Wärtsilä

Shaping the decarbonisation of marine and energy

Roadshow presentation

November 2023

Wärtsilä – Shaping the decarbonisation of marine and energy

Wärtsilä businesses: Marine Power, Marine Systems, Energy, and Portfolio Business

A global leader in innovative technologies and lifecycle solutions in marine and energy

Emphasise innovation in sustainable technology and services to help customers continuously improve their environmental and economic performance

Key growth opportunities

⊕⊕⊕ **Storage :** Fast growing demand for energy storage and power system optimisation solutions

⊕⊕ **Services:** Increased share of wallet from existing customers, deeper penetration of installed base, decarbonisation retrofits, new business models

⊕⊕ **Thermal balancing:** Increased demand due to coal shut-downs, thermal balancing power complementing energy storage

⊕ **Marine new build market recovery:** Cruise & Ferry and Special Vessel segments

Committed to financial targets

Net sales
5% annual organic growth

Profitability
12% operating margin

Capital structure
Gearing below 0.50

Dividend
Distribute a dividend of at least 50% of earnings

Strong track record in innovations

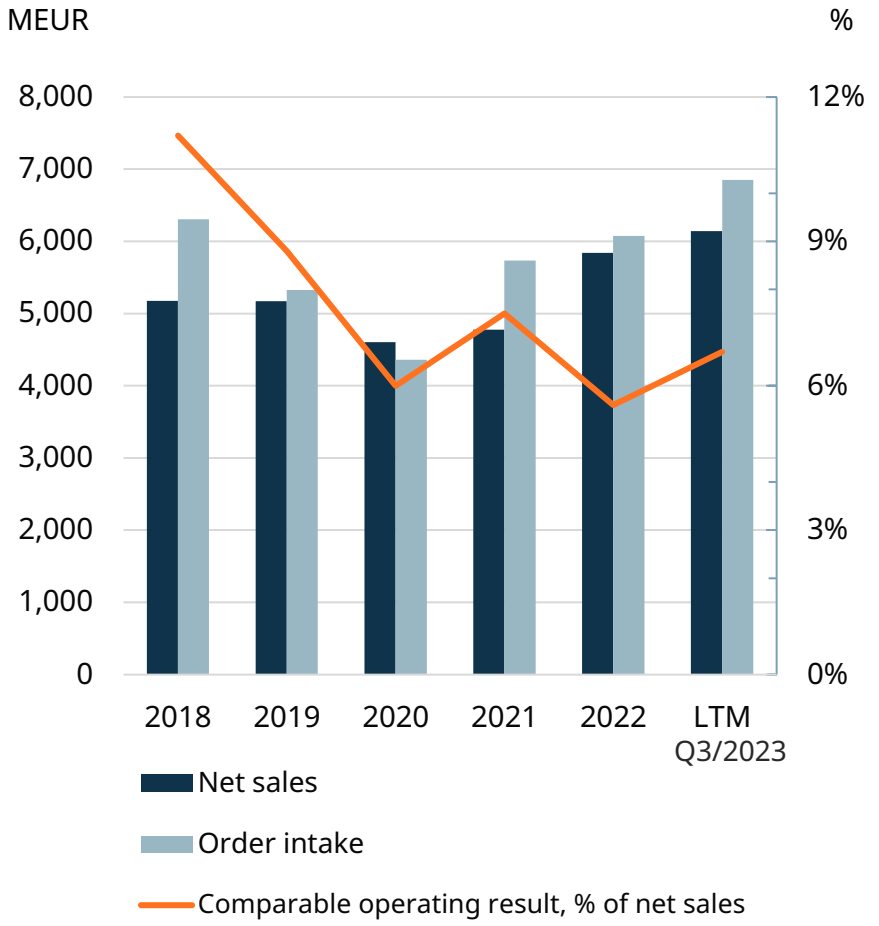
Investing ~3% of net sales on R&D yearly

Today: engines run on biofuels, methanol, up to 25% hydrogen blends

By 2023: pure ammonia fuel engine concept ready

By 2025: pure hydrogen fuel engine concept ready

Key figures



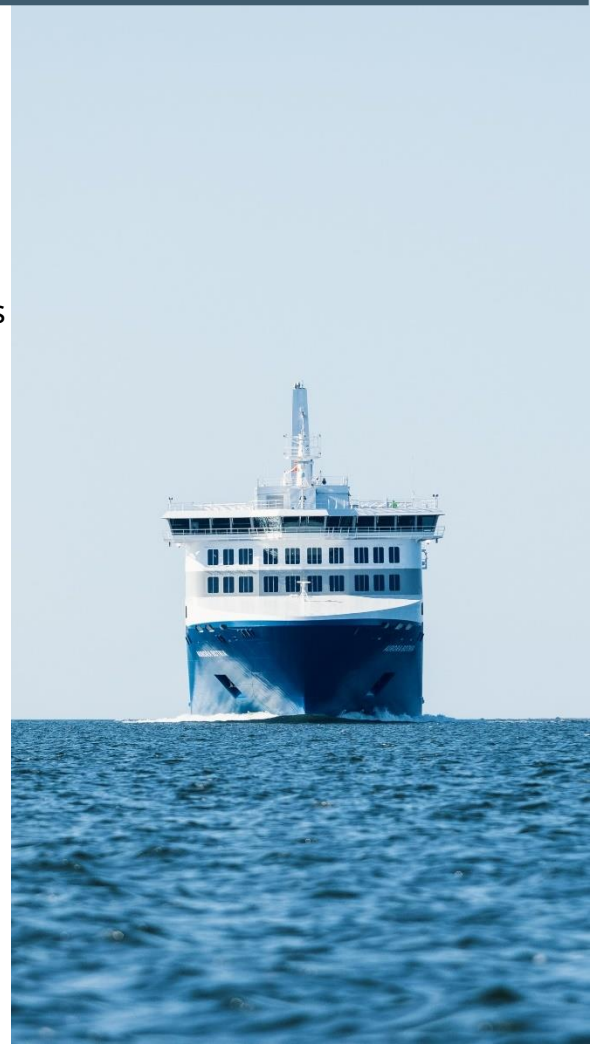
Market fundamentals

MARINE will move with unprecedented speed towards decarbonisation

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

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

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



ENERGY is moving towards a 100% renewables future

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

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

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

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

Our value creation potential is based on two strategic themes

1 TRANSFORM

Decarbonisation creates new business opportunities

2 PERFORM

On a path to deliver the set targets

Transform

Decarbonisation creates new business opportunities

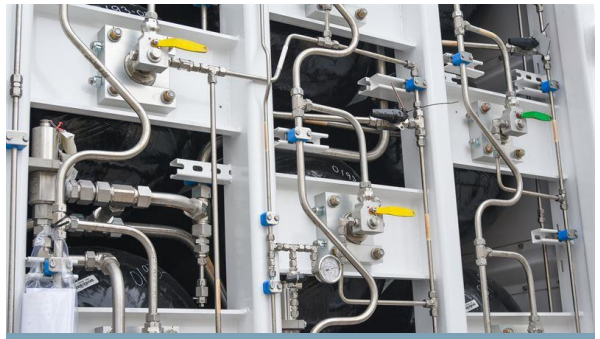
- Maritime is going through an unprecedented rate of change, which is accelerated by regulations and the demand for green transport.
- Also, the energy sector is undergoing a massive transformation as decarbonisation and renewables are fundamentally going to change the way energy is generated.
- We are set for performance and have significant value creation potential to drive this transformation as a technology leader.

1 Gas fuelled engines to provide balancing power for a new 100 MW power plant in Japan

2 Supplying the world's largest solar-plus storage project portfolio in the US

3 Launch of the new Wärtsilä 32 methanol engine

5 Wärtsilä builds major plant for the production of REEFUEL, climate-neutral Bio-LNG



6 Successful hydrogen blending tests in a power plant

7 Hybrid propulsion systems for world's largest hybrid vessels

Perform

On a path to deliver the set targets

#1-3 in global markets

FINANCIAL TARGETS:
- 5% annual organic growth
- 12% operating margin

"SET FOR 30"
DECARBONISATION TARGETS:
- carbon neutral in our own operations by 2030
- a product portfolio ready for zero carbon fuels 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 performance-based agreements

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

Wärtsilä key figures by reporting segments

Marine Power

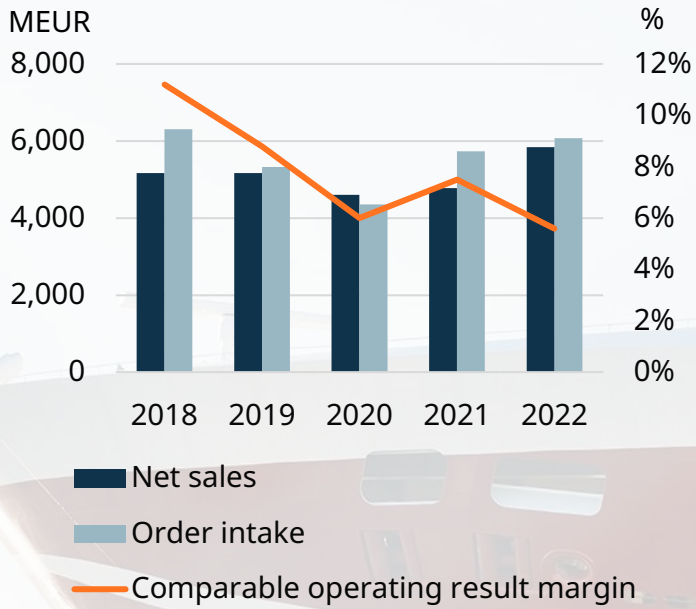
Our offering of engines, propulsion systems, hybrid technologies and integrated power transmission systems and related services support our customers in moving towards carbon neutrality.

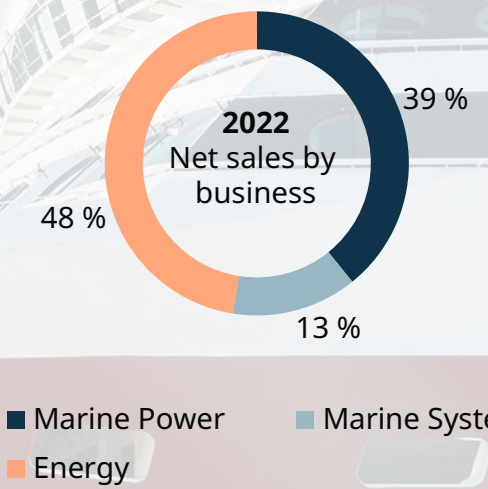
Marine Systems

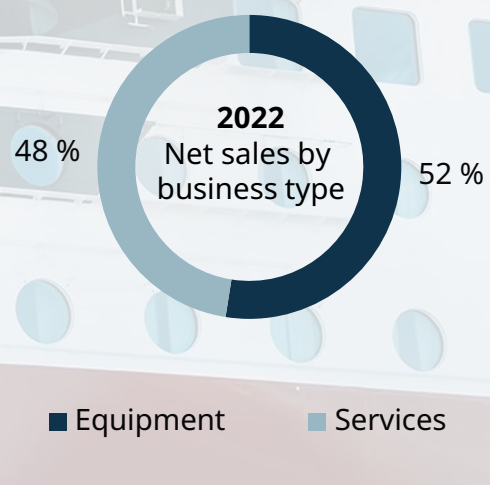
We offer our customers high quality products and lifecycle services related to the gas value chain, exhaust treatment, shaft line, underwater repair and electrical integrations.

Energy

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

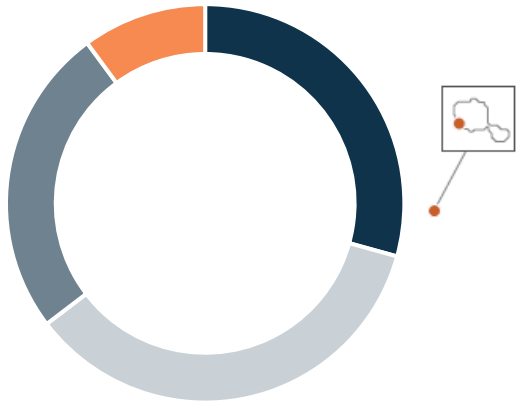




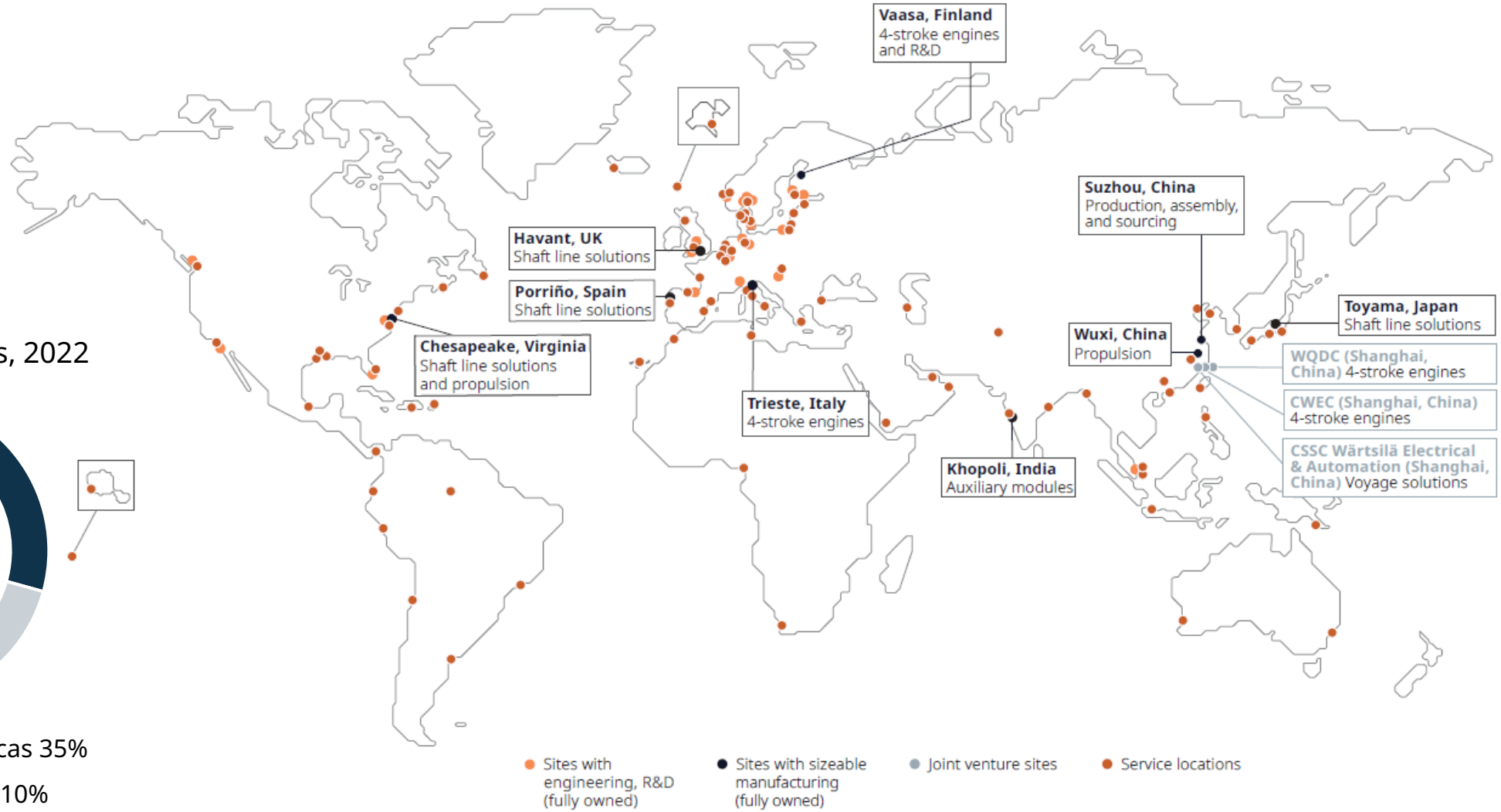


Wärtsilä's position as a global company is reflected in the geographical breakdown of our net sales

Geographical net sales, 2022



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



Financials

Financial targets reflect growth opportunities and increased profitability

	Targets
Net sales	**5%** annual organic growth
Profitability	**12%** operating margin
Capital structure	Gearing **below 0.50**
Dividend	**At least 50%** of earnings

Good growth opportunities in services, energy, and marine new build recovery. Our installed base provides a strong foundation for services growth

Starting point:
Net sales 4,401 MEUR
(LTM Q3/2021)

Key drivers

Storage ⊕⊕⊕

- Fast growing demand for energy storage and power system optimisation solutions

Services ⊕⊕

- Increased share of wallet from existing customers
- Deeper penetration of installed base
- Decarbonisation retrofits
- New business models

Thermal balancing ⊕⊕

- Increased demand due to coal shut-downs
- Thermal balancing power complementing energy storage

Marine new build market recovery ⊕

- Cruise & Ferry and Special Vessel segments in particular

Target:
5% annual organic growth

Limited additional CAPEX needed to facilitate the growth

Source: CMD 2021

We will reach our profitability target while maintaining R&D investments at ~3% of net sales

Starting point:
Operating margin 5.9%
(LTM Q3/2021)

Key drivers

- Marine and Energy Services growth ⊕ ⊕ ⊕
- Thermal balancing power growth ⊕ ⊕
- Storage growth ⊕
- Voyage turnaround and digital growth ⊕
- Pricing ⊕
- Continuous improvement >0% ⊕
- Cost inflation ⊖

