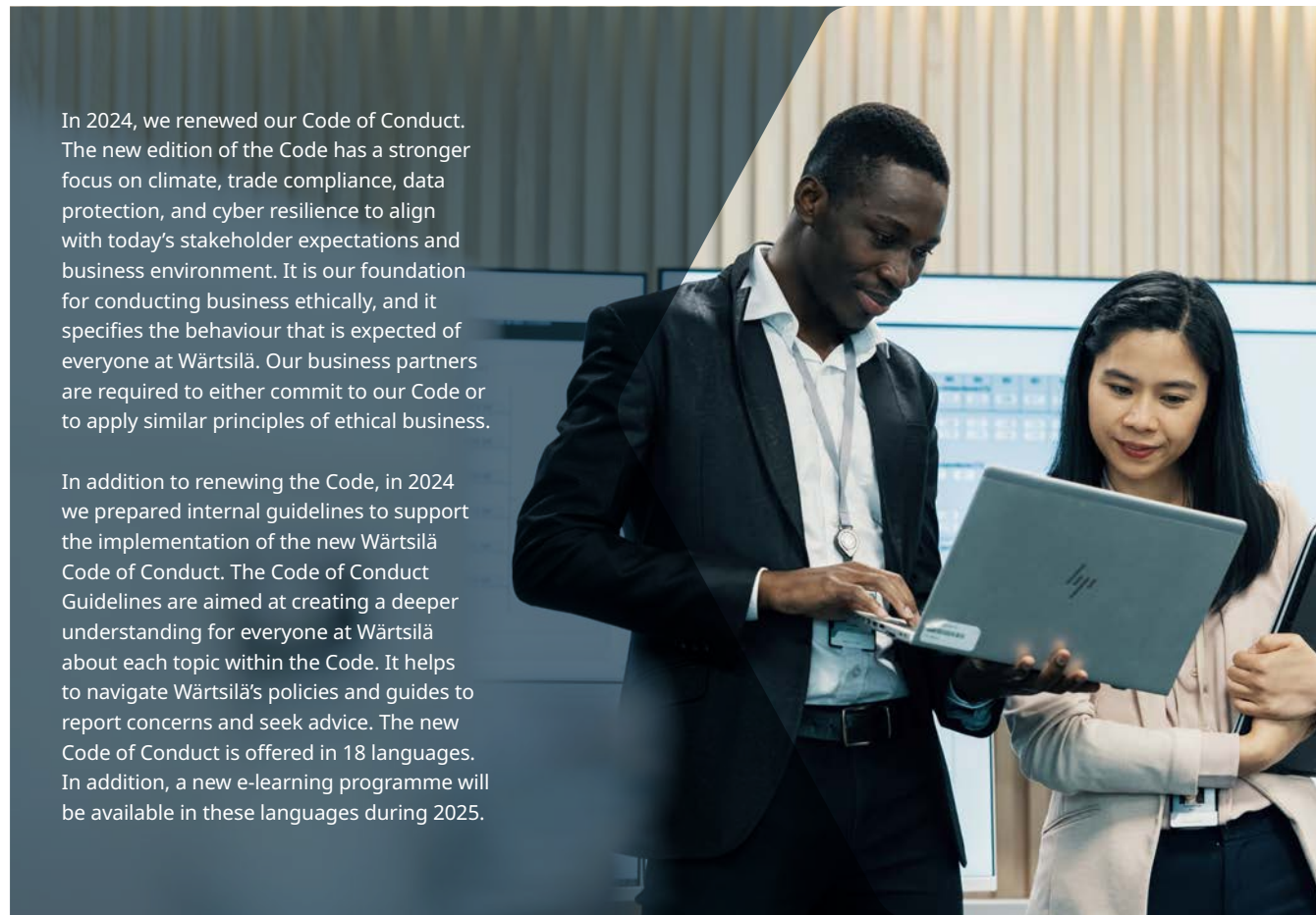
Wärtsilä is fully committed to complying with legislation and internationally recognised principles for combatting corruption and bribery. We are aware that the risk of corruption and fraud can be high in markets where we operate. Therefore, we carry out anti-corruption risk assessments as part of our continuous anti-corruption improvement efforts. We also maintain an extensive training programme that is mandatory for all employees. By the end of 2024, 87.4% of our employees had completed the Anti-Corruption e-learning course.

Everyone at Wärtsilä can voice their concerns about any potential violations of the Code of Conduct and its underlying policies and instructions. Suspected misconduct can be reported to line management, to Legal or Compliance, or anonymously via an externally hosted [whistleblowing channel](#). The channel is also open to our suppliers, consultants, and others who have a working relationship with Wärtsilä. All reported incidents are investigated and appropriate corrective actions are taken as necessary.

In 2024, we renewed our Code of Conduct. The new edition of the Code has a stronger focus on climate, trade compliance, data protection, and cyber resilience to align with today's stakeholder expectations and business environment. It is our foundation for conducting business ethically, and it specifies the behaviour that is expected of everyone at Wärtsilä. Our business partners are required to either commit to our Code or to apply similar principles of ethical business.

