ENABLING SUSTAINABLE SOCIETIES WITH SMART TECHNOLOGY

INNOVATING SINCE 1834

TOGETHER

FOR A SUSTAINABLE FUTURE
PREVAILING UNCERTAINTY AFFECTING OUR DEMAND ENVIRONMENT

**Total vessel contracting**

<table>
<thead>
<tr>
<th>Number of vessels</th>
<th>Million CGT</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>5</td>
<td>0.5</td>
</tr>
<tr>
<td>10</td>
<td>1.0</td>
</tr>
<tr>
<td>15</td>
<td>1.5</td>
</tr>
<tr>
<td>20</td>
<td>2.0</td>
</tr>
<tr>
<td>25</td>
<td>2.5</td>
</tr>
<tr>
<td>30</td>
<td>3.0</td>
</tr>
<tr>
<td>35</td>
<td>3.5</td>
</tr>
<tr>
<td>40</td>
<td>4.0</td>
</tr>
<tr>
<td>45</td>
<td>4.5</td>
</tr>
<tr>
<td>50</td>
<td>5.0</td>
</tr>
</tbody>
</table>

**Global electricity generation mix**

- **Historical global power**
- **NEO 2020 global power**

Source: BloombergNEF New Energy Outlook 2020

Source: Clarksons Research, contracting as per 5 October 2020

CGT = gross tonnage compensated with workload
ORDER INTAKE HOLDING UP DESPITE DIFFICULT MARKET BACKDROP

Third quarter development by business area

- Marine Power: 42% (46) (Q419-Q320)
- Marine Systems: 33% (27) (Q320-Q219)
- Voyage: 4% (7) (Q219-Q120)
- Energy: 3% (5) (Q120-Q19)
- Portfolio Business: 18% (15) (Q120-Q19)

MEUR, 12m rolling

- Q418-Q319: 6,000
- Q119-Q419: 5,500
- Q219-Q120: 5,000
- Q319-Q220: 6,000
- Q419-Q320: 6,000

Third quarter 2020 and comparison 2019

Arjen Berends
2 December 2020
NET SALES AND PROFITABILITY IMPACTED BY THE EFFECTS OF COVID-19

Comparable operating result, %

Third quarter sales by business type

50% (48)
50% (52)

MEUR, 12m rolling

Q418-Q319 Q119-Q419 Q219-Q120 Q319-Q220 Q419-Q320

11% 9.6% 8.8% 7.9% 6.8% 7.4%

0 1 000 2 000 3 000 4 000 5 000 6 000 7 000 8 000 9 000 10 000 11 000 12 000

Services Equipment

Q3 -11%

Third quarter net sales 2020 and comparison 2019
STRONG IMPROVEMENT IN CASH FLOW DRIVEN BY FOCUS ON WORKING CAPITAL MANAGEMENT

Review period development

MEUR

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>200 MEUR</td>
</tr>
<tr>
<td>2016</td>
<td>600 MEUR</td>
</tr>
<tr>
<td>2017</td>
<td>400 MEUR</td>
</tr>
<tr>
<td>2018</td>
<td>500 MEUR</td>
</tr>
<tr>
<td>2019</td>
<td>200 MEUR</td>
</tr>
</tbody>
</table>

MEUR

<table>
<thead>
<tr>
<th>Period</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-9/2019</td>
<td>-100 MEUR</td>
</tr>
<tr>
<td>1-9/2020</td>
<td>400 MEUR</td>
</tr>
</tbody>
</table>

Arjen Berends
2 December 2020
MARINE AND ENERGY MARKET TRANSITION DRIVEN BY STRONG FOCUS ON DECARBONISATION

SHIPPING
GHG reduction strategy:
• 40% lower GHG/vessel by 2030
• 50% lower GHG in shipping (total) by 2050

ENERGY
• EU: Climate neutral by 2050
• China: Carbon neutral by 2060
• USA*: carbon free electricity production by 2035, net zero emissions by 2050
• Country Climate Pledges

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.

TOWARDS A 100% RENEWABLE ENERGY FUTURE
The energy landscape is in a transition towards more flexible and sustainable energy systems. We envision a 100% renewable energy future.

* Biden’s climate plan
RENEWABLE INVESTMENTS INCREASING GLOBALLY

Installed capacity by region (GW)

North America

Latin America

Europe

APAC

Note 1: Contains only USA and Canada, as Mexico has been included in Latin America

Source: BloombergNEF New Energy Outlook 2020
OUR SOLUTIONS SUPPORT THE ENERGY TRANSITION

**FLEXIBLE POWER PLANTS**

AGL Energy, Australia
Fast-starting 211 MW power plant balances renewable energy & ensures energy reliability

**ENERGY STORAGE AND OPTIMISATION**

Pivot Power, the UK
Two 50 MW / 50 MWh EEQ energy storage systems accelerate a clean electric future in the UK

**LIFECYCLE SERVICES**

Electricite du Cambodge, Cambodia
Optimised maintenance solution enhances availability and reliability with spare parts supply, maintenance planning, and remote asset diagnostics
FLEXIBILITY NEEDED TO FULLY UTILISE RENEWABLE ENERGY AND ENABLE THE PATH TOWARDS CARBON NEUTRALITY