Target:
12% operating margin

Limited additional CAPEX needed to facilitate the growth

Source: CMD 2021

Profitability drivers for 2023

+ Supporting drivers

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

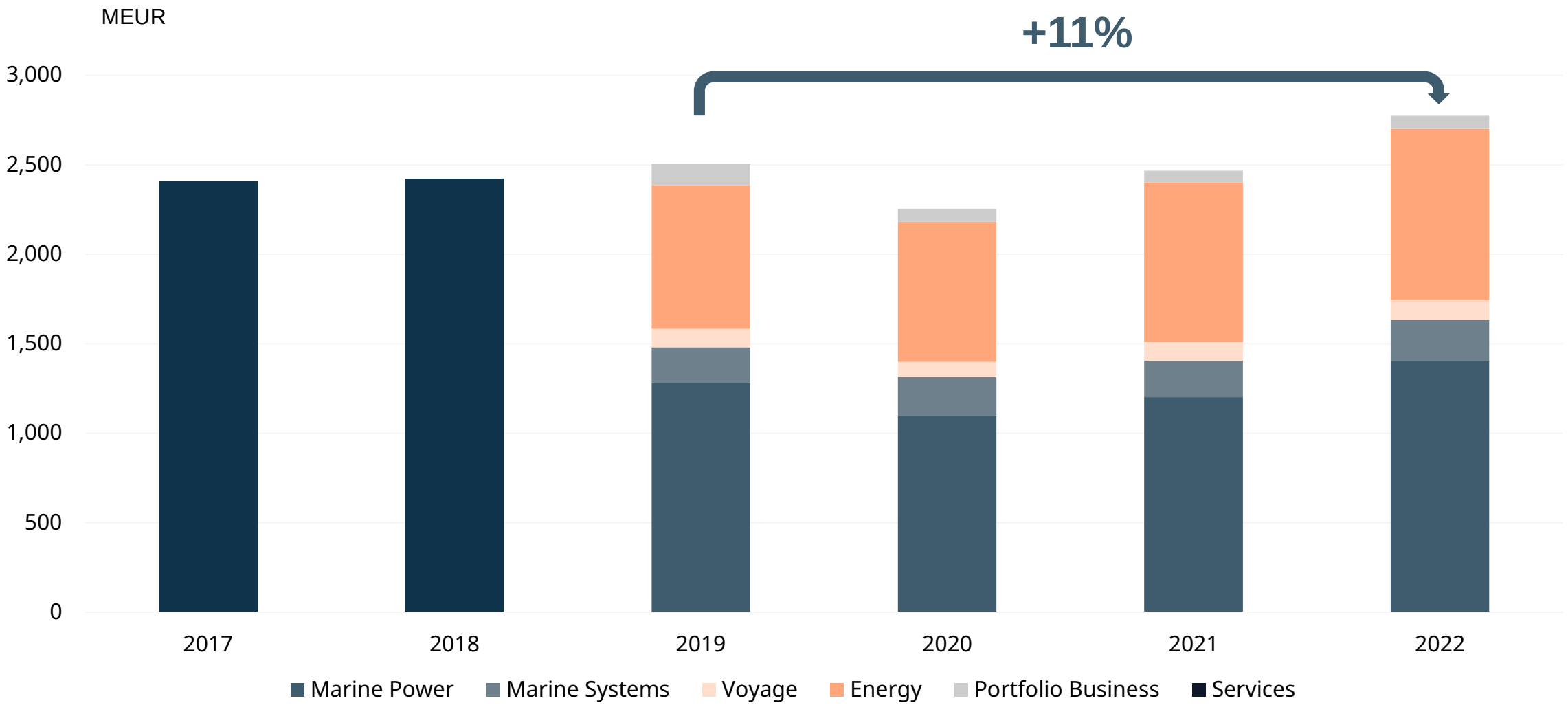
+ / - Uncertainties

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

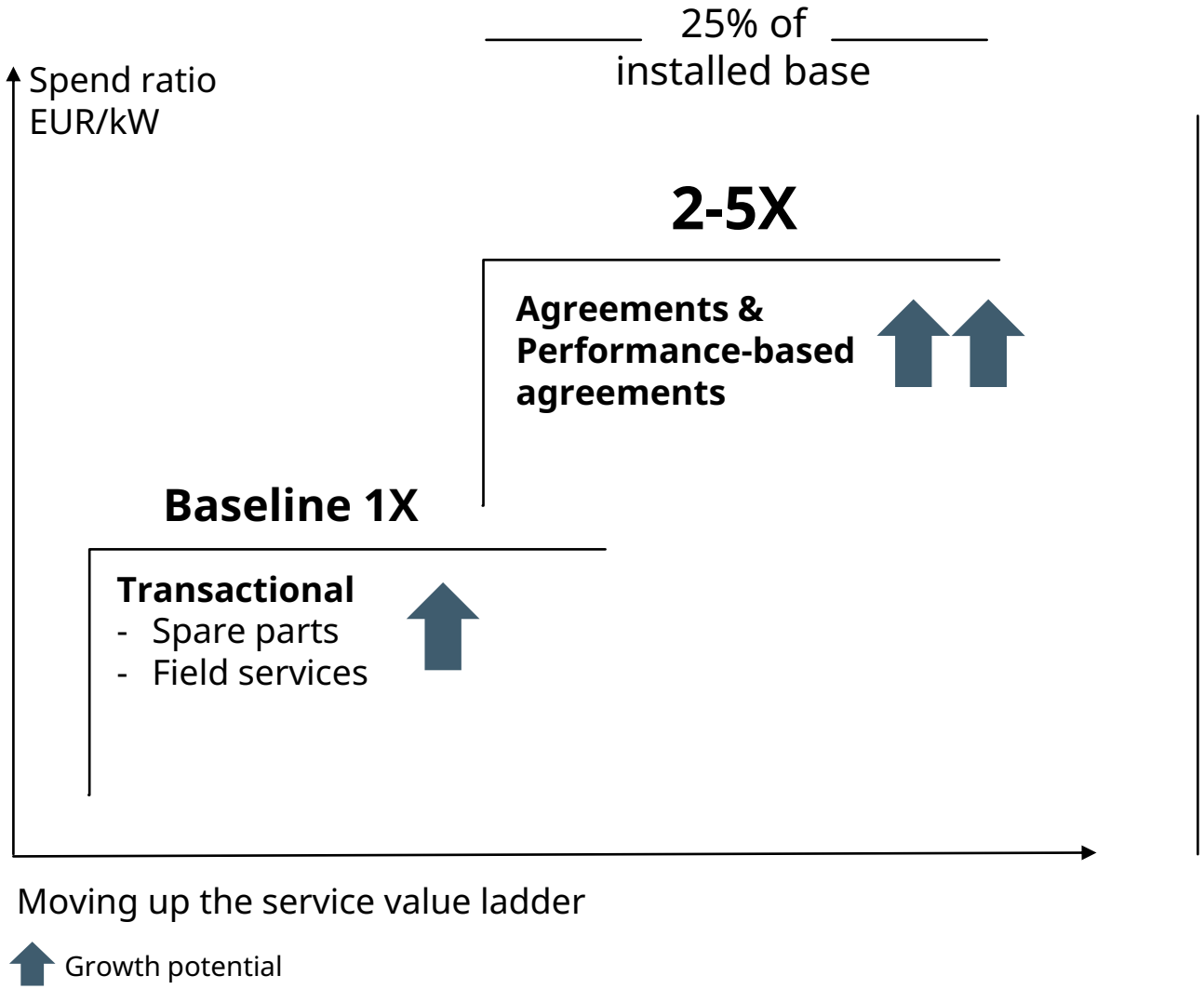
- Negative factors

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

Service net sales by business



Performance-based agreements have significant growth potential, both in Marine and Energy



Enablers for growth

- **Optimised asset performance for our customers**
- **Leveraging connectivity, big data, machine learning and extensive service network**
- **Successful experience from several projects in Marine and Energy**

Marine highlights

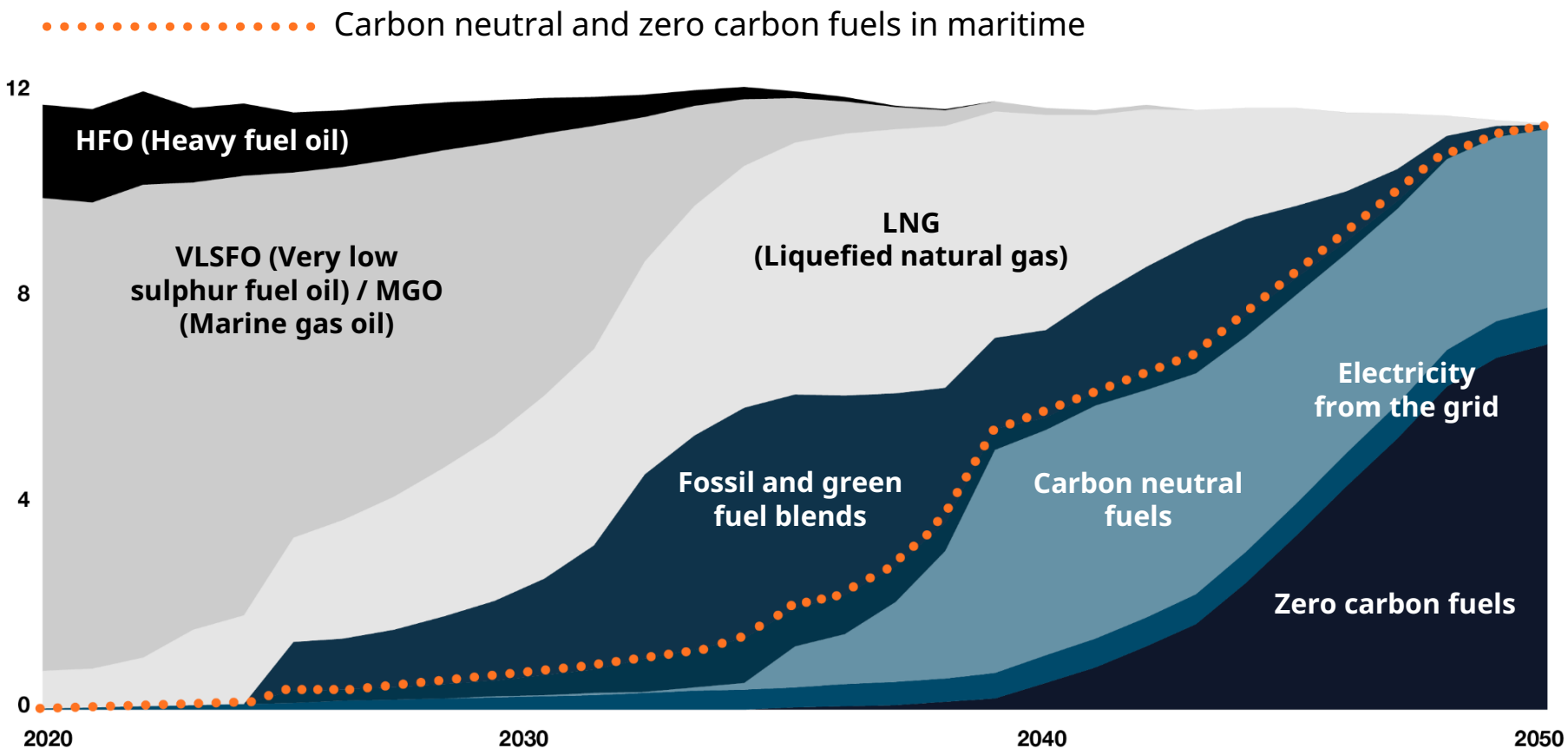
Supporting decarbonisation in marine

Owners will decide on technology partners now:

- Vessel life is 25-30 years
- Critical decision criteria:
  - Multifuel capabilities for blending with green fuels
  - Conversion capabilities for future fuels

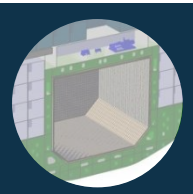
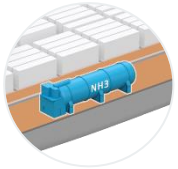
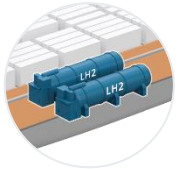
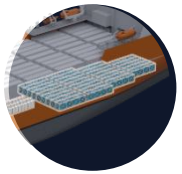
Move from a single-fuel industry to a multi-fuel one

Distribution of fuel types for Decarbonisation 2050 (1.5°C scenario), exajoule



Source: DNV Maritime Forecast 2050 model, Wärtsilä internal estimates

Fuel conversions will play a vital role in the fuel transition for both existing and new vessels built during this and next decade. Fuel selection impacts the vessel structure

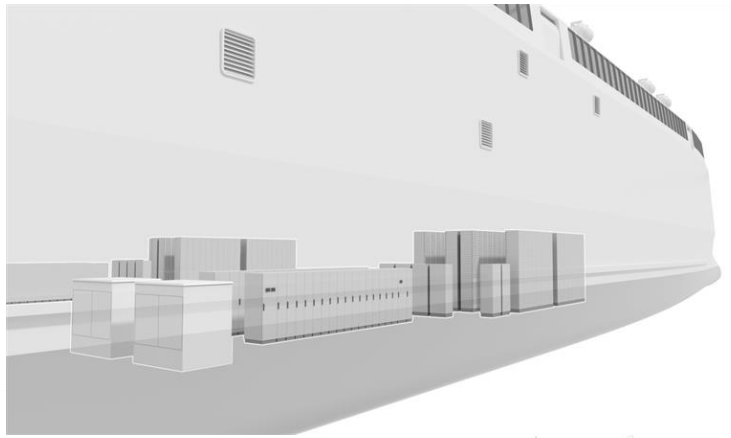
Fuel type	 **Heavy Fuel Oil** @ 20°C	 **Liquified Natural Gas** @ -162°C	 **Methanol** @ 20°C	 **Ammonia** @ -33°C	 **Liquid Hydrogen** @ -253°C	 **Compressed Hydrogen** @350bar	 **Marine Battery Rack**
Key considerations	▪ Standard tank arrangement	▪ Cryogenic system	▪ Mildly toxic ▪ Flexible tank arrangement	▪ Toxic ▪ Corrosive	▪ Highly reactive ▪ Cryo system	▪ High pressure ▪ Multiple tanks arrangement	▪ Marine adaptation reduces density
Fuel price factor (per GJ)	1X	0.7X	2.2X-5.4X [2)]	2.2X-4.5X [3)]	2.7X-4.5X [3)]	1.6X-2.6X [3)]	1.3X-2.3X
	Production cost estimate 2025 [1)]						
Gross tank size factor	1X [4)]	2.4X	1.7X	3.9X	7.3X	19.5X	~40X (future potential ~20X)

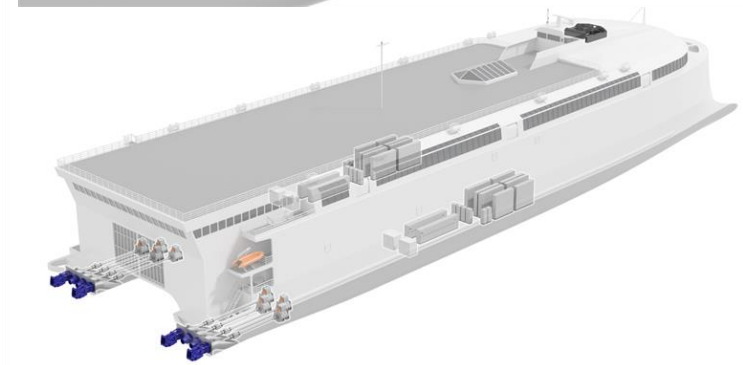
1) Sources: Maersk Mc-Kinney Møller Center for Zero Carbon Shipping – Industry transition strategy 2021, Wärtsilä-DNV collaboration; 2) fuel price for e-methane is expected to be in a range similar to e-methanol; 3) fuel price range spans across blue, bio and green-electro equivalent; 4) gross tank estimations based on Wärtsilä experience

Wärtsilä Hybrid Market Position

We are maintaining our market leadership in Hybrid Systems

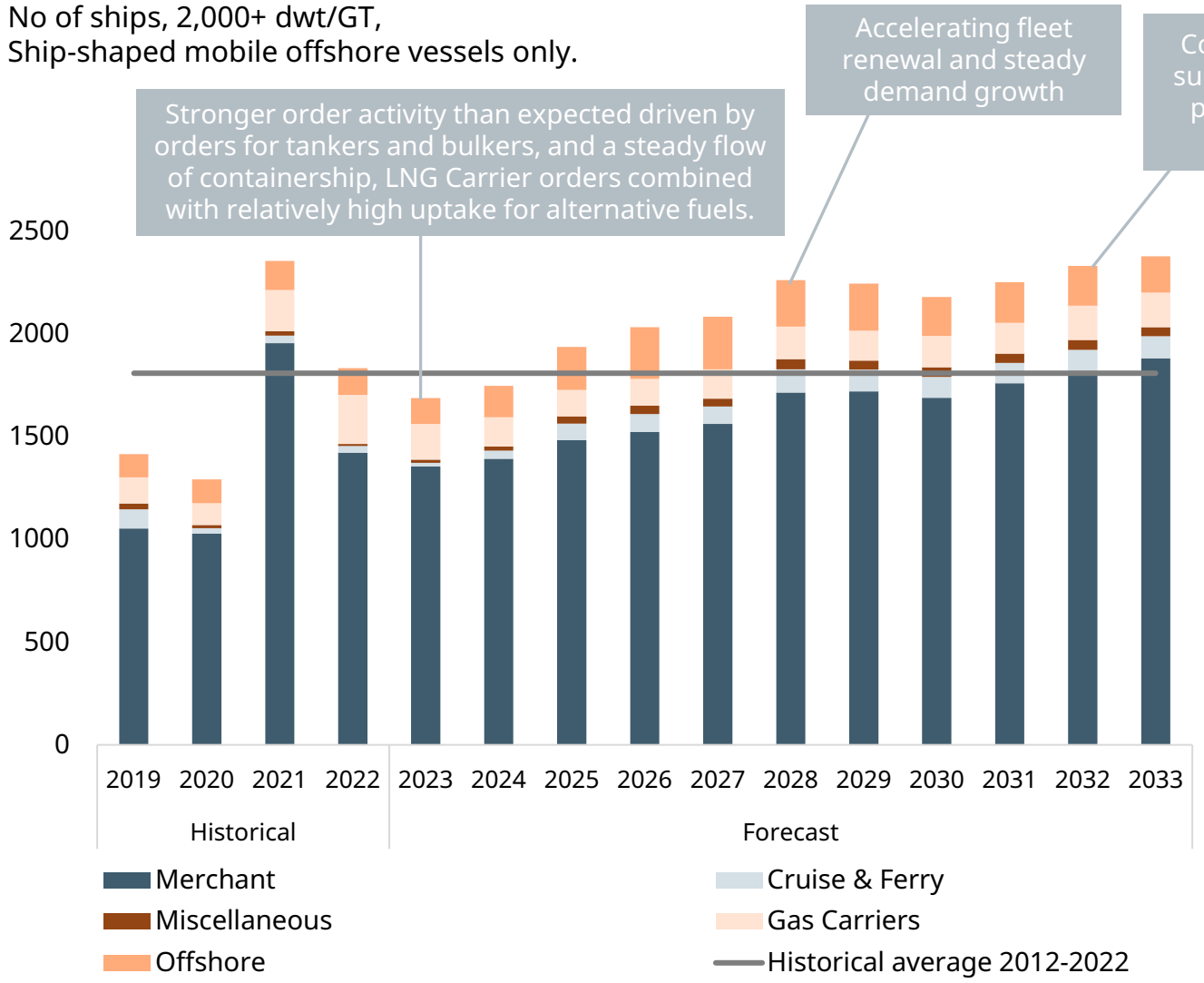
- Number of hybrid vessels on order and in operation is ~81 vessels with 115MWh batteries
- Our current market share is 26% for engine-battery hybrid marine projects
- Further growth expected in future years as hybridisation is seen as key enabler for marine decarbonisation
- One proof point of our ability to support our customers' environmental targets is the announced order for Wärtsilä to power the biggest battery electric ship ever built with its battery electric propulsion system and waterjets
  - The vessel is a new ferry being built by Incat Tasmania and has been ordered by Incat's long-term South American customer, Buquebús
  - With an overall length of 130 metres, the ferry will be the largest ever vessel of its type. It will also be the world's first zero emissions, lightweight catamaran
  - The vessel will be fully battery powered, with e-motor driven Wärtsilä waterjets as the main propulsors. The battery modules and energy storage system package is four times larger than on any electric/hybrid ship currently operating
  - The order with Wärtsilä was booked in July 2023





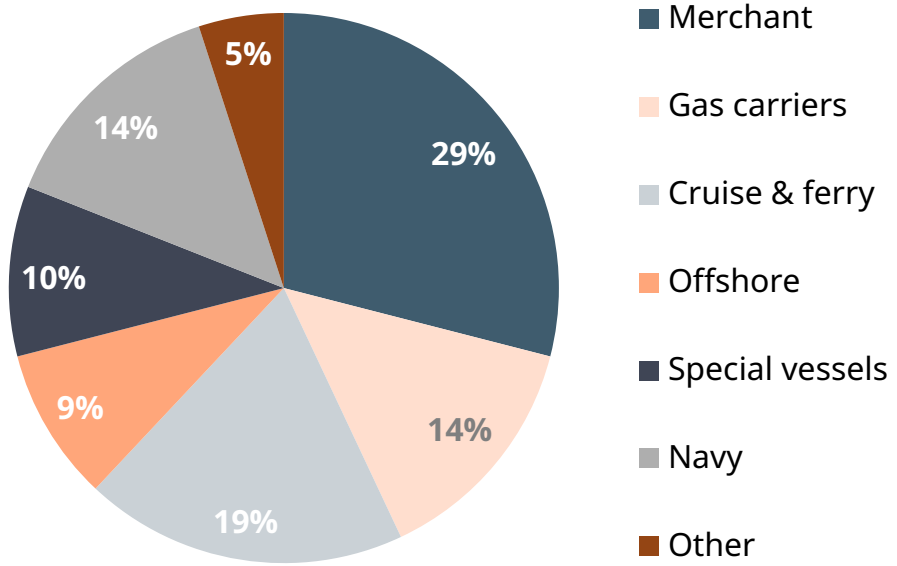
Vessel contracting forecast

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



Source: Clarksons Research, September 2023

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

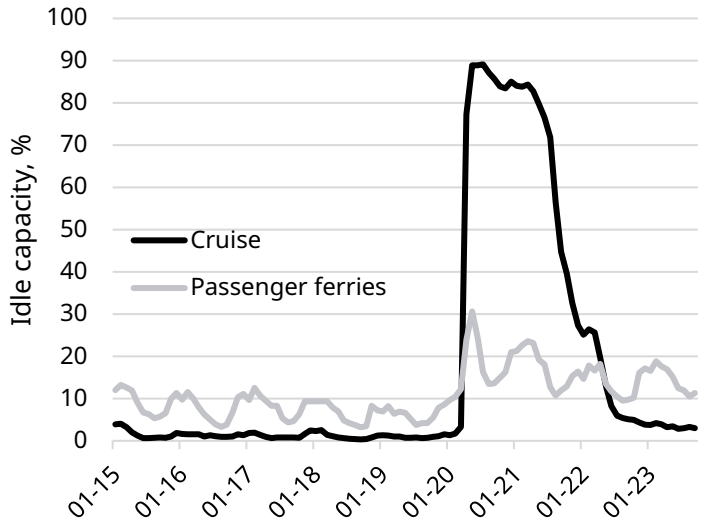


Includes both orders for equipment and services. The vessel types included in Merchant segment are bulk carriers, cargo-, container-, and RoRo vessels as well as tankers. The vessel types included in Special vessel segment are dredgers, fishing-, inland-, and service vessels as well as tugs.