In addition to renewing the Code, in 2024 we prepared internal guidelines to support the implementation of the new Wärtsilä Code of Conduct. The Code of Conduct Guidelines are aimed at creating a deeper understanding for everyone at Wärtsilä about each topic within the Code. It helps to navigate Wärtsilä's policies and guides to report concerns and seek advice. The new Code of Conduct is offered in 18 languages. In addition, a new e-learning programme will be available in these languages during 2025.

We are committed to supporting the United Nation's Global Compact and its principles regarding human rights, labour, the environment, and anti-corruption. Additionally, we are dedicated to advancing the UN Sustainable Development Goals, particularly those related to clean energy, a low-carbon marine ecosystem, and responsible business conduct.



Driving towards decarbonisation

Wärtsilä is shaping the decarbonisation of the marine and energy industries by supporting its customers on their decarbonisation journey. To achieve this, we continuously invest in innovation and product development to deliver sustainable technologies and solutions. Furthermore, we strive to minimise our environmental footprint as an organisation.

Our primary contribution to enhanced environmental performance lies in providing reliable and safe technologies and services for our customers. Our product and solutions portfolio includes technologies related to, for example, efficiency optimisation, fuel flexibility, energy savings, and carbon capturing, as well as flexible energy storage systems, engine and hybrid power plant solutions, and lifecycle services. With the help of intelligent digital solutions and services, data can be collected, analysed, monitored, and reported, allowing us to optimise operations and reduce greenhouse gas (GHG) emissions.

Our products and solutions are designed to operate reliably for up to 30 years. Therefore, focusing our R&D efforts on improving product or system level performance is crucial, as is adopting a lifecycle approach to performance optimisation. In addition to enhancing the environmental performance of our products and solutions, we continuously monitor the GHG emissions of our own activities. We drive decarbonisation in the marine and energy sectors together with our customers and stakeholders, but we also participate in several initiatives, agreements, and sustainable business coalitions, such as the [Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping initiative](#) and the [Getting to Zero Coalition](#).

Set for 30 – our decarbonisation targets

Wärtsilä's target position of shaping the decarbonisation of marine and energy is supported by our 'Set for 30' commitment. Our target is to provide a product portfolio ready for zero-carbon

Core elements of Wärtsilä's decarbonisation actions



PRODUCTS AND SERVICES
Offering innovative technologies and lifecycle solutions with high efficiency and low emissions



OPERATIONAL MEASURES
Targeting carbon neutrality and continual environmental improvements



SYSTEM LEVEL SOLUTIONS
Improving and optimising overall efficiency and lowering emissions at system level



R&D
Developing sustainable and future proof technologies



COLLABORATION
Joining forces with stakeholders in promoting climate and environmental actions

fuels by 2030. Carbon-neutral fuels can already be used today, and we continue to develop our product portfolio so that zero-carbon fuels, such as ammonia and hydrogen, can be widely used by 2030.

We are also committed to becoming carbon neutral in our own operations by 2030. As part of our decarbonisation efforts, we make action plans annually and monitor their execution throughout the year. In 2024, our GHG emissions decreased by 50% (50,163 tCO₂e) compared to the baseline (3-year average from 2019–2021), which is aligned with our carbon neutrality pathway. Our efforts in 2024 focused on low- and medium-cost measures, such as purchasing green electricity, taking low-

emission company vehicles into use, and reducing the time needed for R&D and factory engine testing.

In 2024, Wärtsilä included a new target under its Set for 30 programme, namely that our suppliers' GHG emissions should be reduced by 25% by 2030 compared to the 2024 baseline. The target covers our Tier 1 direct suppliers and their Scope 1 and 2 GHG emissions related to deliveries to Wärtsilä. It is a relative target, for which the baseline is defined by Wärtsilä-allocated GHG emissions and spend. The data for the 2024 baseline will be collected from suppliers during 2025, and the exact methodology for following up on the progress against the target is under development.

Highlights of our decarbonisation efforts in 2024



Progressing towards a zero-carbon product portfolio

In 2024, we reached a significant milestone by launching the world's first large-scale 100% hydrogen-ready engine power plant concept. This solution can use natural gas today to provide flexibility and balancing, and can be converted to run on hydrogen, thereby future-proofing the journey to net zero.

World's first ammonia-fuelled in-service ship

In a major step forward in adopting sustainable fuels for maritime operations, Wärtsilä, Norwegian shipowner Eidesvik, and energy major Equinor announced an off-shore platform supply vessel (PSV) named Viking Energy will be converted to operate on ammonia fuel in 2026, making it the world's first ammonia-fuelled in-service ship. Ammonia has emerged as a promising alternative fuel as the shipping industry looks for more sustainable fuel options and will play a significant role in enabling the shipping industry to reduce its emissions. The conversion project is the result of the Apollo project, co-funded by the Horizon Europe framework programme, which aims to accelerate the transition towards a climate-neutral Europe.

Reducing emissions in our engine testing

Several actions related to reducing GHG emissions from engine testing are underway and results are already visible. We reached an important milestone in sustainable future fuel product development by investing in new methanol research and engine testing capabilities at the Sustainable Technology Hub in Vaasa, Finland. In addition, a main contributor to reducing Scope 1 and 2 emissions in 2024 has been in reducing the time needed for R&D and factory engine testing.