CASE GERMANY 5TH JULY 2020

Enough renewable generation to cover load

Excess power pushes down market price

Baseload coal and nuclear power is exported with high price tag

Emission reductions limited

100 MW CHP CASE EXAMPLE IN GERMANY

INITIAL

0%
Renewable energy

<table>
<thead>
<tr>
<th>Thermal only</th>
<th>100 MW</th>
</tr>
</thead>
<tbody>
<tr>
<td>69 €/MWhₐ</td>
<td></td>
</tr>
</tbody>
</table>

COST OPTIMAL

76%
Renewable energy

Solar, wind, storage, engines

<table>
<thead>
<tr>
<th>284 MW</th>
<th>200 MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>69 MW</td>
<td>3 800 MWh</td>
</tr>
</tbody>
</table>

DECARBONISED

100%
Renewable energy

Solar, wind, storage, engines Running on synthetic fuels (P2X)

<table>
<thead>
<tr>
<th>475 MW</th>
<th>287 MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>55 MW</td>
<td>747 MW</td>
</tr>
</tbody>
</table>

NOTE: 1. Heat generation assets not shown  
2. Price of heat is 33 €/MWh and derived from heat generation with gas boiler and is same in all scenarios, i.e. heat price is not changing
ACCELERATING FOCUS ON SUSTAINABLE SHIPPING

ENERGY SOURCE AND FUEL FLEXIBILITY
ENERGY EFFICIENT TECHNOLOGIES
DATA BASED OPTIMISATION

... ADOPTED IN A SMART MARINE ECOSYSTEM
THE LONG TERM OPPORTUNITY REMAINS SOLID: LNG IS THE BEST FUEL OPTION TO REACH 2030, AND BRIDGE TOWARDS 2050

Energy use and projected fuel mix 2018-2050 for simulated IMO ambitions pathway with main focus on design requirements forecast to 2050

Wärtsilä is well-positioned in dual-fuel technology

> 2,600
DF engines in operation

> 45,000,000
running hours

“We suggest that owners investing in the next five to 10 years should consider dual fuel combustion engines”

DNV GL Maritime
WE HAVE THE TECHNOLOGY NEEDED TO USE MOST FUTURE FUELS, DEVELOPMENT IS ON-GOING FOR THE REST

<table>
<thead>
<tr>
<th>Technology ready</th>
<th>Industrialisation needed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fossil liquids</strong></td>
<td><strong>Green methanol</strong></td>
</tr>
<tr>
<td>• High energy content</td>
<td>• Carbon neutral</td>
</tr>
<tr>
<td>• Widespread availability</td>
<td>• Can be blended with liquids</td>
</tr>
<tr>
<td><strong>Fossil gas</strong></td>
<td><strong>Under development</strong></td>
</tr>
<tr>
<td>• Cleanest fossil fuel</td>
<td><strong>Green Ammonia</strong></td>
</tr>
<tr>
<td>• GHG reduction 5-20% depending on engine type (well-to-power)</td>
<td>• No CO2 emissions</td>
</tr>
<tr>
<td>• Widespread availability</td>
<td>• Can be blended with liquids or gases</td>
</tr>
<tr>
<td><strong>Bio and synthetic liquids</strong></td>
<td><strong>Green Hydrogen</strong></td>
</tr>
<tr>
<td>• GHG reduction 70-100% depending on source (well-to-power)</td>
<td>• No CO2 emissions</td>
</tr>
<tr>
<td>• Clear transition pathway as same infra can be used for all fuel types</td>
<td>• Can be blended with gases</td>
</tr>
</tbody>
</table>

**Bio and synthetic gas**

• GHG reduction 70-100% depending on source (well-to-power)
• Clear transition pathway as same infra can be used for all fuel types
Voyage is committed to creating a Smart Marine Ecosystem, whereby every vessel can connect to digital services that make voyaging safer and greener.

Connected vessels enable:
- Significant cost savings
- Faster and safer voyage planning
- On time arrival, less anchorage
- Transparent ship-to-shore data
RESEARCH & DEVELOPMENT ACTIVITIES ADDRESSING IMPROVED ENVIRONMENTAL PERFORMANCE

- FUEL FLEXIBILITY AND FUTURE FUELS
- OPTIMISING AND DECARBONISING ENERGY SYSTEMS
- DECARBONISING SHIPPING
- NEW TECHNOLOGY AND DIGITAL SOLUTIONS
Near-term demand is expected to improve from current levels. However, visibility remains limited, and the prevailing market conditions make the outlook uncertain.

Based on the current order book, net sales for 2020 is expected to decline by appr. 10% (EUR 5,170 million in 2019). Profitability is expected to continue to be burdened by the effects of COVID-19 and, while service demand is anticipated to improve, the seasonal pick-up is unlikely to be as strong as in previous years.
COMMITTED TO OUR LONG-TERM TARGETS

GROW FASTER THAN GLOBAL GDP
Focus on strengthening our position in strategic markets and growing the lifecycle business

10-14% PROFITABILITY
Target continuous improvement, performance impacted by cycle and mix

MAINTAIN GEARING BELOW 50%
Unleveraged balance sheet supports growth through acquisitions

DELIVER DIVIDEND OF ≥50% OF EPS OVER THE CYCLE
Committed to providing shareholder returns

*Gearing target excludes impact of lease liabilities