Vessel utilisation rates driving Wärtsilä's service business

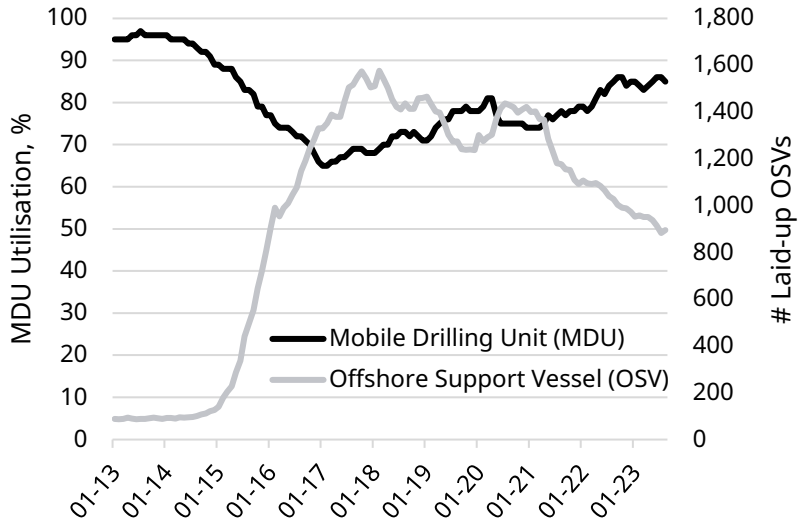
Typically, there is some delay between changes in utilisation rate and Wärtsilä service net sales

Cruise and passenger ferries



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

Offshore



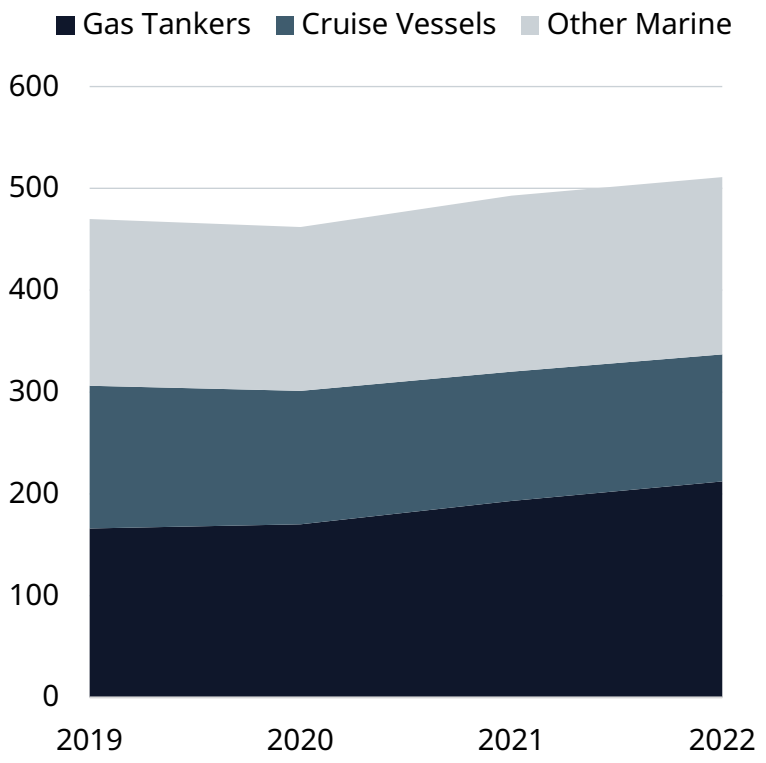
- Marginal increase in utilisation rates for Mobile Drilling Units this year, utilisation rate is projected to increase to 93% by end of 2024
- The number of laid-up OSVs is down by ~6% since start of 2023. The number of active OSVs is expected to grow by 5% in 2024

Source: Clarksons Research, September 2023

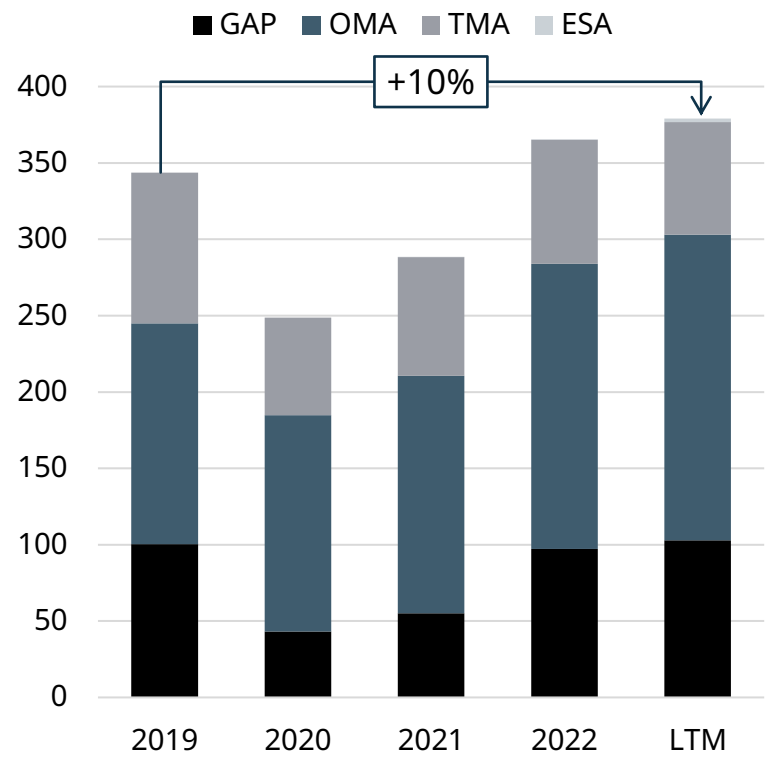
Using slow steaming to manage active fleet capacity and/or to limit emissions will require more active capacity on the water, driving up the utilisation rate of existing fleet and eventually lead to demand for further vessel capacity, leading to higher demand for services

The share of installations under agreement is expanding faster than the installed base organic growth rate

Number of vessels under agreement



2022 sales to vessels under agreement, MEUR[1)]

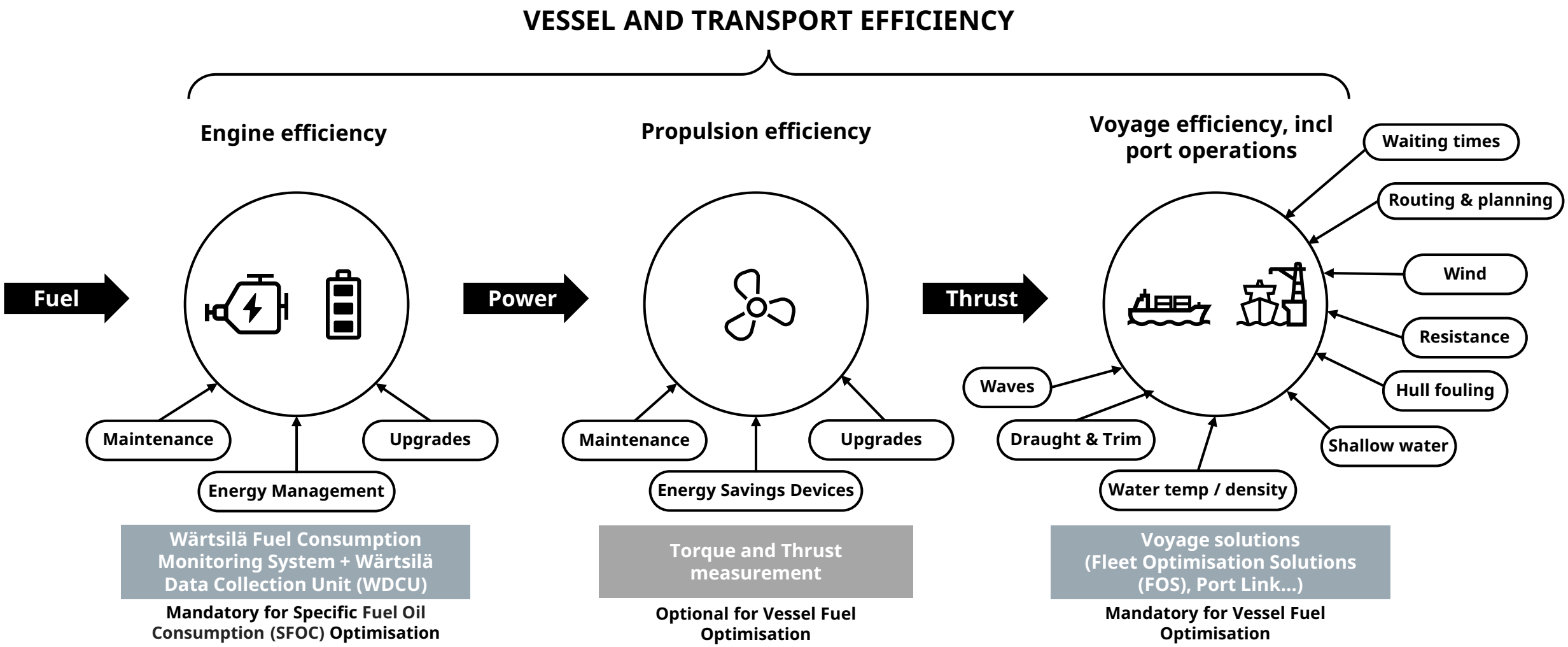


Key considerations

- 29% of our engine installed base is under agreement[2)]
- Sales to agreement installations grew by 10% compared to pre-Covid levels
- 27% of sales to installations under agreement in 2022 were linked to guaranteed asset performance agreements
- Agreements are signed across multiple segments; LNG carriers fleet under agreement grew by 28% in past 4 years, while cruise slightly declined due to Covid-driven scrapping and ownership changes

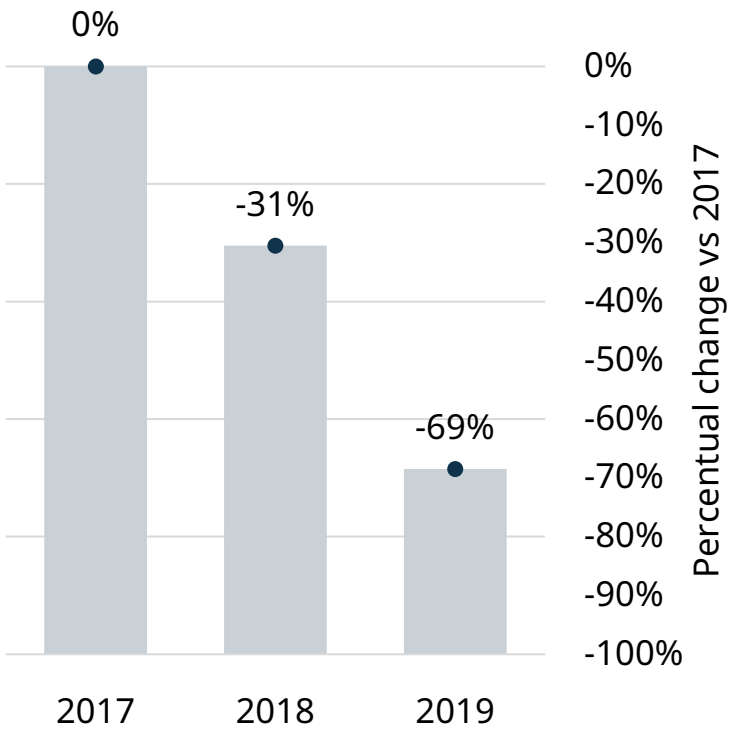
1) Only 4-stroke service sales to engines under agreement considered, including field services and spare parts out of the agreement scope; ESA = Enhanced support agreement, TMA = Technical management agreement, OMA = Optimised maintenance agreement, GAP = Guaranteed Asset Performance agreement; 2) Defined as Wärtsilä 4-stroke engine MW under agreement

Together we can create unique customer value and drive decarbonisation of marine



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

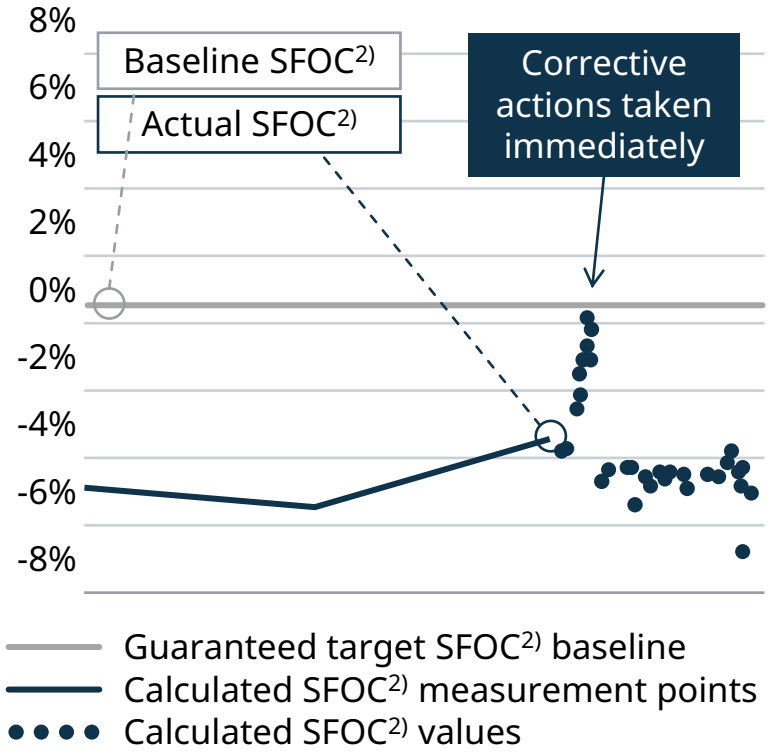
Decreased customer's costs of unscheduled maintenance with Wärtsilä Expert Insight[1)]



Advanced analytics combined with OEM expertise enhance customer value

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

Continuous measurement enables prediction and fast and proactive actions

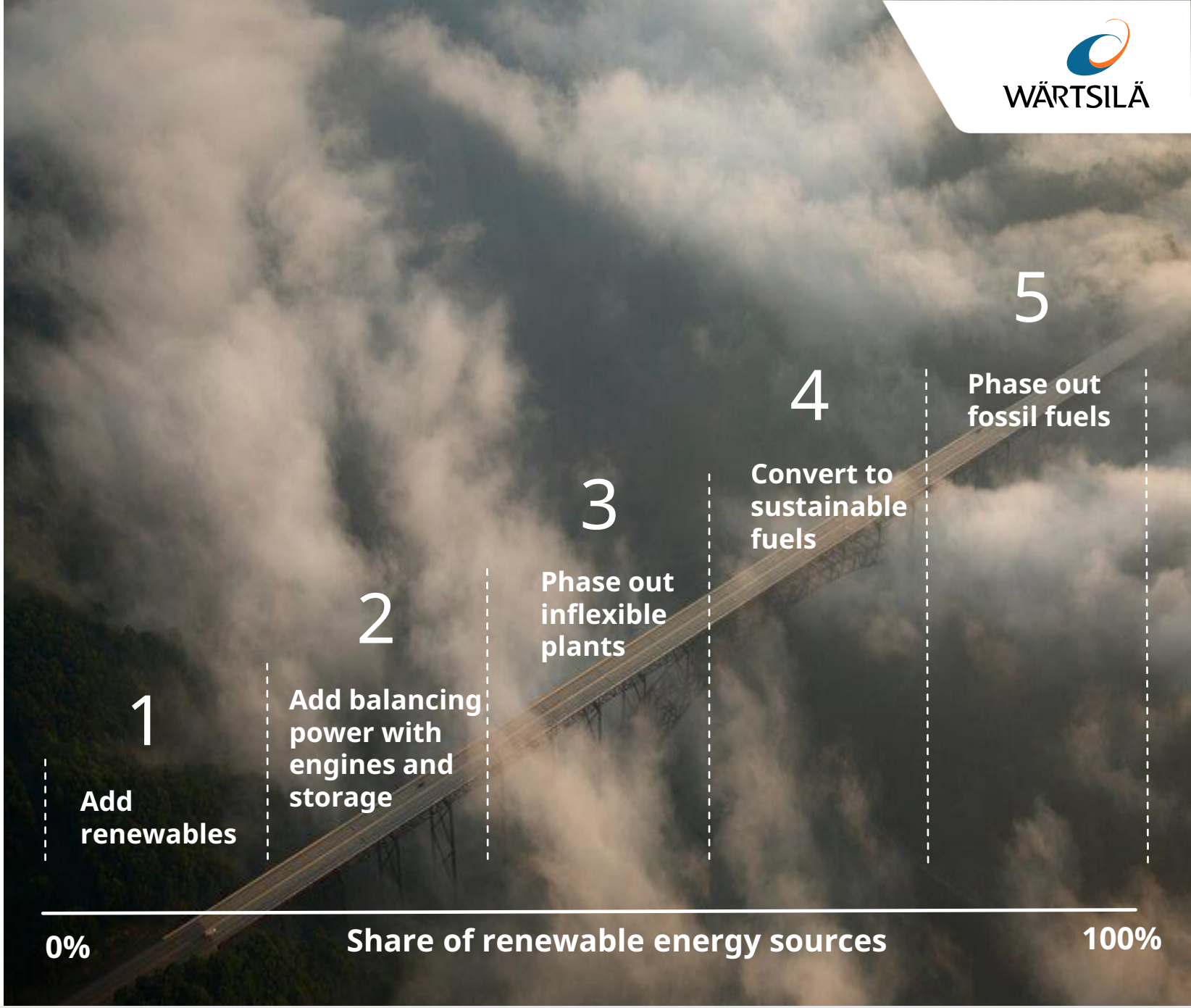


1) Based on data from 54 LNG Carriers with Expert Insight; 2) SFOC = Specific Fuel Oil Consumption