Utilisation of self-generated energy

Solar panels are an attractive alternative for many of our locations due to their self-sufficient nature and payback time. In 2024, a total of 2,200 MWh of solar power was produced from solar panels installed at our sites. For example, at our site in Toyama, Japan, solar panels cover the entire roof space, generating electricity that accounts for 30 to 40% of the factory's total electricity consumption.



Purchasing green electricity

We continued to purchase green electricity, with over 60% (MWh) of our total electricity consumption in 2024 coming from renewable sources. In 2024, our Indirect Procurement function organised a training for our strategic purchasers on the renewable energy certificates market. This training focused on different options for sourcing renewable energy, emphasising the importance of green electricity as an effective measure to reduce greenhouse gas emissions. We plan to gradually switch to green electricity in all countries, taking into account its availability in different markets.

Switching to low-emission company vehicles

Our Vehicle Policy actively supports the transition to electric vehicles. This policy applies to Wärtsilä-owned and leased vehicles, such as cars, trucks, vans, cranes, and forklifts. Many of our sites are already supporting the use of electric vehicles by installing charging stations.

Being a responsible employer

For Wärtsilä, social responsibility is strongly connected to being a responsible employer. We strive to offer our employees an engaging and dynamic workplace where openness, respect, trust, equal opportunities, and personal development prevail.

We are a signatory to the UN Global Compact initiative and uphold the work-related rights defined by the International Labour Organization (ILO). We develop people management processes, tools, and ways of working to ensure consistency and transparency between all Wärtsilä locations and companies. Additionally, we aim to provide a safe working environment for our employees and contractors and minimise health and safety risks associated with the use of our products and services. Our occupational health and safety principles are outlined in the Code of Conduct, the Quality, Environmental, Health and Safety (QEHS) Policy, and the Wärtsilä Environmental, Health and Safety (EHS) Directive.

Our strong commitment to safety is visible in our daily operations

Wärtsilä is committed to creating and maintaining a safe and healthy work environment for its employees, contractors, and other partners. This is emphasised in our drive towards zero injuries by applying high standards of occupational health and safety, and by implementing action-orientated safety programmes and practices. Our ongoing long-term safety programme 'Success through safety' focuses on employee, contractor and product safety, as well as occupational health. For example, in 2024, we launched a global framework for frequent traveller health checks and released an improved digital tool for field service personnel to support risk assessment when working at customer sites and on vessels.

Health and safety topics are managed at multiple levels within the organisation, and in Wärtsilä everyone is responsible for contributing to a safe and healthy work environment. In everyday

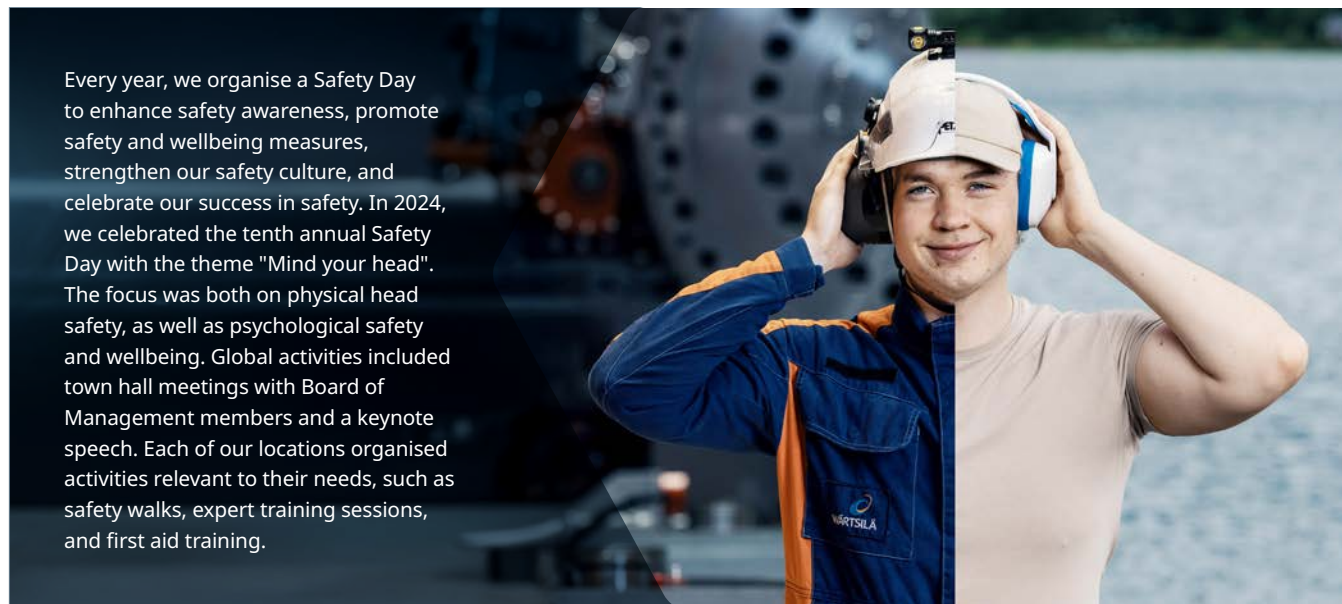
Every year, we organise a Safety Day to enhance safety awareness, promote safety and wellbeing measures, strengthen our safety culture, and celebrate our success in safety. In 2024, we celebrated the tenth annual Safety Day with the theme "Mind your head". The focus was both on physical head safety, as well as psychological safety and wellbeing. Global activities included town hall meetings with Board of Management members and a keynote speech. Each of our locations organised activities relevant to their needs, such as safety walks, expert training sessions, and first aid training.

terms, this means actively identifying safety hazards, reporting near misses and safety observations, and sharing improvement ideas on health and safety, as well as on product safety. Everyone is also authorised to intervene and stop work in unsafe situations.

To emphasise the importance of employee safety, Wärtsilä has a long-term corporate level target of zero injuries. In 2024, the Total Recordable Injury Frequency rate (TRIF) was 2.20, which was 16% lower than in 2023. One of the proactive measures to further strengthen our safety culture is our management safety walks, which in 2024 saw an increase of 27% compared to 2023.

In 2024, we set a new continuous long-term target to reduce the Total Recordable Injury Frequency (TRIF) for contractors annually. The total recordable injury frequency for contractors (Contractor TRIF) for 2024 was 5.01.

We aim to provide a healthy working environment to support growth, wellbeing, and work-life balance. In 2024, to help us lead and measure wellbeing, we launched a new global Wellbeing framework with six specific wellbeing elements to be embedded in our existing processes and practices. Additionally, we created the governance model, defined KPIs, and developed an implementation roadmap for wellbeing.



Creating an inclusive culture that drives engagement and performance

At Wärtsilä we value, respect, and embrace diversity and inclusion (D&I) regardless of gender, age, personality, and educational background. We take pride in our diverse representation of nationalities and cultures at all levels, departments, and functions. Currently, our employees represent 128 nationalities in 77 countries.

Pride in diversity, providing equal opportunities, and upholding high ethical standards are integral to our purpose. We have created a variety of actions and methods to embody these principles through everyday actions, such as learning from the diverse cultures of our people, and building cross-functional teams that enhance our cognitive diversity and innovation capabilities.

Creating an inclusive culture that drives engagement and performance is one of the priorities of our People Strategy. The other three priorities focus on fostering continuous learning, building impactful leadership, and effectively matching talent to roles. Pursuing these priorities is critical in our aim to be an attractive employer for current and future employees. Additionally, these efforts contribute to our intention to have the right professionals with the right competencies and motivation at all times. With over 3,000 employees hired annually in a highly competitive talent market, standing out is crucial to establishing Wärtsilä as an employer of choice.

Wärtsilä is on a journey to become a learning organisation and to foster continuous learning. A significant portion of learning occurs during the everyday flow of work rather than from formal training. Learning is a continuous process, and the 70-20-10 learning principle supports us in understanding how to learn effectively: 70% by doing, 20% by sharing, and 10% by studying. In 2024, Wärtsilä has, for example, continued to build its coaching and mentoring capabilities to foster an open culture where growth and development are valued.

Providing our employees professional growth opportunities is critical in attracting and retaining talent. We aim to strengthen a continuous learning mindset and enable fair and non-discriminating opportunities to encourage professional growth, and to recruit and retain talent, which is an important component in our company's success. To further strengthen the development of skills and competences at Wärtsilä, a global Competence Management framework with a renewed global competence catalogue will be built in 2025–2026.



Every two years, Wärtsilä collects its employees' views and interests globally through our employee engagement survey, MyVoice. This survey provides insights through five key performance indicators (KPIs): engagement, wellbeing, inclusion, intent to stay, and overall experience. It also benchmarks our performance against other similar companies globally.

Our most recent MyVoice survey in 2024 achieved an 88% response rate, surpassing global external benchmarks. The results indicate that our employees take great pride in working for a company committed to making a positive impact on the world. Furthermore, 88% of Wärtsilä employees feel respected at work, and nearly as many feel they can bring

their authentic selves to the workplace. This demonstrates that our commitment to psychological safety is yielding positive results. Our employees are also highly engaged, with 90% stating their work at Wärtsilä meets or exceeds their expectations. However, the survey results also highlight the need to put more emphasis on managing change and improving collaboration and information sharing across functions and teams.

To continuously address these key development areas identified in the MyVoice survey, we also conduct Pulse surveys every six months. In addition, these surveys gather employee views and interests on more detailed topics, and help us continuously improve our working environment and ways of working.



Financials

Five years in figures

Wärtsilä provides certain financial performance measures, which are accounting measures that are not defined by IFRS Accounting Standards. These alternative performance measures, such as comparable operating result, comparable adjusted EBITA, cash flow from operating activities, and gearing, are followed and used by management to measure the Group's performance and financial position. In addition, Wärtsilä's targets of financial performance are linked to, for example, comparable operating result and gearing. Thus, these alternative performance measures provide useful information to the capital markets. The alternative performance measures should not be evaluated in isolation from the corresponding Accounting Standards measures. The alternative performance measure calculation definitions are disclosed in Calculations of financial ratios.