Energy highlights

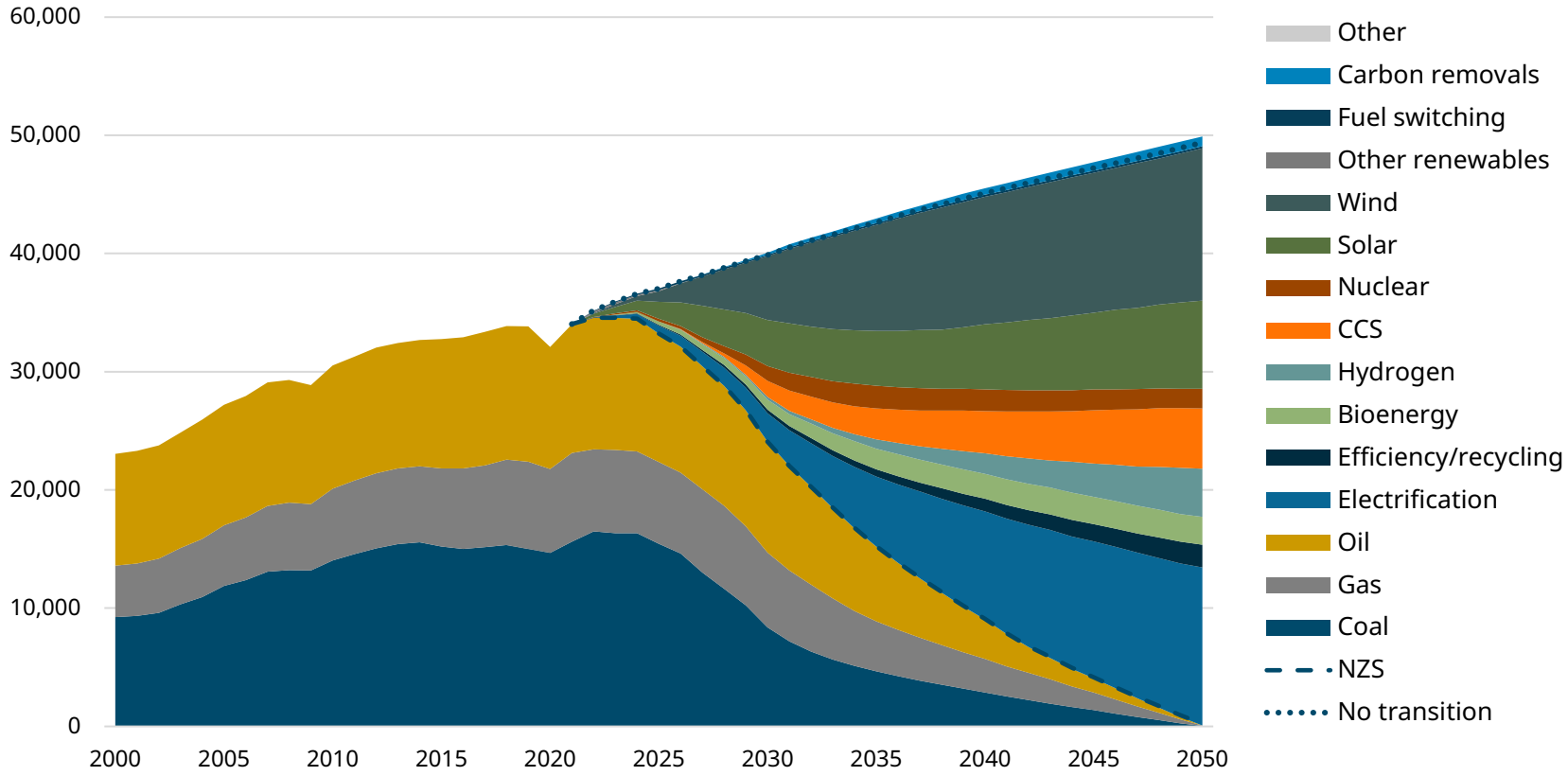
Supporting decarbonisation in Energy

- Wind and solar are intermittent power sources
- Flexible balancing power needed to stabilize the power system: balancing power market expected to grow by 10X [1)]
- Reciprocating engines ideally suited to provide balancing power
  - Energy efficient
  - Fast ramp up/ramp down
  - Fuel flexible
- Today running on gas, tomorrow on green fuels



1) by 2030. Source: Bloomberg New Energy Outlook 2020, Wärtsilä estimates

Renewable energy plays a key role in energy sector emissions abatement



Source: BloombergNEF New Energy Outlook 2022

Estimated growth of the addressable annual markets of thermal balancing (GW) and energy storage (GWh) 2020–2030:

+30% p.a.

Source: BloombergNEF New Energy Outlook 2022, Wärtsilä estimates at Capital Markets Day 2021

Wärtsilä Energy Storage competitive advantages

Our key differentiators

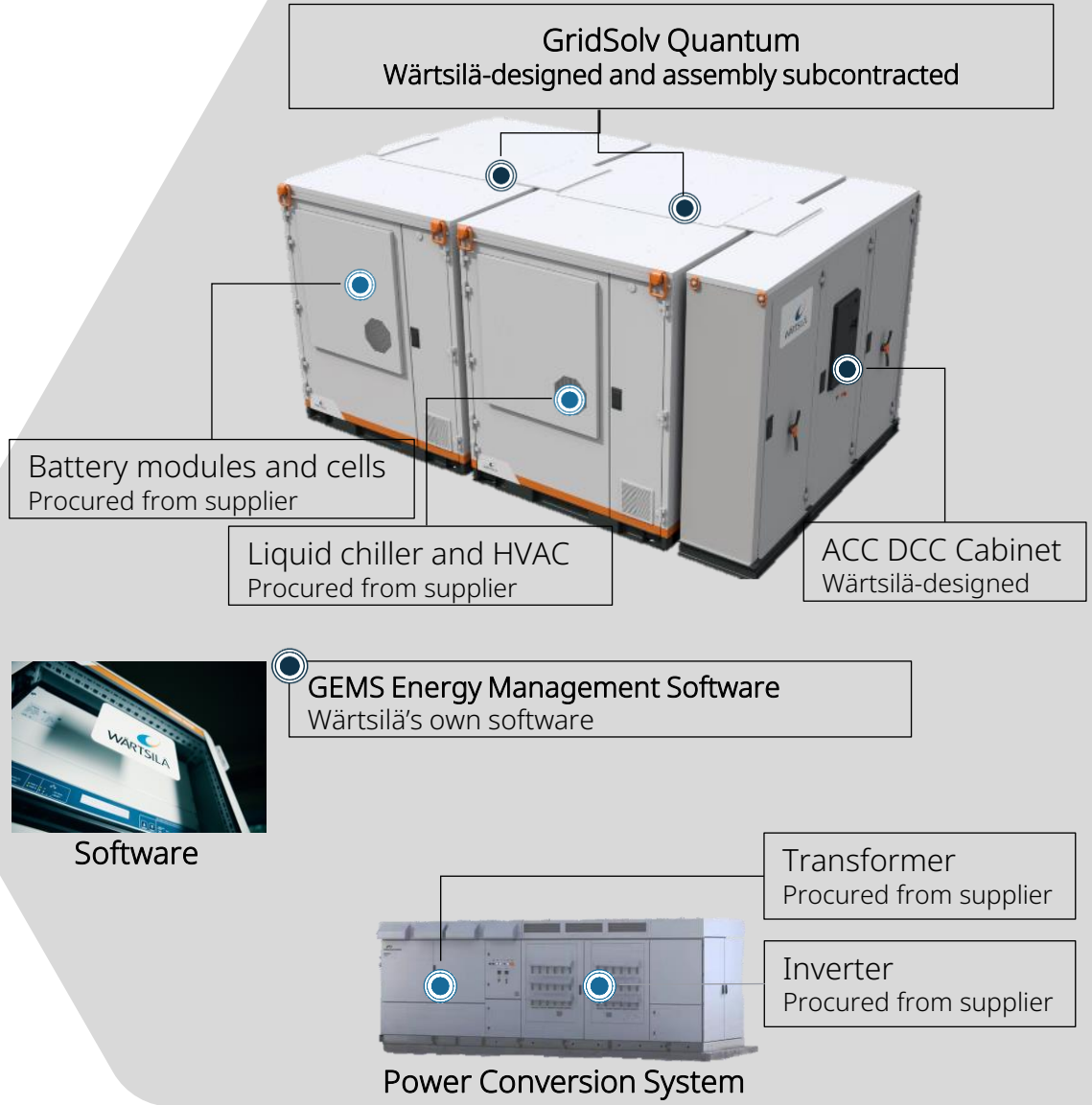
- **Integration and scalability**: Wärtsilä's GridSolv Quantum is a fully-integrated energy storage solution. Its modular and scalable design enables ease of deployment and optimisation. It integrates storage to other energy assets and to the electricity grid to ensure full utilisation of storage benefits.
- **Reliability and maturity**: Wärtsilä combines 15+ years of proprietary software leadership, top-tier battery energy storage systems, and extensive power sector experience in project execution in all key markets. We are a leading player in storage integrator space globally, with a wide services network and +3.6 GW/+9.1 GWh of deployed and contracted projects to-date.
- **Safety:** Wärtsilä's ESS is designed to meet stringent safety and quality standards (including UL certification for fire safety)
  - GridSolv Quantum qualify under the 2023 revision of NFPA 855 and is also compliant with NFPA 69 and certified to **UL 9540** and **UL 9540A** unit-level performance requirements
  - GEMS Energy Management Software qualify **IEC-62443** Cybersecurity Certification
- **GEMS and bankability:** With smart optimisation software and complex renewables and grid integration capabilities, our solution ensures the lowest lifecycle costs, the smallest system footprint and new revenue opportunities for our customers – to fully optimise on industry price volatility and demanding transitions in energy.

Wärtsilä Energy Storage offering

Our role in the value chain

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

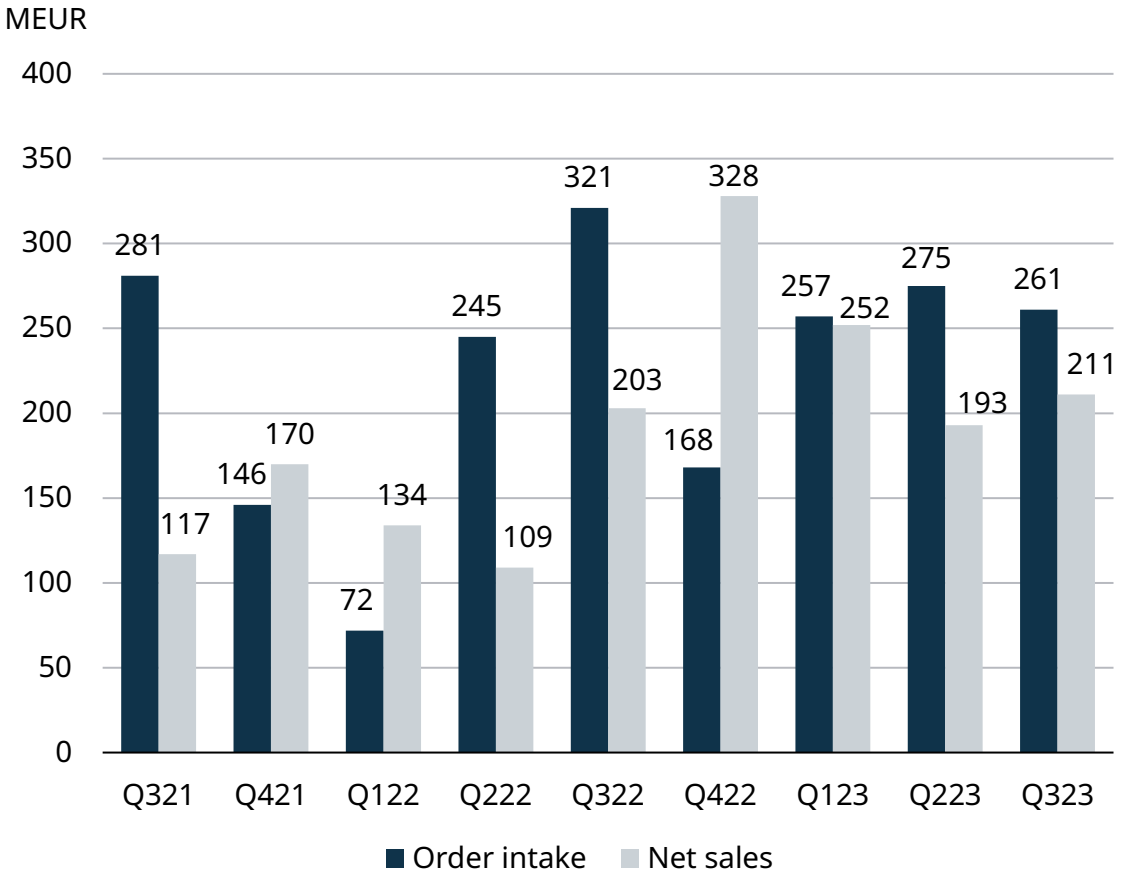
1. **Wärtsilä's energy storage hardware** integrates battery modules, Battery Management System and Power Conversion System to a Wärtsilä-designed GridSolv enclosure to offer a complete energy storage system (ESS) to our customers.
2. Our project execution team manages **full installation and integration**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



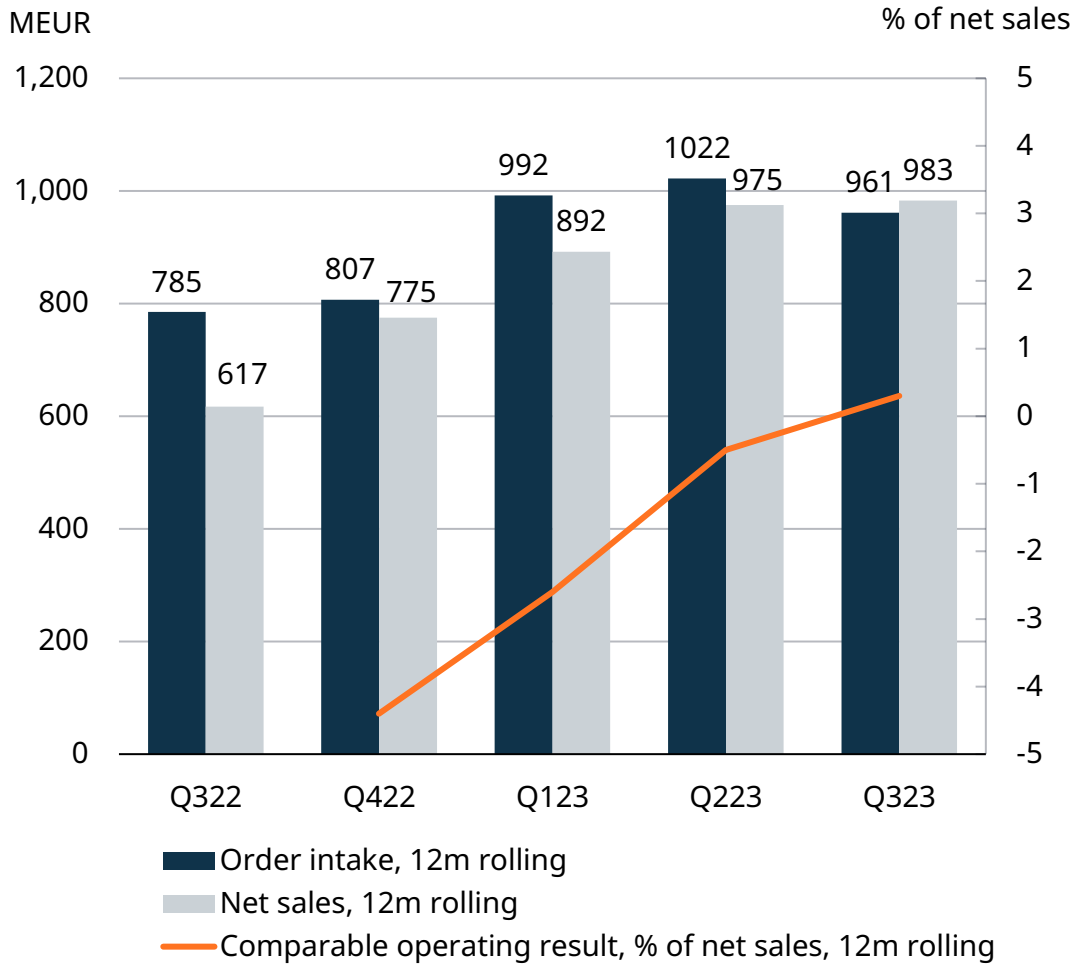
Energy storage: Comparable operating result margin (12m rolling) positive

Profitability improving

Quarterly development



Rolling 12 months development

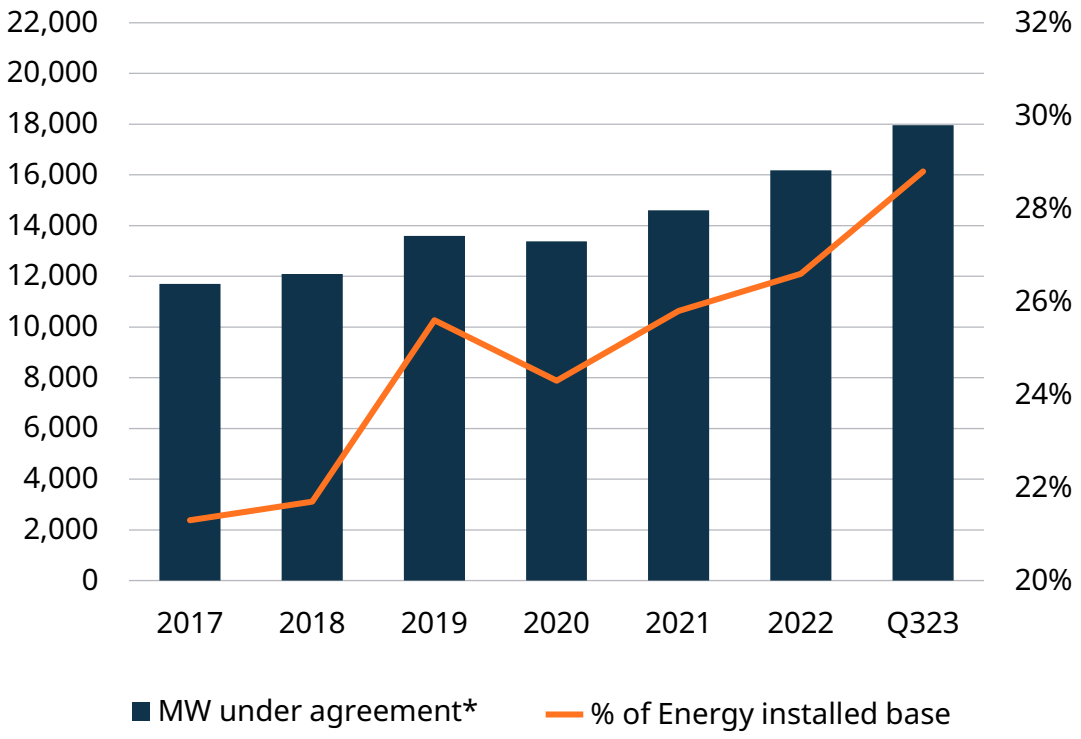


Initiating a strategic review of Energy Storage & Optimisation (ES&O) business

- Wärtsilä Board of Directors have initiated a strategic review to consider options that would support the growth of the ES&O business in a way that benefits its customers, employees and shareholders
- Throughout this process, all potential alternatives will be considered, including different ownership options, potential divestment of the business or other possible strategic alternatives
- We continue to develop and invest in the ES&O business during the strategic review
- We have not set a timetable for the completion of the strategic review, as we want to thoroughly assess all strategic options

31 October 2023

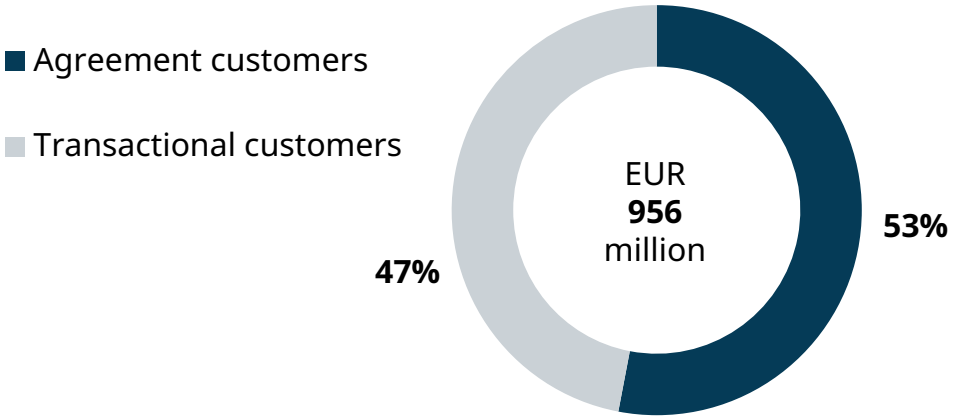
Strategic focus in energy long-term service agreements is resulting in strong agreement coverage growth