MEUR	2024	2023	2022	2021	2020
Net sales	6,449	6,015	5,842	4,778	4,604
of which outside Finland	% 98.4	98.3	99.2	98.5	97.9
Exports from Finland	2,466	2,060	1,975	1,845	1,702
Personnel on average	18,110	17,666	17,482	17,461	18,307
of which in Finland	4,187	3,957	3,808	3,687	3,706
Order book	8,366	6,694	5,906	5,859	5,057
From the consolidated statement of income					
Depreciation, amortisation and impairment	131	193	263	162	174
Share of result of associates and joint ventures	12	9	6	3	3
Comparable operating result	694	497	325	357	275
as a percentage of net sales	% 10.8	8.3	5.6	7.5	6.0
Operating result	716	402	-26	314	234
as a percentage of net sales	% 11.1	6.7	-0.4	6.6	5.1
Comparable adjusted EBITA	712	518	349	388	308
as a percentage of net sales	% 11.0	8.6	6.0	8.1	6.7
Financial income and expenses	-29	-37	-6	-18	-43
Result before taxes	687	364	-32	296	191
as a percentage of net sales	% 10.7	6.1	-0.5	6.2	4.2
Result for the financial period	507	269	-58	193	133
as a percentage of net sales	% 7.9	4.5	-1.0	4.0	2.9
From the consolidated statement of financial position					
Non-current assets	2,581	2,551	2,558	2,539	2,427
Current assets	4,928	4,247	3,997	3,982	3,706

Assets held for sale	184	5	54	2	99
Total equity attributable to equity holders of the parent company	2,525	2,225	2,136	2,315	2,177
Non-controlling interests	6	8	12	8	11
Interest-bearing debt	766	858	949	973	1,327
Non-interest-bearing liabilities	4,264	3,713	3,489	3,227	2,648
Liabilities directly attributable to assets held for sale	132		22		68
Total equity and liabilities	7,694	6,803	6,608	6,523	6,232
From the consolidated statement of cash flows					
Cash flow from operating activities	1,208	822	-62	731	681
Cash flow from investing activities	-149	-138	-151	-128	-55
Cash flow from financing activities	-323	-308	-289	-580	-44
Gross capital expenditure	170	149	161	143	117
as a percentage of net sales	% 2.6	2.5	2.8	3.0	2.5
Research and development expenditure	296	258	241	196*	153
as a percentage of net sales	% 4.6	4.3	4.1	4.1*	3.3
Dividends paid	259**	188	153	142	118
Financial ratios					
Earnings per share (EPS), basic	EUR 0.85	0.44	-0.11	0.33	0.23
Earnings per share (EPS), diluted	EUR 0.85	0.44	-0.11	0.33	-
Dividend per share	EUR 0.44**	0.32	0.26	0.24	0.20
Dividend per earnings	% 51.5**	73.2	-234.9	73.2	88.2
Interest coverage	12.3	9.2	7.3	15.0	7.1
Return on investment (ROI)	% 23.7	13.9	0.1	9.7	7.1
Return on equity (ROE)	% 21.3	12.3	-2.6	8.6	5.8
Solvency ratio	% 37.4	37.0	35.3	38.6	38.1
Gearing	-0.31	0.02	0.23	0.00	0.18
Equity per share	EUR 4.29	3.78	3.62	3.92	3.68
Working capital (WCAP)	MEUR -787	-169	179	-100	257

The financial ratios include assets and liabilities pertaining to assets held for sale.

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

** Proposal of the Board of Directors.

Calculations of financial ratios

Operating result

Net sales + other operating income – expenses +/- result from net position hedges – depreciation, amortisation and impairment +/- share of result of associates and joint ventures

Earnings per share (EPS), basic

Result for the financial period attributable to equity holders of the parent company

Number of shares outstanding, average over the financial period

Earnings per share (EPS), diluted

Result for the financial period attributable to equity holders of the parent company

Number of shares outstanding, average over the financial period + number of potential ordinary shares with dilutive effect

Items affecting comparability

Certain income and expenses are presented as items affecting comparability when they have significant impact on the consolidated statement of income. Items affecting comparability consist of income and expenses, which result from restructuring activities aiming to adjust the capacity of Wärtsilä's operations. They may also include other income and expenses incurred outside Wärtsilä's normal course of business, such as impairment charges, acquisition related costs, settlements recognised as a result of legal proceedings with third parties or unforeseen obligations from earlier discontinued businesses.

Comparable operating result

Operating result – items affecting comparability

Comparable adjusted EBITA

Operating result – items affecting comparability – purchase price allocation amortisation

Gross capital expenditure

Investments in securities and acquisitions + investments in intangible assets and property, plant and equipment

Net interest-bearing debt

Total of non-current and current lease liabilities + total of non-current and current other interest-bearing debt – interest-bearing receivables – cash and cash equivalents

Equity per share

Equity attributable to equity holders of the parent company

Number of shares outstanding at the end of the financial period

Solvency ratio

Total equity

Total equity and liabilities – advances received x 100

Gearing

Interest-bearing liabilities – cash and cash equivalents

Total equity

Return on investment (ROI)

Result before taxes + interest and other financial expenses

Total equity and liabilities – non-interest-bearing liabilities – provisions, average over financial period x 100

Return on equity (ROE)

Result for the financial period

Total equity, average over the financial period x 100

Order intake

Total amount of orders received during the financial period to be delivered either during the current financial period or thereafter.

Order book

The presentation in value of orders that are placed by customers but not yet delivered. For service agreements, only the expected net sales for the next 24 months are included in the order book.

Working capital (WCAP)

(Inventories + trade receivables + current tax receivables + other non-interest-bearing receivables)

– (trade payables + advances received + pension obligations + provisions + current tax liabilities + other non-interest-bearing liabilities – dividend payable)

Interest coverage

Result before taxes + depreciation, amortisation and impairment + interest and other financial expenses

Interest and other financial expenses

Dividend per share

Dividends paid for the financial period

Number of shares outstanding at the end of the financial period

Dividend per earnings

Dividend per share

Earnings per share (EPS), basic x 100

Effective dividend yield

Dividend per share

Adjusted share price at the end of the financial period x 100

Price/earnings (P/E)

Adjusted share price at the end of the financial period

Earnings per share (EPS), basic

Price/carrying amount per share (P/BV)

Adjusted share price at the end of the financial period

Equity per share

Primary financial statements

Consolidated statement of income

MEUR	2024	2023	Note
Net sales	6,449	6,015	2.1., 2.2.
Other operating income	75	96	2.3.
Materials and services	-3,474	-3,419	2.4.
Employee benefit expenses	-1,493	-1,456	2.5.
Result from net position hedges		-9	
Depreciation, amortisation and impairment	-131	-193	3.5.
Other operating expenses	-720	-641	2.3.
Share of result of associates and joint ventures	12	9	6.5.
Operating result	716	402	
as a percentage of net sales	11.1	6.7	
Financial income	44	31	5.1.
Financial expenses	-73	-68	5.1.
Result before taxes	687	364	
Income taxes	-180	-95	2.6.
Result for the financial period	507	269	
Attributable to:			
equity holders of the parent company	503	258	
non-controlling interests	4	12	
	507	269	

Earnings per share attributable to equity holders of the parent company:			
Earnings per share (EPS), basic and diluted, EUR	0.85	0.44	2.7.

The notes are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

MEUR	2024	2023	Note
Result for the financial period	507	269	
Other comprehensive income:			
Items that will not be reclassified to the statement of income			
Remeasurements of defined benefit liabilities	-9	1	4.7.
Tax on items that will not be reclassified to the statement of income	2		
Total items that will not be reclassified to the statement of income	-7	1	
Items that may be reclassified subsequently to the statement of income			
Exchange rate differences on translating foreign operations			
for equity holders of the parent company	31	-25	
for non-controlling interests		-2	
transferred to the statement of income		-11	
Associates and joint ventures, share of other comprehensive income	1	-2	
Cash flow hedges			
measured at fair value	-80	20	5.5.
transferred to the statement of income	17	4	
Tax on items that may be reclassified to the statement of income			
Cash flow hedges			
measured at fair value	12	-2	
transferred to the statement of income	-3	-1	
Total items that may be reclassified to the statement of income	-22	-19	
Other comprehensive income for the financial period, net of taxes	-29	-17	
Total comprehensive income for the financial period	478	252	

Total comprehensive income attributable to:		
equity holders of the parent company	474	247
non-controlling interests	3	4
	478	252

The notes are an integral part of these consolidated financial statements.

Consolidated statement of financial position

MEUR	31.12.2024	31.12.2023	Note
Assets			
Non-current assets			
Goodwill	1,299	1,273	3.1.
Other intangible assets	446	402	3.2.
Property, plant and equipment	306	307	3.3.
Right-of-use assets	251	255	3.4.
Investments in associates and joint ventures	41	33	6.5.
Other investments	17	19	5.2.
Interest-bearing investments		4	5.2.
Deferred tax assets	175	212	4.6.
Trade receivables	6	2	4.2., 5.2.
Other receivables	39	46	4.3.
Total non-current assets	2,581	2,551	
Current assets			
Inventories	1,483	1,485	4.1.
Trade receivables	1,018	991	4.2., 5.2.
Current tax receivables	32	35	
Contract assets	571	630	4.2.
Other receivables	269	287	4.3.
Cash and cash equivalents	1,554	819	5.3., 5.4.
Total current assets	4,928	4,247	
Total assets	7,694	6,803	
Equity and liabilities			
Equity			
Share capital	336	336	5.5.
Share premium	61	61	5.5.

Translation differences	-156	-188	5.5.
Fair value reserve	-23	31	5.5.
Remeasurements of defined benefit liabilities	-29	-4	4.7.
Retained earnings	2,337	1,989	
Total equity attributable to equity holders of the parent company	2,525	2,225	
Non-controlling interests	6	8	
Total equity	2,531	2,232	
Liabilities			
Non-current liabilities			
Lease liabilities	215	224	3.4., 5.4.
Other interest-bearing debt	409	515	5.2., 5.4., 5.6.
Deferred tax liabilities	57	69	4.6.
Pension obligations	82	83	4.7.
Provisions	144	126	4.5.
Contract liabilities	121	126	4.2.
Other liabilities	12	16	3.4., 4.4.
Total non-current liabilities	1,041	1,159	
Current liabilities			
Lease liabilities	43	44	3.4., 5.4.
Other interest-bearing debt	99	76	5.2., 5.4., 5.6.
Provisions	207	246	4.5.
Trade payables	793	686	4.4., 5.2., 5.6.
Current tax liabilities	84	75	
Contract liabilities	1,825	1,534	4.2.
Other liabilities	938	751	3.4., 4.4.
Total current liabilities	3,990	3,412	
Total liabilities	5,030	4,571	
Liabilities directly attributable to assets held for sale	132		6.4.
Total equity and liabilities	7,694	6,803	