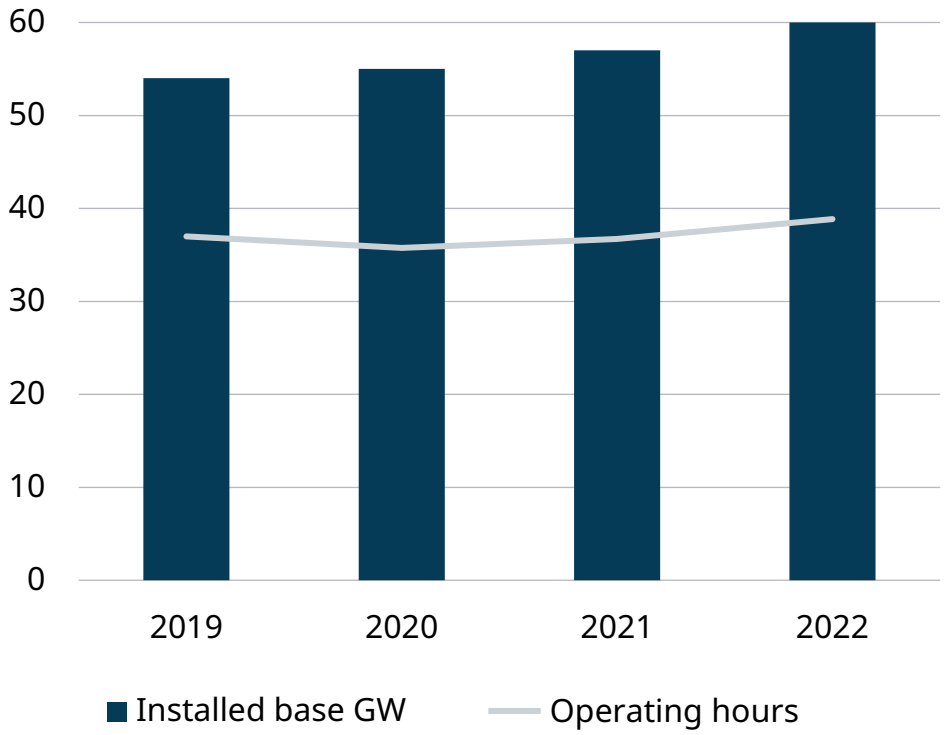
* Includes agreements covering both installed assets and assets to be installed in the future

Significant growth in agreement coverage during 2021 and 2022

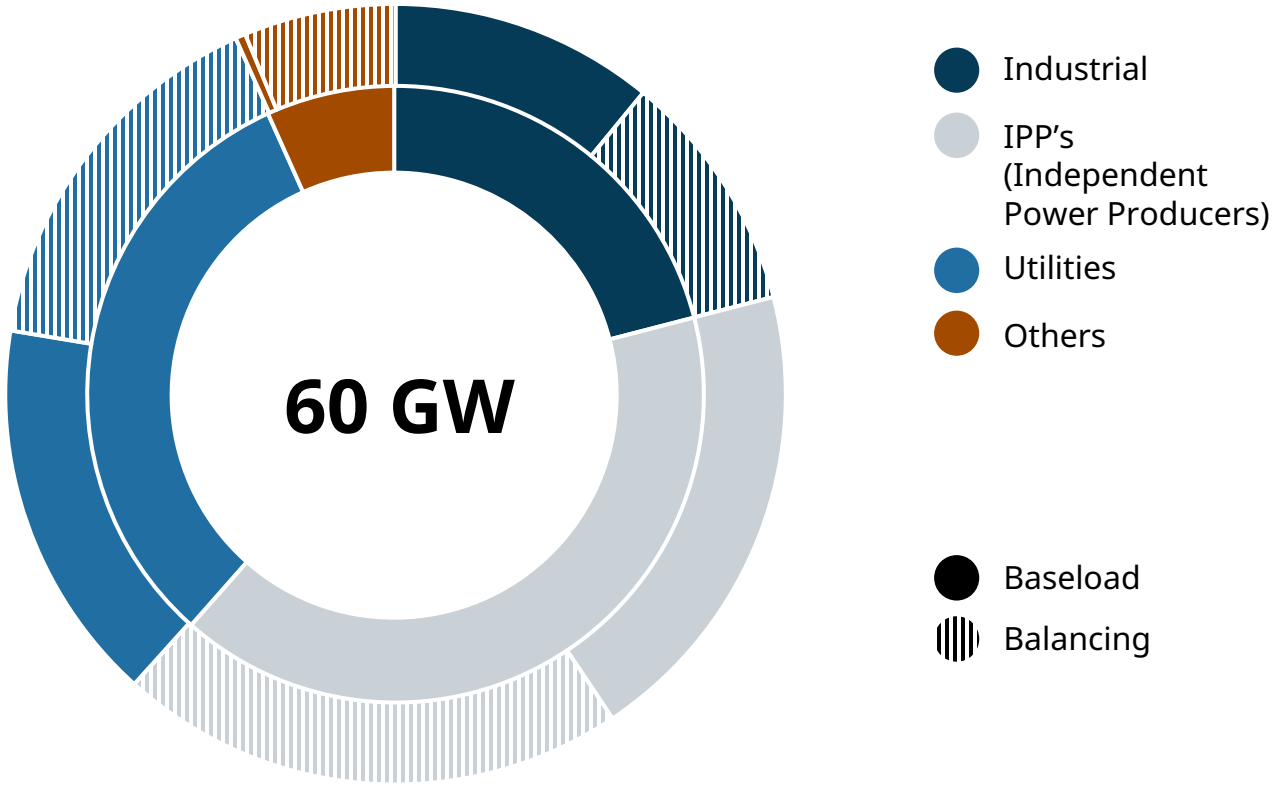
- Converting non-agreement customers to agreement customers resulted in an agreement coverage addition of **>2 GW** during 2020-2022
- High customer satisfaction shown in increasing agreement renewal rates **(>90%)**
- Increased agreement coverage rate on newbuild projects



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



Current running profile of installed base



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

Advantages of Wärtsilä power plants over combined cycle gas turbines

Faster startup time

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

Advantages of modularity

- Combustion engine power plants are comprised of multiple generating units

Better part-load efficiency and flexibility

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

Better pulse-load efficiency and profitability

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

Higher ramp rate

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

Derating due to ambient temperature

- Combustion engines are less sensible to temperature and humidity

Fuel flexibility

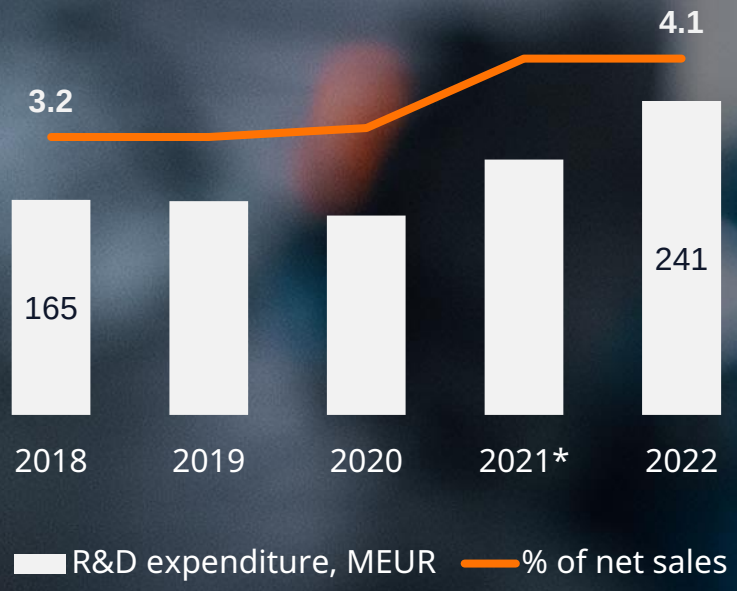
- Gas turbines have reduced availability and output when running on fuel oils

Lower water consumption

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

R&D

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



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

Front-runner in alternative fuel engine technology

Engines

	2021	2022	2023	2024	2025
Diesel					
FAME/HVO[1)]					
LNG					
Bio-methane					
Synthetic methane					
LPG					
Hydrogen blends					
Hydrogen 100%				Technical concept	
Ammonia			Technical concept		
Methanol					

1) FAME, HVO: biodiesel

Q3 development

Improved profitability, strong cash flow and good development in services

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

*LTM comparable operating profit

Good development in key figures

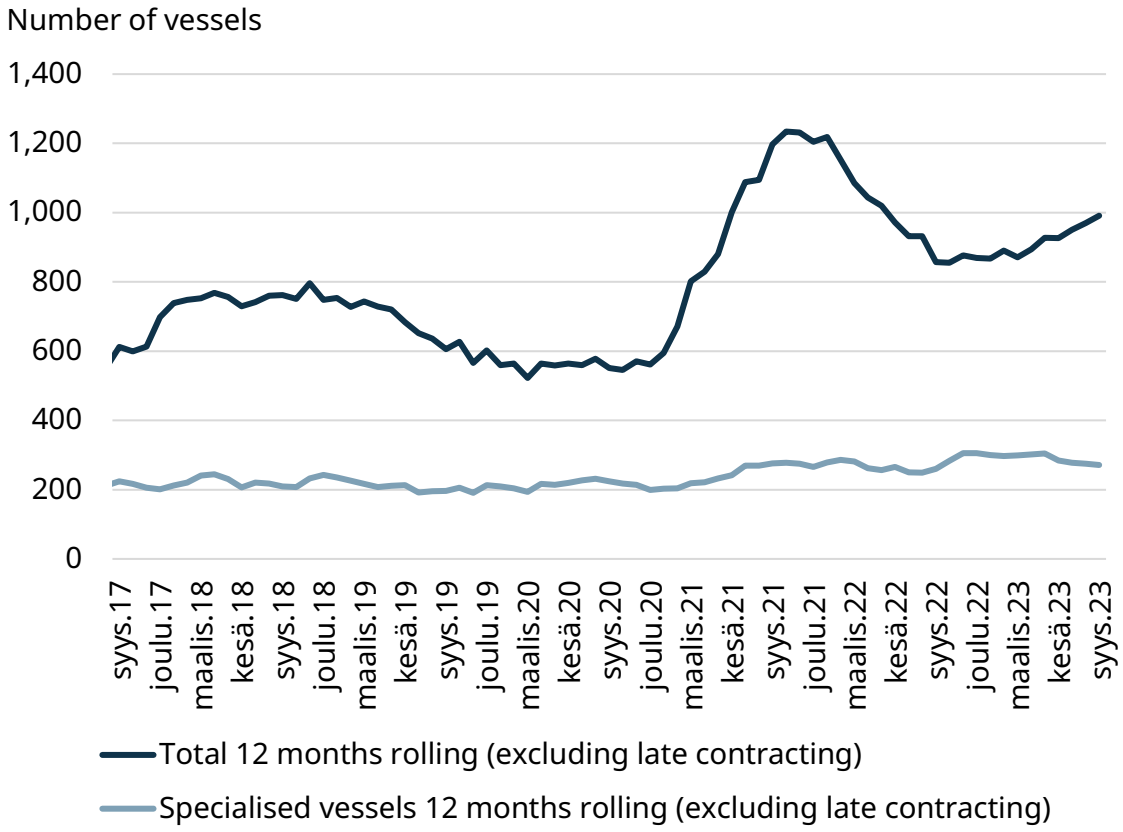
MEUR	7-9/2023	7-9/2022	CHANGE	1-9/2023	1-9/2022	CHANGE
Order intake	**1,787**	1,616	11%	5,214	4,436	18%
of which services	**842**	732	15%	2,644	2,275	16%
of which equipment	**946**	884	7%	2,570	2,161	19%
Order book				6,594	6,229	6%
of which current year deliveries				1,570	1,651	
Net sales	**1,452**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

Marine market sentiment remained positive for Wärtsilä's key segments

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

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

Total and specialised vessel contracting



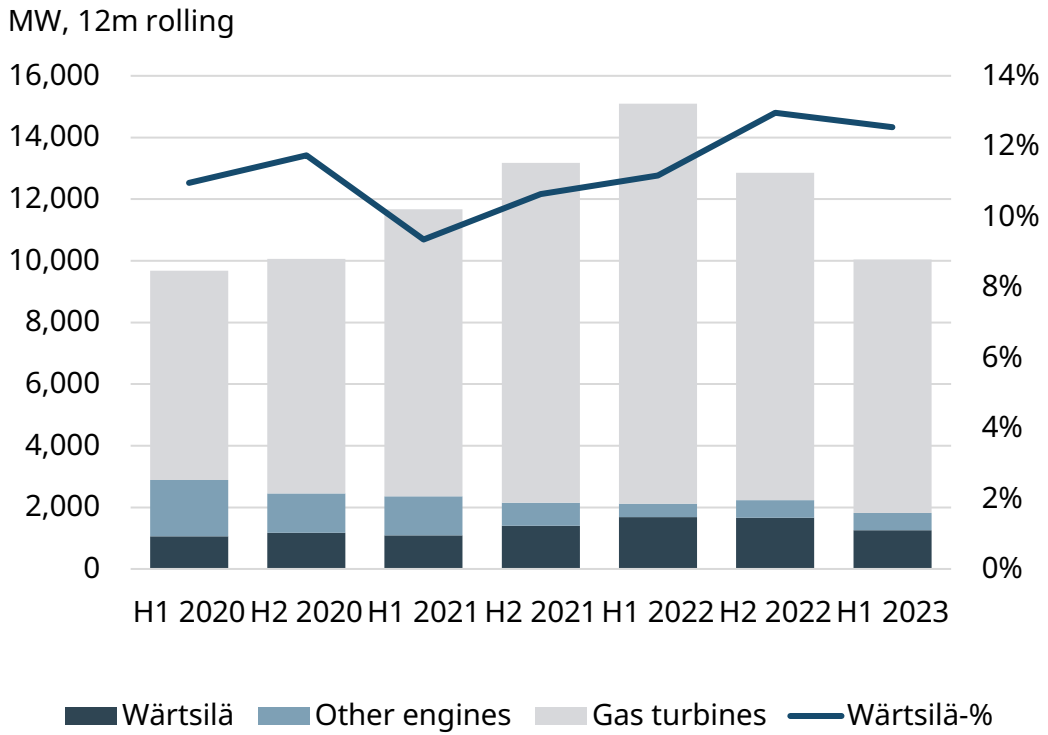
Source: Clarksons Research, 12m rolling contracting as per 6th of October 2023 (+100 gt, excluding late reporting of contracts)
Specialised vessels include LNG carriers, LPG carriers, cruise & ferry, offshore, and special vessels.

Solid long-term opportunities in energy market

Energy transition outlook improving amid fragile global economy

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

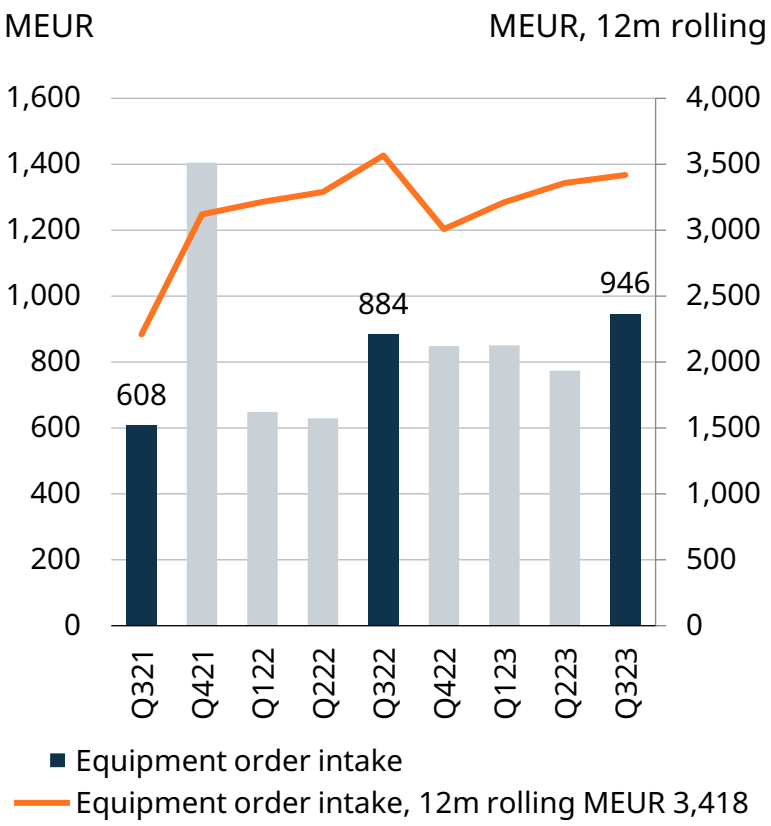
Contracting for gas and liquid fuelled power plants 5-400 MW



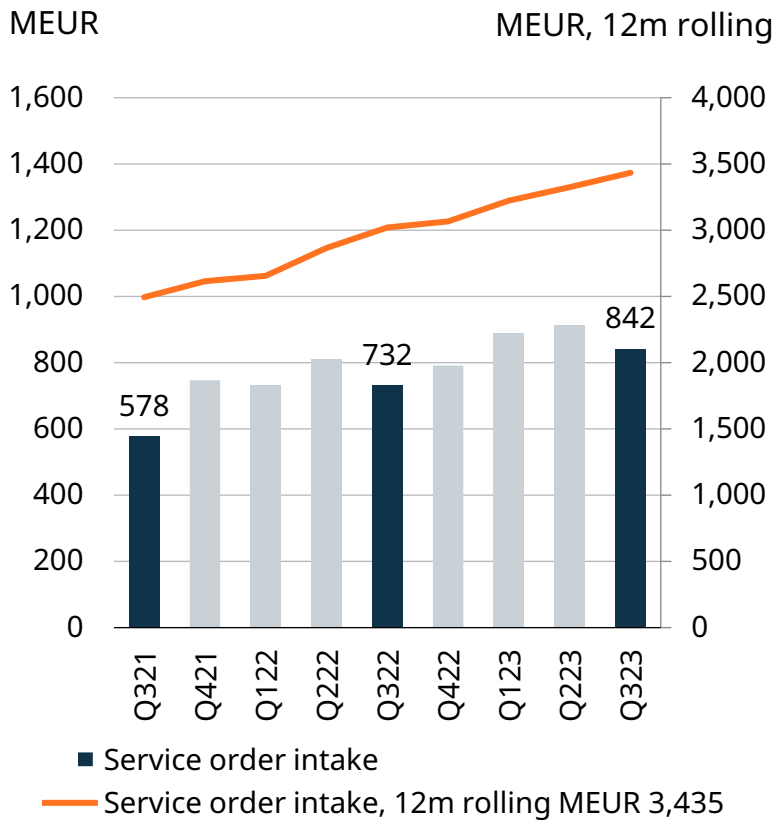
The market data includes prime movers over 5 MW in size in up to 400 MW gas and liquid-fuelled gas turbine plants and engine plants of all sizes. The gas turbine data is gathered from the McCoy Power Report, reported with a one quarter delay due to data availability. Engine data is collected from press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