The notes are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

MEUR	2024	2023	Note
Cash flows from operating activities:			
Result for the financial period	507	269	
Adjustments for:			
Depreciation, amortisation and impairment	131	193	3.5.
Financial income and expenses	29	37	5.1.
Gains and losses on sale of intangible assets and property, plant and equipment and other changes	5	-1	
Share of result of associates and joint ventures	-12	-9	6.5.
Income taxes	180	95	2.6.
Other non-cash adjustments	15	-4	
Cash flows before changes in working capital	856	581	
Changes in working capital:			
Receivables, non-interest-bearing, increase (-) / decrease (+)	19	209	
Inventories, increase (-) / decrease (+)	-71	-134	4.1.
Liabilities, non-interest-bearing, increase (+) / decrease (-)	552	275	
Changes in working capital	501	350	
Cash flows from operating activities before financial items and taxes	1,357	931	
Financial items and taxes:			
Interest income	33	13	
Interest expenses	-29	-23	
Other financial income and expenses	-25	-17	
Income taxes paid	-128	-82	
Financial items and paid taxes	-149	-109	
Cash flows from operating activities	1,208	822	
Cash flows from investing activities:			
Acquisitions		-1	6.2.

Investments in property, plant and equipment and intangible assets	-170	-148	3.2., 3.3.
Proceeds from sale of property, plant and equipment and intangible assets	11	3	3.2., 3.3.
Proceeds from sale of shares in subsidiaries		7	6.3.
Proceeds from sale of other investments	6	1	
Loan receivables, increase (-) / decrease (+), and other changes	4		
Cash flows from investing activities	-149	-138	
Cash flows after investing activities	1,059	683	
Cash flows from financing activities:			
Repayments to non-controlling interests		-5	
Repurchase of own shares		-10	
Proceeds from non-current debt		176	
Repayments and other changes in non-current debt	-124	-321	5.6.
Loan receivables, increase (-) / decrease (+)	-4	1	
Current loans, increase (+) / decrease (-)	-1	7	
Dividends paid	-194	-156	
Cash flows from financing activities	-323	-308	
Change in cash and cash equivalents, increase (+) / decrease (-)	736	375	
Cash and cash equivalents at the beginning of the financial period*	819	464	
Exchange rate changes	2	-19	
Cash and cash equivalents at the end of the financial period*	1,557	819	

* Cash and cash equivalents include the cash and cash equivalents pertaining to assets held for sale.

The notes are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

Total equity attributable to equity holders of the parent company								Non-controlling interests	Total equity
MEUR	Share capital	Share premium	Translation differences	Fair value reserve	Remeasurements of defined benefit liabilities	Retained earnings	Total		
Equity on 1 January 2024	336	61	-188	31	-4	1,989	2,225	8	2,232
Result for the financial period						503	503	4	507
Other comprehensive income									
Translation differences			32				32		32
Cash flow hedges									
net change in fair value, net of taxes				-67			-67		-67
transferred to the statement of income, net of taxes				13			13		13
Defined benefit plans					-7		-7		-7
Other changes					-18	18			
Other comprehensive income, total			32	-54	-25	18	-29		-29
Total comprehensive income for the financial period			32	-54	-25	521	474	3	478
Transactions with equity holders of the parent company and non-controlling interests									
Dividends paid						-188	-188	-6	-194
Share-based payments						15	15		15
Equity on 31 December 2024	336	61	-156	-23	-29	2,337	2,525	6	2,531

MEUR	Total equity attributable to equity holders of the parent company						Non-controlling interests	Total equity
	Share capital	Share premium	Translation differences	Fair value reserve	Remeasurements of defined benefit liabilities	Retained earnings	Total	
Equity on 31 December 2022	336	61	-156	9	-5	1,889	2,135	12
Restatement due to IAS 12						1	1	
Equity on 1 January 2023	336	61	-156	9	-5	1,891	2,136	12
Result for the financial period						258	258	12
Other comprehensive income								
Translation differences			-27				-27	-2
Translation differences transferred to the statement of income			-6				-6	-5
Cash flow hedges								
net change in fair value, net of taxes				19			19	
transferred to the statement of income, net of taxes				3			3	
Defined benefit plans					1		1	
Other comprehensive income, total			-33	22	1		-10	-7
Total comprehensive income for the financial period			-33	22	1	258	247	4
Transactions with equity holders of the parent company and non-controlling interests								
Dividends paid						-153	-153	-3
Repurchase of own shares						-10	-10	
Share-based payments						4	4	
Other changes								-5
Equity on 31 December 2023	336	61	-188	31	-4	1,989	2,225	8

Additional information on share capital, share premium, translation differences and fair value reserve is presented in Note 5.5. Equity.

The notes are an integral part of these consolidated financial statements.

Complete set of financial statements can be found in the Annual Report 2024.

190 YEARS OF WÄRTSILÄ HISTORY

1834–1939

IT ALL BEGAN WITH A SAWMILL...