Order intake increased by 11%

Equipment



Services



Equipment order intake increased by 7%

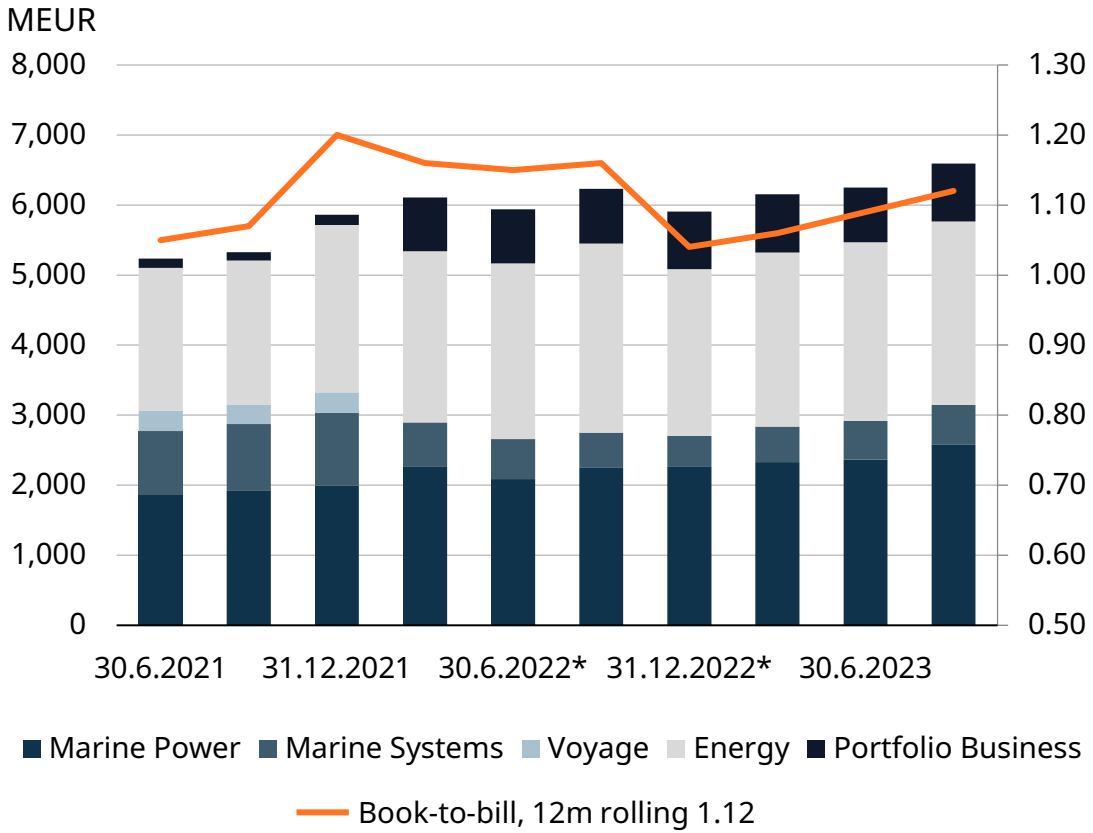
Service order intake increased by 15%

Organic order intake growth 18%

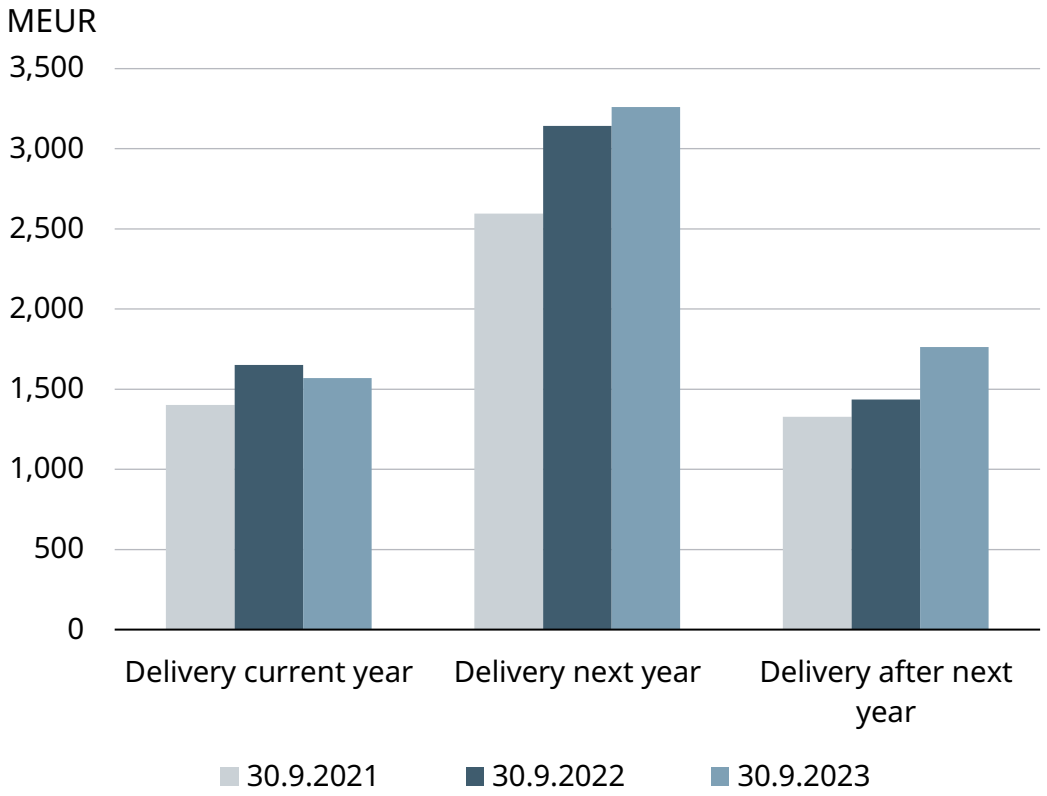
Strong order book, rolling book-to-bill continues to trend up

Remaining order book for the current year lower than last year

Order book by business



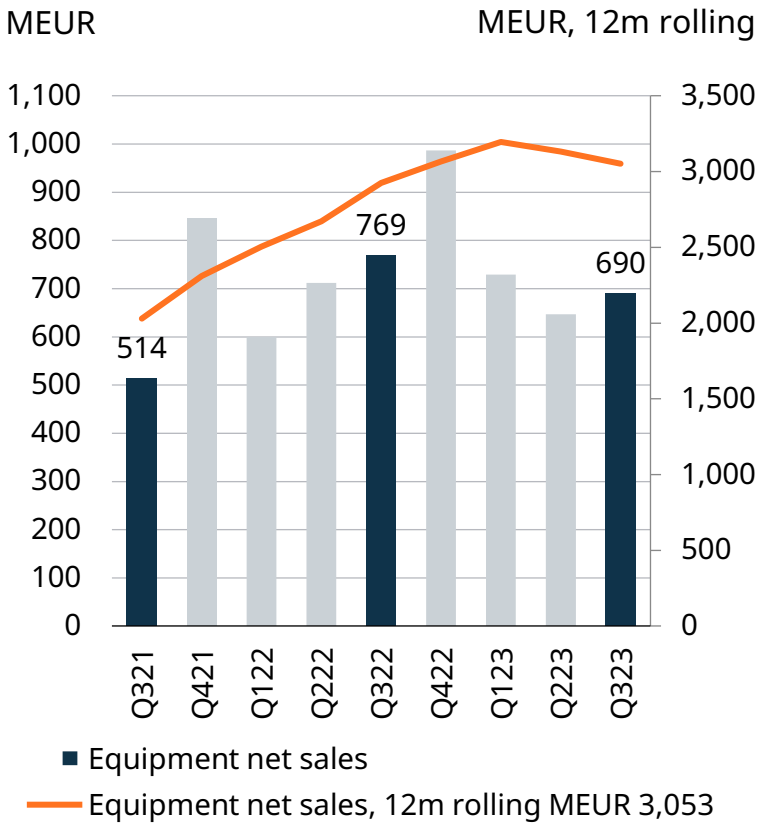
Order book delivery schedule



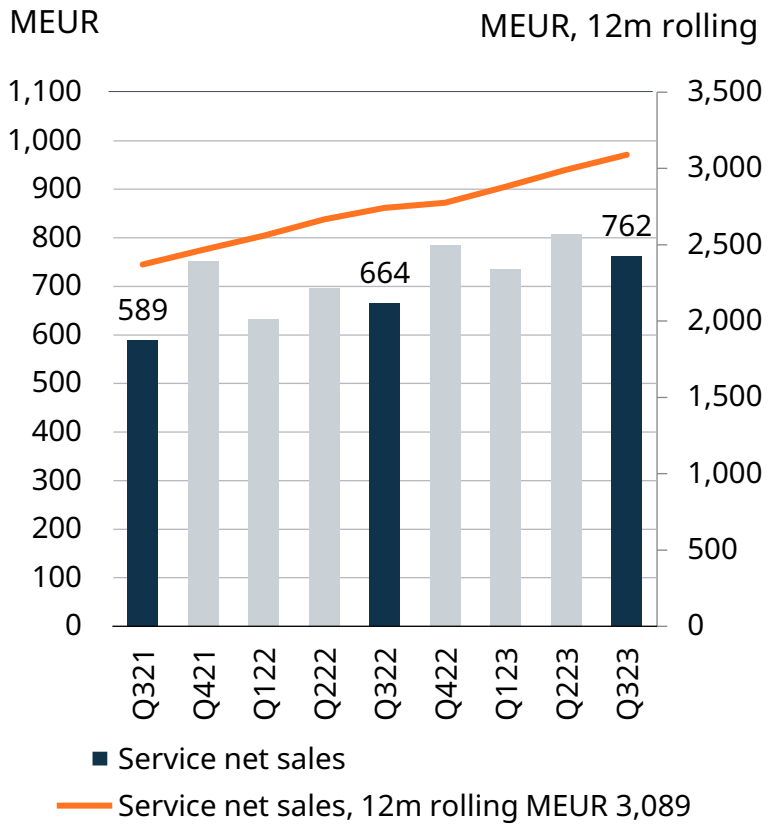
*As of 1 January 2023, Voyage has been integrated with Marine Power. During the second quarter of 2023, further organisational changes have been implemented: a part of Marine Power, as well as a part of Marine Systems, have been moved to Portfolio Business. The segment related comparison figures for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

Net sales increased by 1%

Equipment



Services



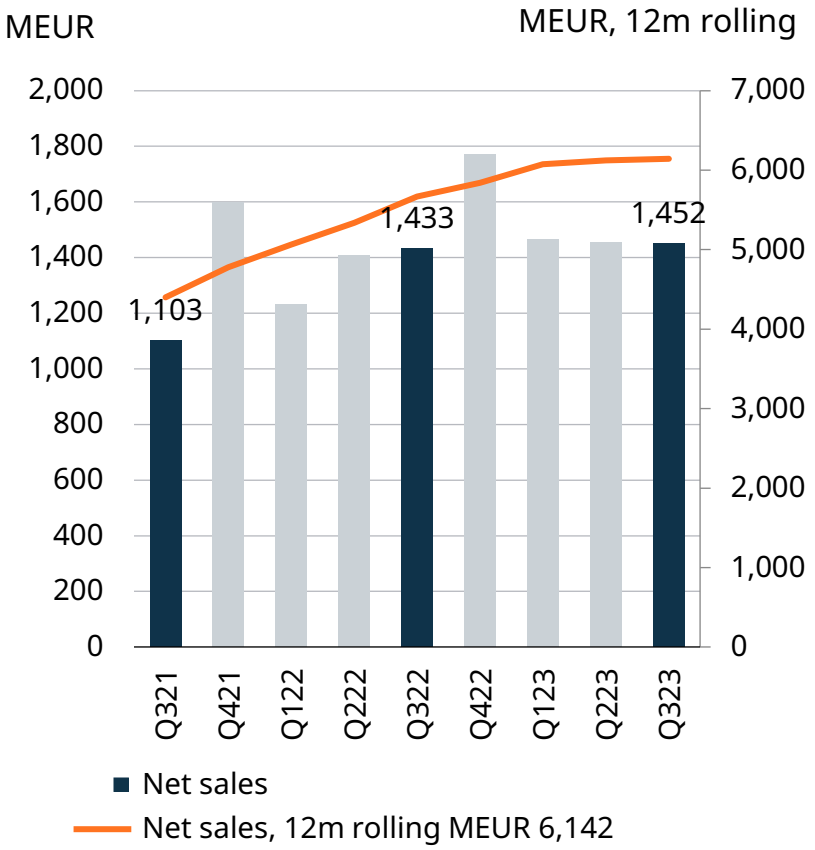
Equipment net sales decreased by 10%

Service net sales increased by 15%

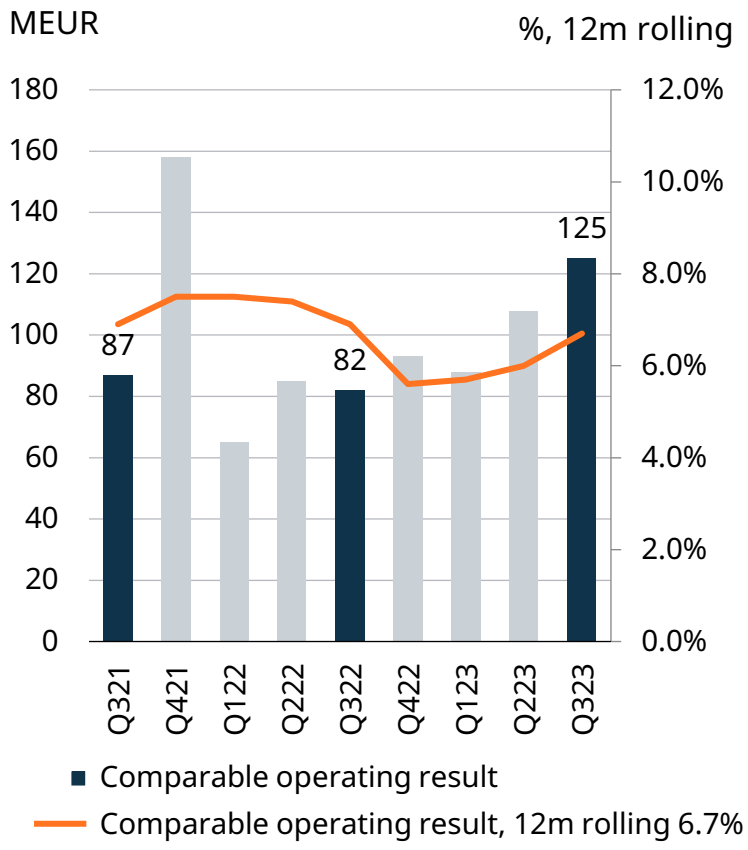
Organic net sales growth 7%

Profitability continued to improve

Net sales



Comparable operating result



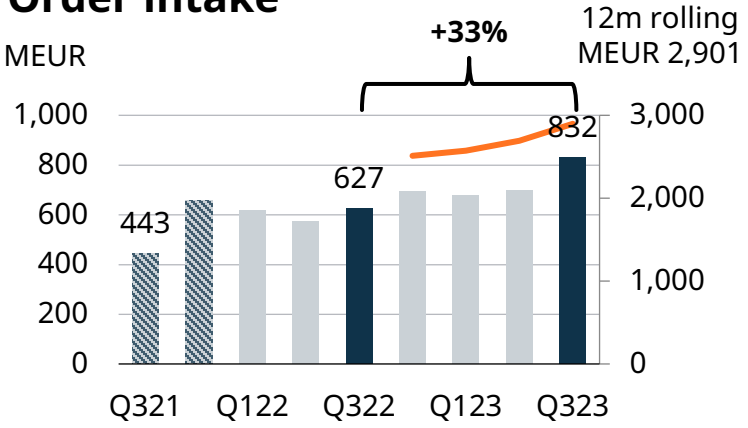
Net sales increased by 1%

Comparable operating result increased by 53%

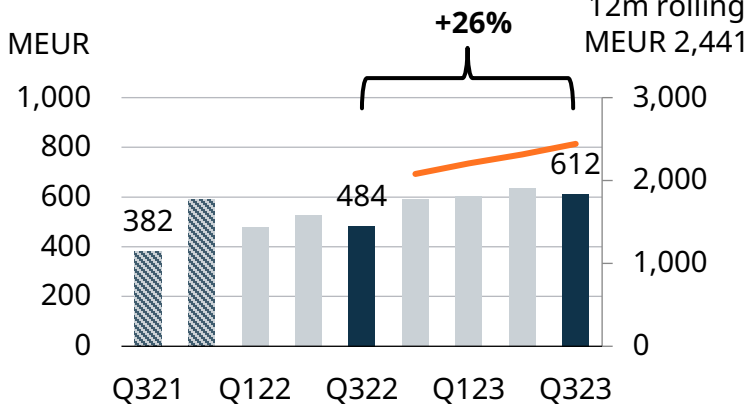
Marine Power: Strong development in order intake and profitability

Good development in service continued

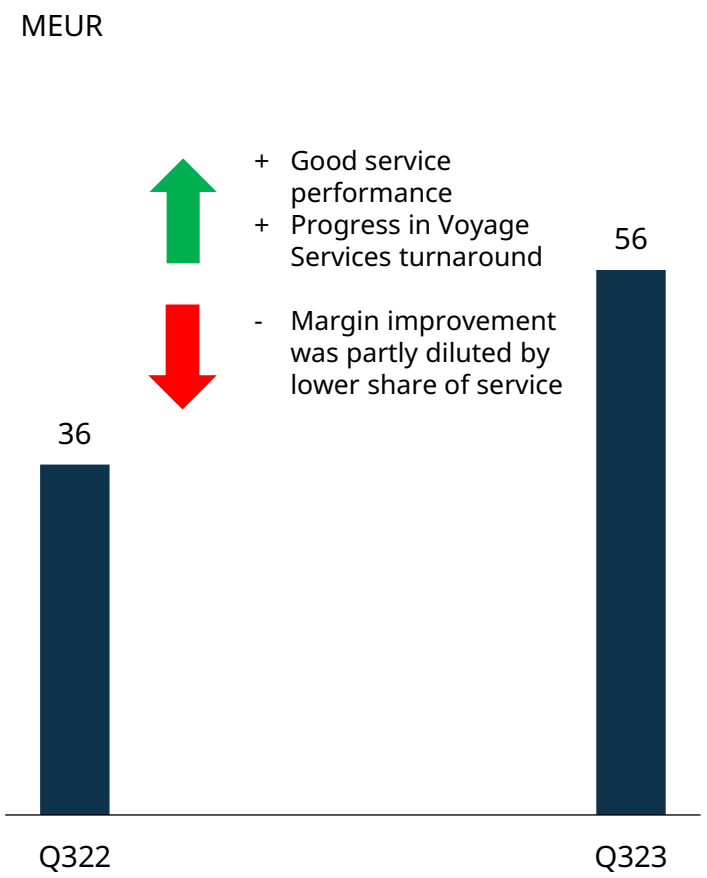
Order intake



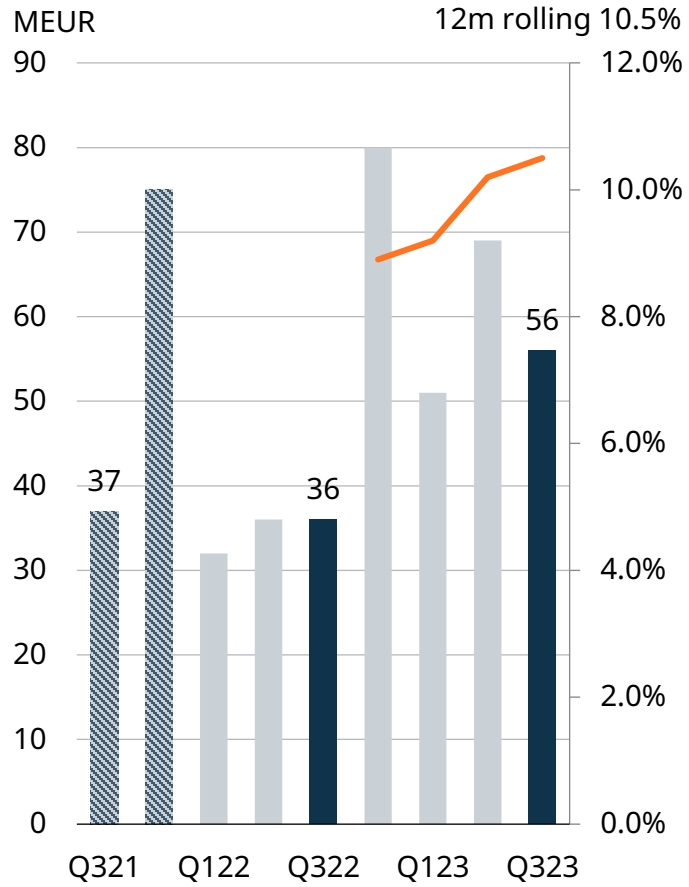
Net sales



Comparable operating result



Comparable operating result

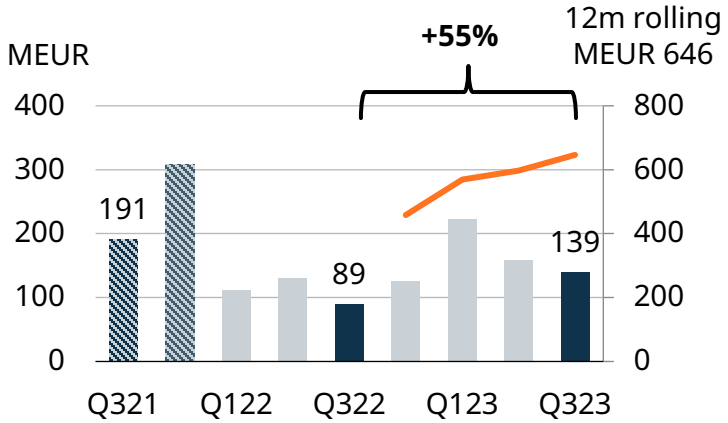


The 2022 and Q1 2023 figures have been restated to reflect the redefined organisational change considering integration of Voyage to Marine Power and moving part of the Voyage business to Portfolio Business (after integration into a new business unit).