1834

A sawmill is established in Wärtsilä, a small village in Northern Karelia on **April 12, 1834**.

The sawmill rapidly expands into an iron works company.



1935

Wärtsilä's headquarters move from Karelia to Helsinki, Finland.

1949

Wärtsilä becomes the biggest industrial company in Finland with over 11,000 employees.

1959



The first Wärtsilä-designed diesel engine, the Wärtsilä **Vasa 14**, is started for the first time.

1925

Company president **Wilhelm Wahlforss** starts developing Wärtsilä into a multi-sector company by acquiring Finnish shipyards and companies. This marks our entry in the marine industry.



1938

Wärtsilä's **diesel engine era begins** as we sign a licence agreement with Friedrich Krupp Germania Werft AG in Germany.

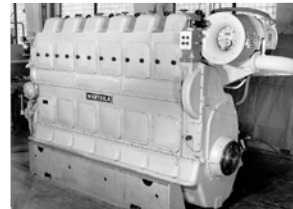
1954



Wärtsilä makes the decision to start designing our own diesel engines. Wilmer Wahlstedt, a young civil engineer, is called to Vaasa to lead the work.

1960

The first commercial engines, the Wärtsilä **Vasa 614** with six cylinders, are delivered to a car ferry sailing between Finland and Sweden.



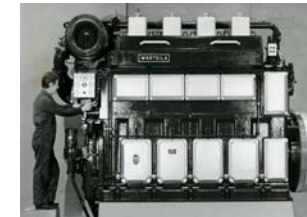
1970–1999

WÄRTSILÄ SHIFTS FOCUS TO POWER SUPPLY IN BOTH MARINE AND ENERGY MARKETS

1970s

Wärtsilä **enters the energy industry**. With some modifications to our engine a separate line for power plants is created and we sign our first energy deal in 1973 in Tanzania.

Meanwhile, our fuel research intensifies and we launch the **first-ever 4-stroke engine operating on heavy fuel oil**.



1995

After a decade of developing dual-fuel (DF) technology, we introduce our **breakthrough DF engine**.

1978 1980s

The long crisis in the global marine industry leads Wärtsilä to withdraw from ship building. Focus on power supply for marine and energy is strengthened.

Wärtsilä's **manufacturing operations go international** as we acquire Swedish NOHAB diesel business.



1997

Our engine portfolio grows to **slow-speed engines** as we acquire New Sulzer Diesel. This makes us a global leader in the ship engine business.

2000–2019

A TOTAL SOLUTIONS PROVIDER GROWS INTO AN INDUSTRY THOUGHT LEADER

2020 —

SHAPING THE DECARBONISATION OF MARINE AND ENERGY

2000s

Wärtsilä acquires several component providers which makes us capable of delivering the **entire marine engine system**.

We expand in Asia; Wärtsilä starts several joint ventures in China.

2009

Wärtsilä is listed among the **100 most sustainable corporations** in the world for the first time.

Wärtsilä joins the United Nations' *Global Compact* initiative.

2001

Remote monitoring of our customers' assets turns into a real business as we start offering Condition Based Maintenance as a preventive maintenance service.

2012

Wärtsilä delivers the **first-ever hybrid power generation system** for a vessel.

2015

Launch of the Wärtsilä 31 engine that gets acknowledged by Guinness World Records as the **world's most efficient 4-stroke diesel engine**.

For the first time, we convert our customer's engines to run on methanol.



MOST EFFICIENT 4-STROKE DIESEL ENGINE



2018

Wärtsilä starts researching **Power-to-X** as an important technology on the path towards decarbonisation.

2016

Wärtsilä focuses on integrating energy systems and balancing power while expanding its energy storage capabilities to lead the industry towards a 100% renewable energy future.



Clearway solar and storage power plant in Milani, Hawaii.

In marine, we make strategic acquisitions to strengthen our energy management and analytics offering.

2019

We unveil our **purpose** "Enabling sustainable societies with innovations in technology and services."

2020s



We take a leading role in transforming our industries; we reach milestones in decreasing emissions of engine-based power supply, while developing hybrid solutions where energy storage systems support engine and renewables-based power production.

2021



We commit to become carbon-neutral in our own operations and provide a product portfolio ready for zero-carbon fuels by 2030.

We launch a major test programme to develop **carbon-free** power generation solutions with hydrogen and ammonia.

2022

We launch the **Wärtsilä 32 methanol engine** and the new **Wärtsilä 25 engine**, the first Wärtsilä engine to run on **ammonia**.

Wärtsilä's **Sustainable Technology Hub** opens in Vaasa, welcoming our partners to accelerate marine and energy decarbonisation together.



2023

Wärtsilä is chosen to power the world's largest battery electric ship.

Wärtsilä is named on the **TIME100 Most Influential Companies of 2023** list.

Our engines can use hydrogen/natural gas blends containing up to 25% hydrogen. We are developing a full-scale 100% hydrogen plant design in 2025.



2024

We celebrate our **190th anniversary**.

Contact us

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Follow us



Wärtsilä is a global leader in innovative technologies and lifecycle solutions for the marine and energy markets. We emphasise innovation in sustainable technology and services to help our customers continuously improve their environmental and economic performance.