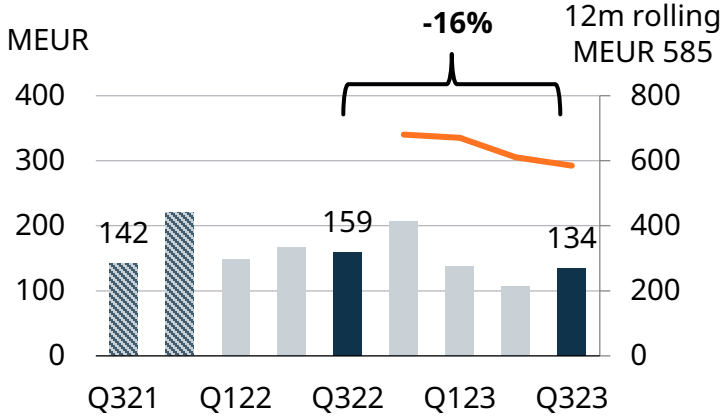
Marine Systems: Equipment order intake increased

Lower equipment net sales

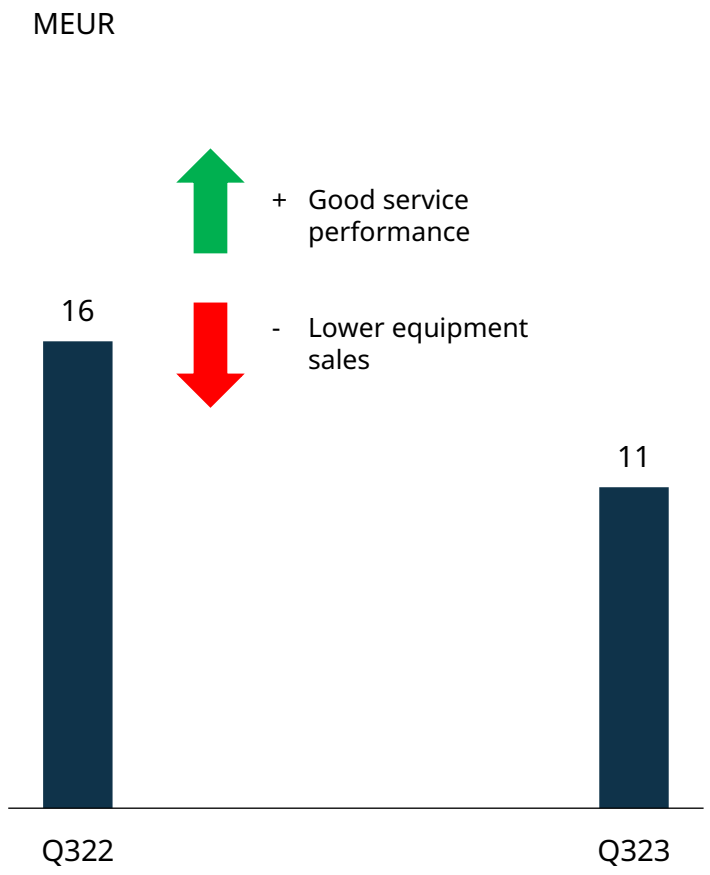
Order intake



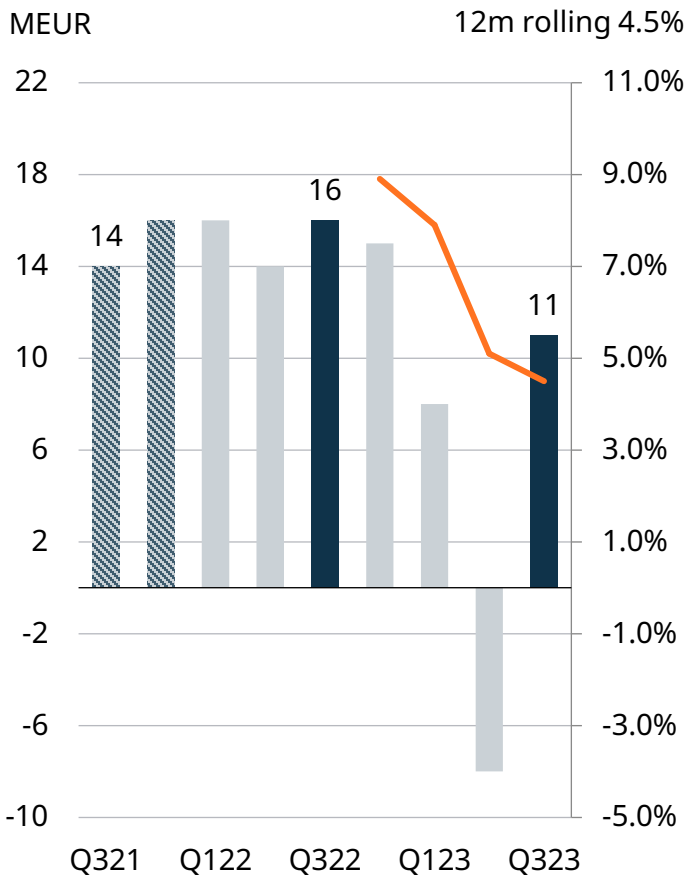
Net sales



Comparable operating result



Comparable operating result

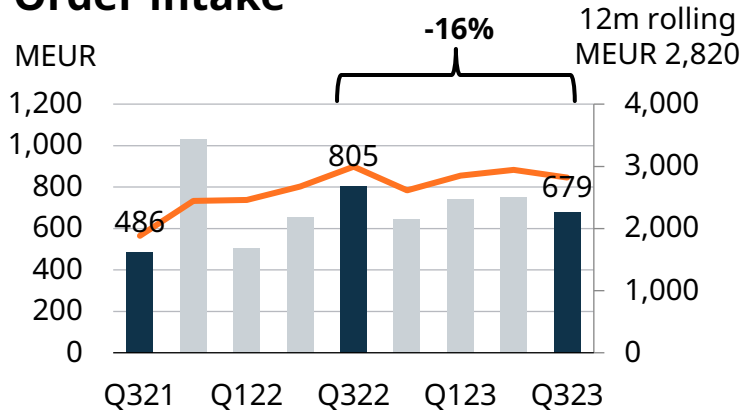


The 2022 and Q1 2023 figures have been restated to reflect the move of Marine Electrical Systems business unit to Portfolio Business.

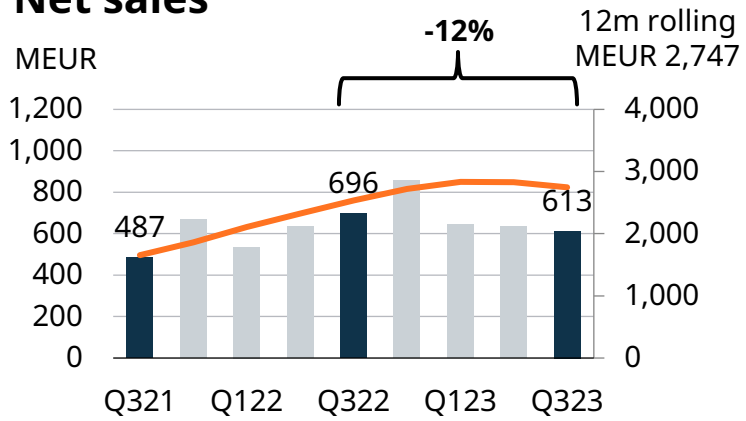
Energy: Comparable operating result increased

Good development in service continued

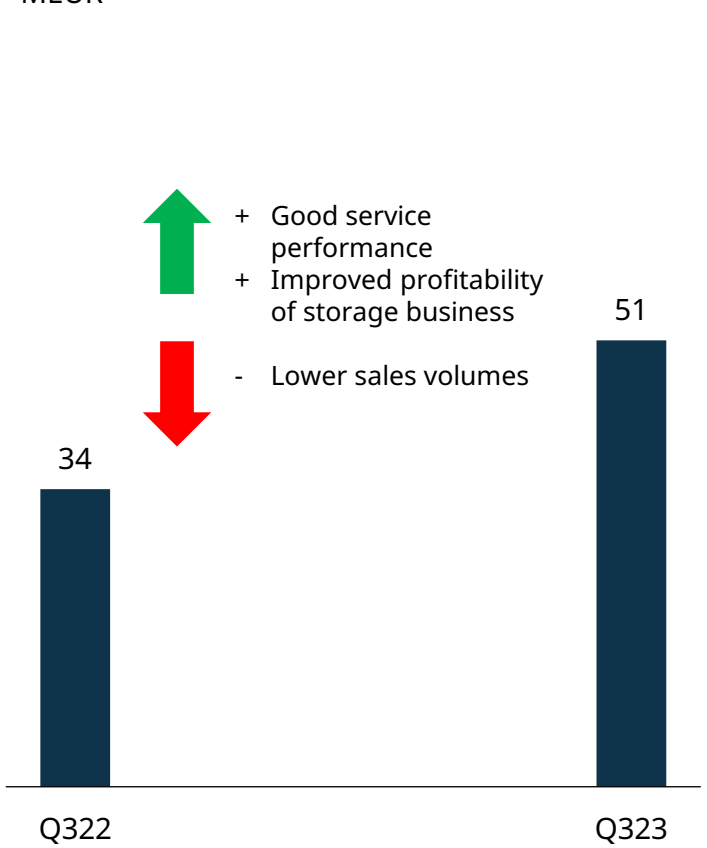
Order intake



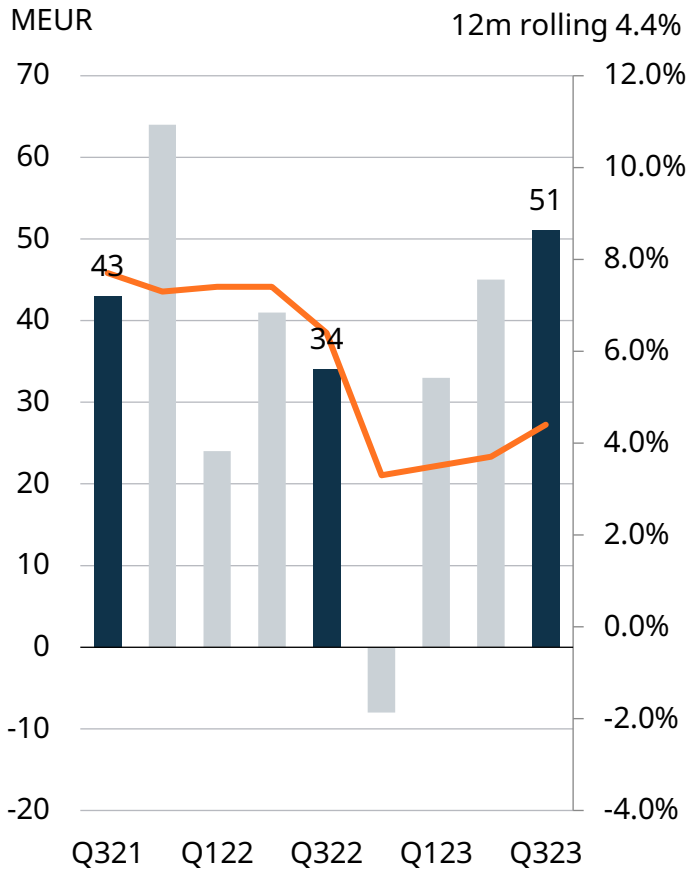
Net sales



Comparable operating result



Comparable operating result



Prospects

Marine

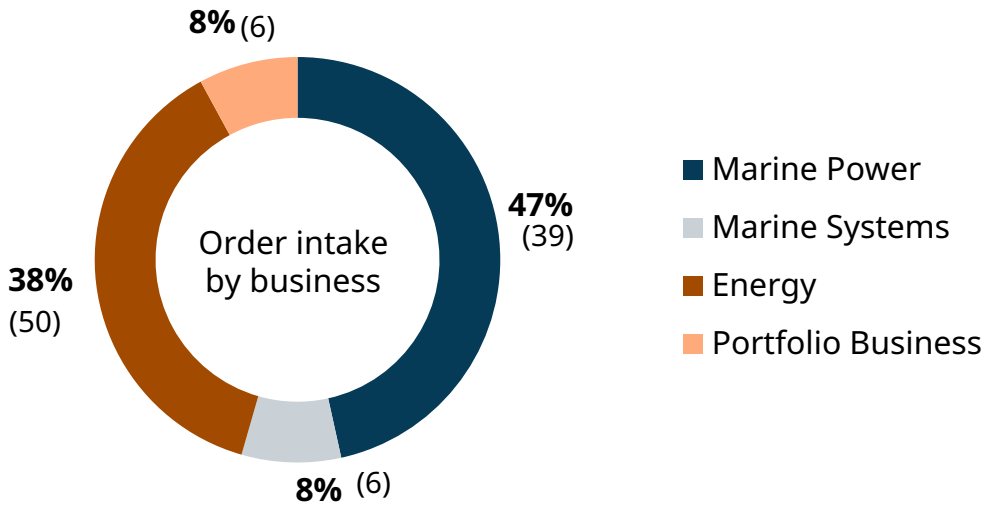
- Wärtsilä expects the demand environment for the next 12 months (Q4/2023-Q3/2024) to be similar to that of the comparison period.

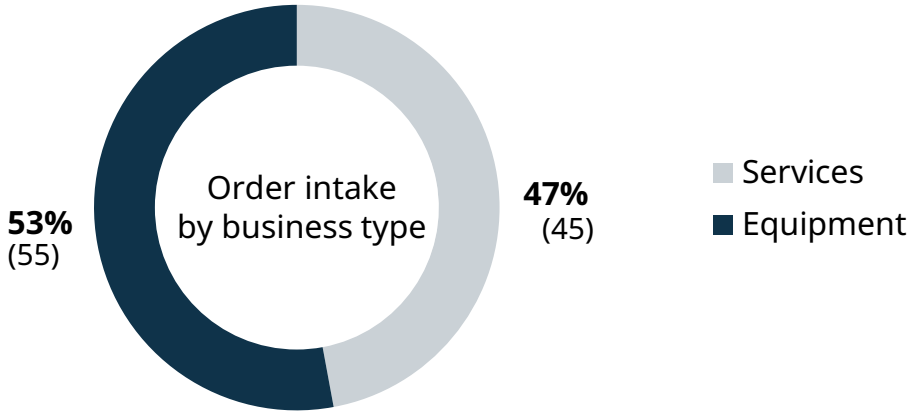
Energy

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

Order intake

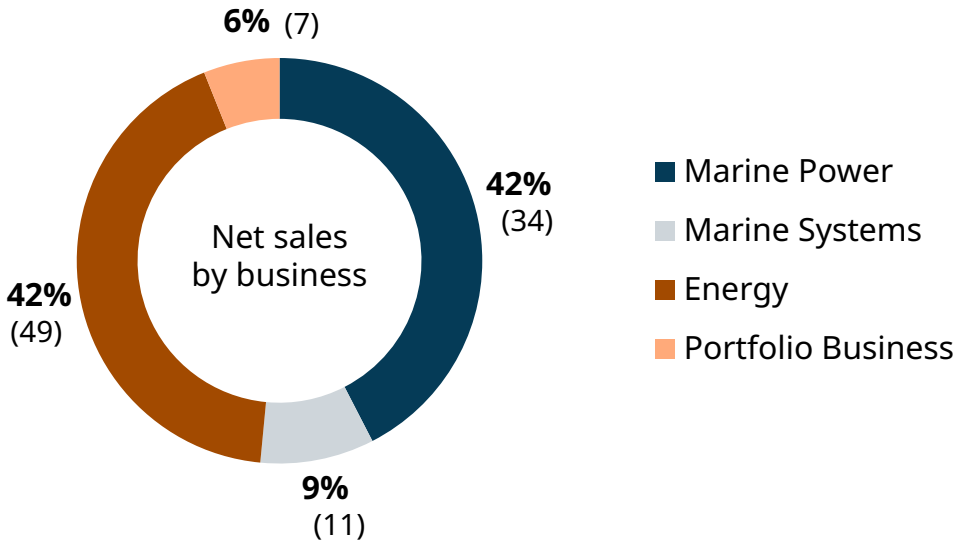
Third quarter development

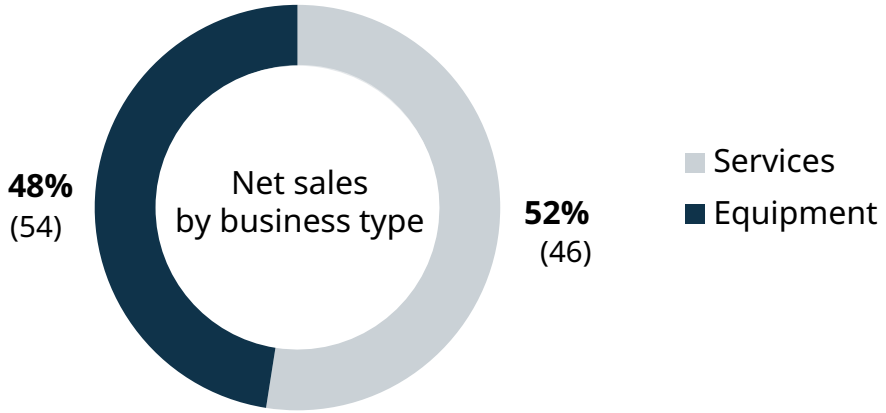




Net sales

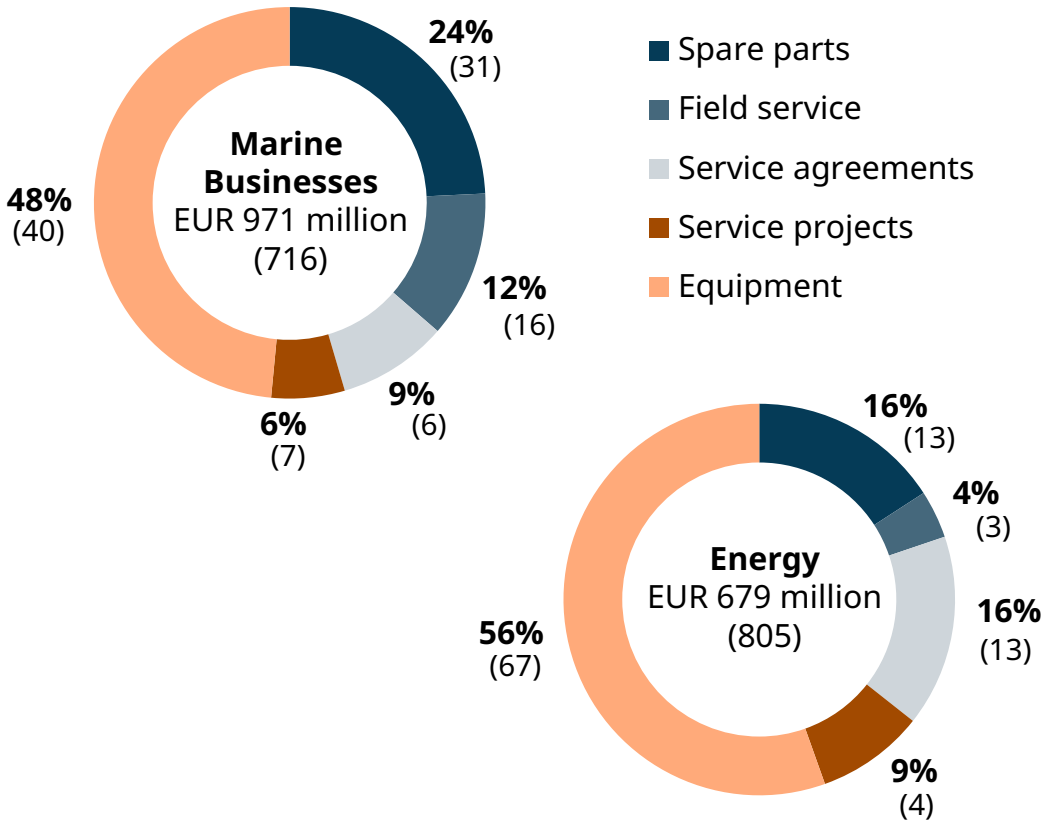
Third quarter development



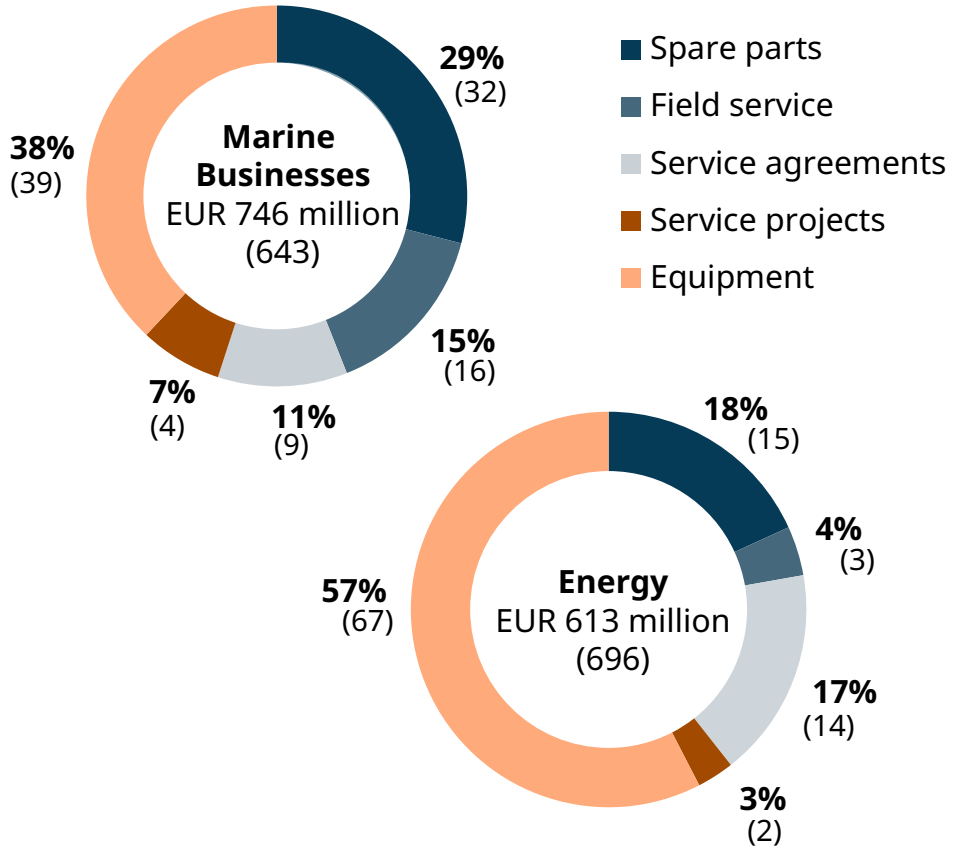


Third quarter development by business type

Order intake



Net sales

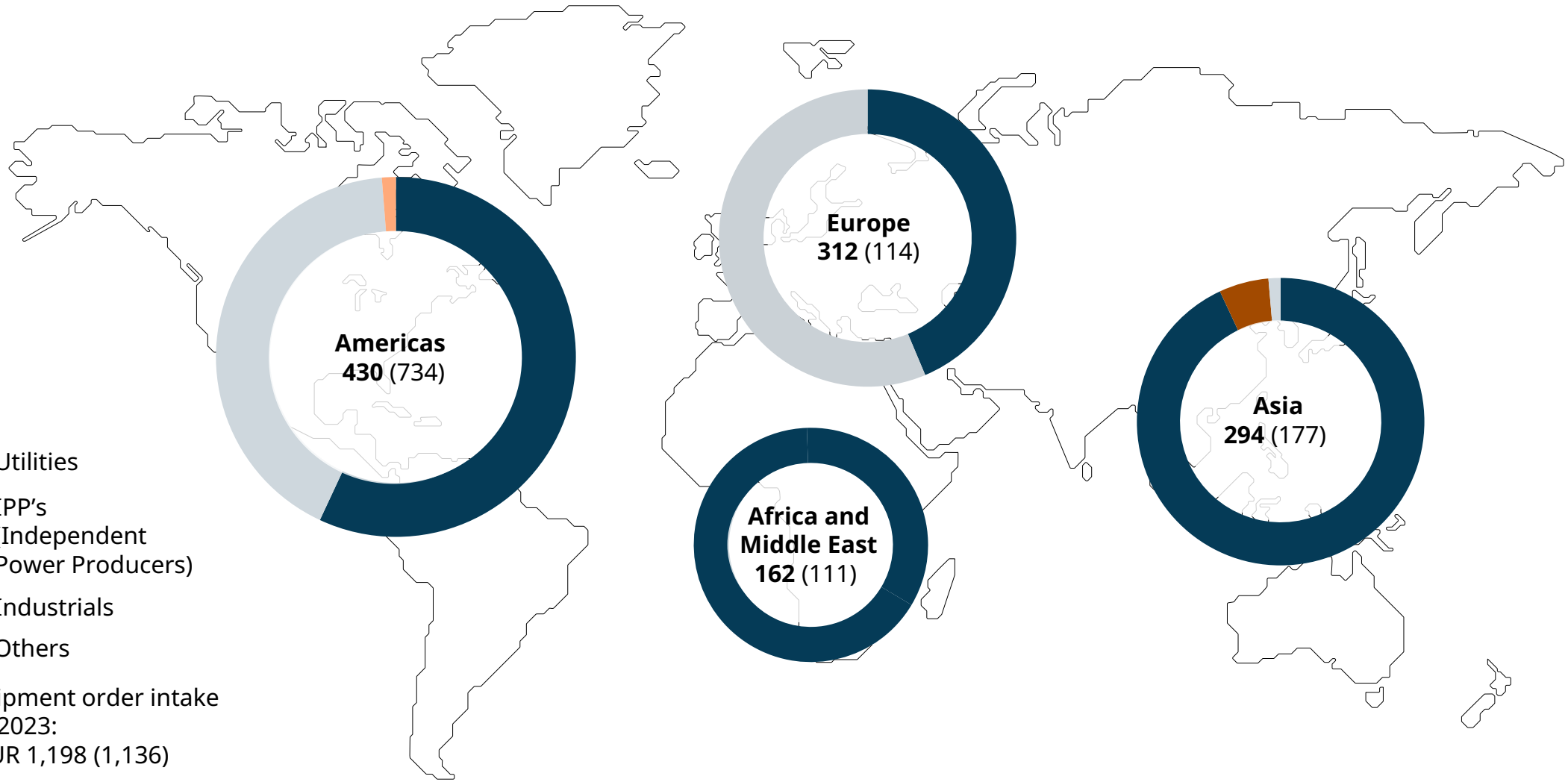


January–September order intake by customer segment

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

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

Orders received for Energy equipment globally



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

Sustainability

Ambitious decarbonisation targets for 2030

Provide a product portfolio which will be ready for zero carbon fuels

Become carbon neutral in our own operations

Strong presence in sustainable development indices

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

ECPI Sense in sustainability

OMXSUSTAIN INDEX
NASDAQ OMX
OMX GES SUSTAINABILITY FINLAND

Sustainability Yearbook
Member 2021
S&P Global

FTSE4Good

2021 MSCI ESG Leaders Indexes Constituent

Nasdaq ESG TRANSPARENCY PARTNER

Corporate Responsibility
RATED BY ISS ESG
Prime

STOXX Member 2020/2021 ESG Leaders Indices

included in ETHIBEL SUSTAINABILITY INDEX
EXCELLENCE Europe

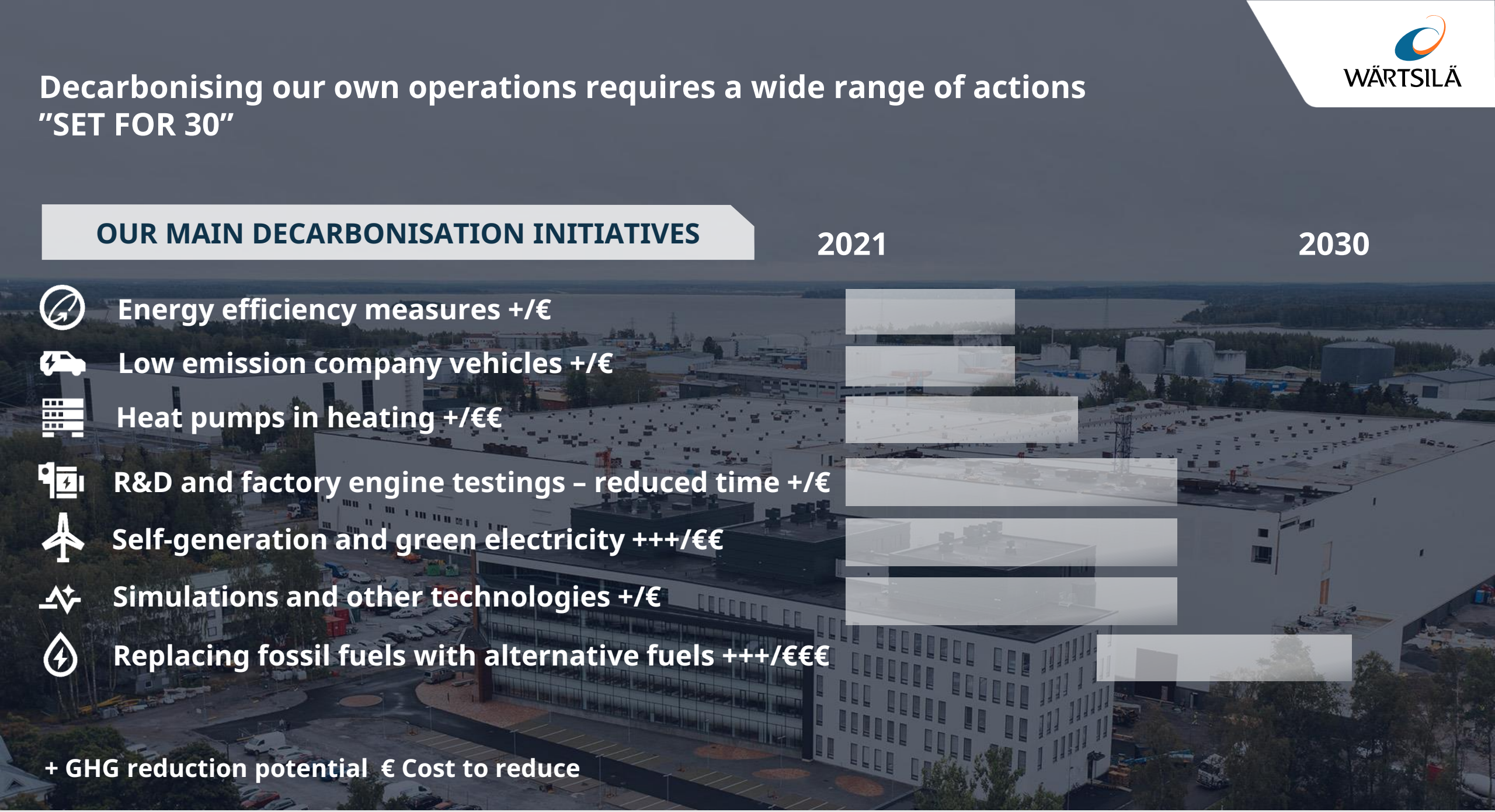
S&P Europe 350 ESG Index

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

OUR MAIN DECARBONISATION INITIATIVES

2021 2030

- Energy efficiency measures +/€
- Low emission company vehicles +/€
- Heat pumps in heating +/€€
- R&D and factory engine testings – reduced time +/€
- Self-generation and green electricity +++/€€
- Simulations and other technologies +/€
- Replacing fossil fuels with alternative fuels +++/€€€



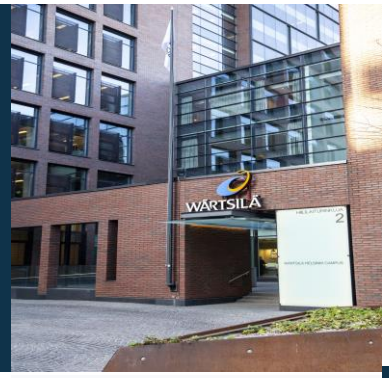
+ GHG reduction potential € Cost to reduce

Wärtsilä “Set for 30” is progressing well

Variety of concrete actions have been taken – some examples

Green electricity purchasing fully in use in Finland

Solar panel investment in Bermeo Spain



Environmental standards for selecting new facilities in use

Electric Vehicle policy defined and being rolled out

Heat pumps installed in server room in Norway

Intelligent energy meters installed in Norway - leakages detected

Electric Forklift policy defined and being rolled out

Variety of actions identified to reduce engine testing time

Set for 30

Wärtsilä's ESG Agenda in brief

E

Ambitious decarbonisation targets for 2030

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

S

Good Corporate Citizen and Responsible Employer

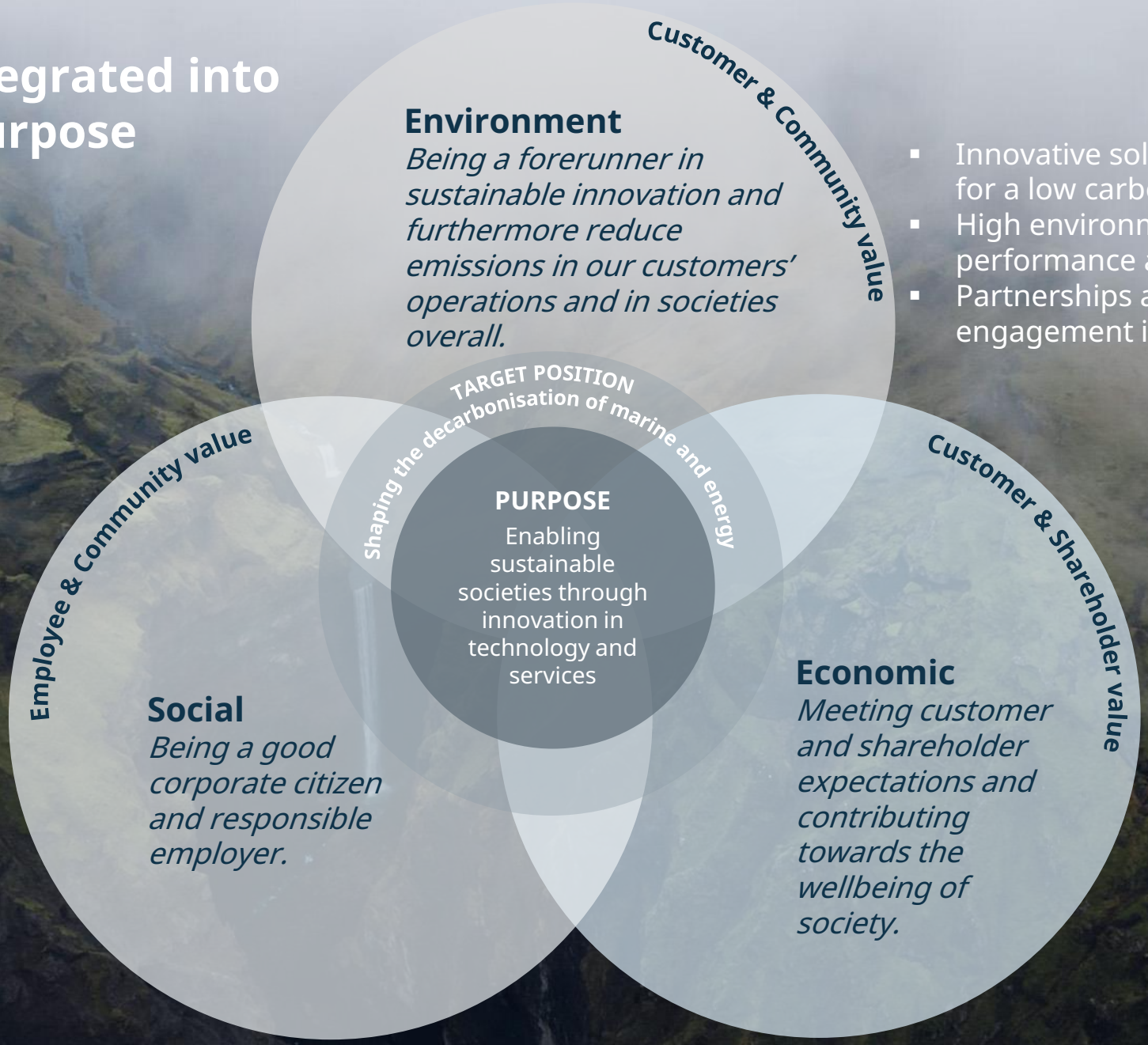
- High ethical standards
- Diversity in focus
- Strive for safety

G

Effective Governance model

- Sustainability matters embedded

Sustainability is integrated into our strategy and purpose



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

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

- Efficient, profitable, and competitive company operations

Wärtsilä's focus on social responsibility

Strong ethical culture

Fair competition
Trade compliance
Anti-corruption
Human and Labour Rights

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

A responsible employer

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

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

A Safe place to work

Strong safety culture
Providing means for safe work
Product design principles

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

Responsible value chain

Human and Labour Rights
Compliance
Anti-corruption

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

Governance

Board of Management

Håkan Agnevall,
President & CEO

Arjen Berends,
Chief Financial Officer

Tamara de Gruyter, President,
Wärtsilä Marine Systems

Kari Hietanen, Corporate
Relations and Legal Affairs

Roger Holm, President,
Wärtsilä Marine Power

Anders Lindberg, President,
Wärtsilä Energy

Teija Sarajärvi,
Human Resources

Saara Tahvanainen,
Marketing and Communications

Board of Directors

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

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

Karen Bomba, President of Smiths Interconnect 2017–2020

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

Karin Falk, President, Husqvarna Construction Division

Johan Forssell, President and CEO of Investor AB

Mats Rahmström, President & CEO of Atlas Copco AB

Tiina Tuomela, CFO, Fortum Corporation

Largest shareholders October 2023 (CMi2i quarterly update)

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

Appendix

Main competitors

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

Customer base

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

For more information, call us or visit our Investors page

Next upcoming IR events

- 9 November, Capital Markets Day
- 5 December, GS Industrials Conference
- 5 – 7 December, US Roadshow
- 7 December, Oslo Roadshow

Wärtsilä Investor Relations

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

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

Meeting requests

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

Key figures in 2022

KEY FIGURES 2022

Order intake
6,074 MEUR

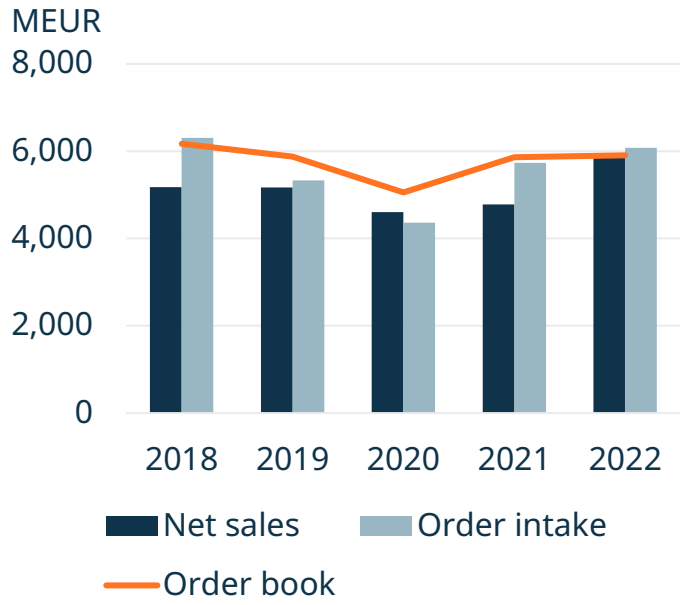
Net sales
5,842 MEUR

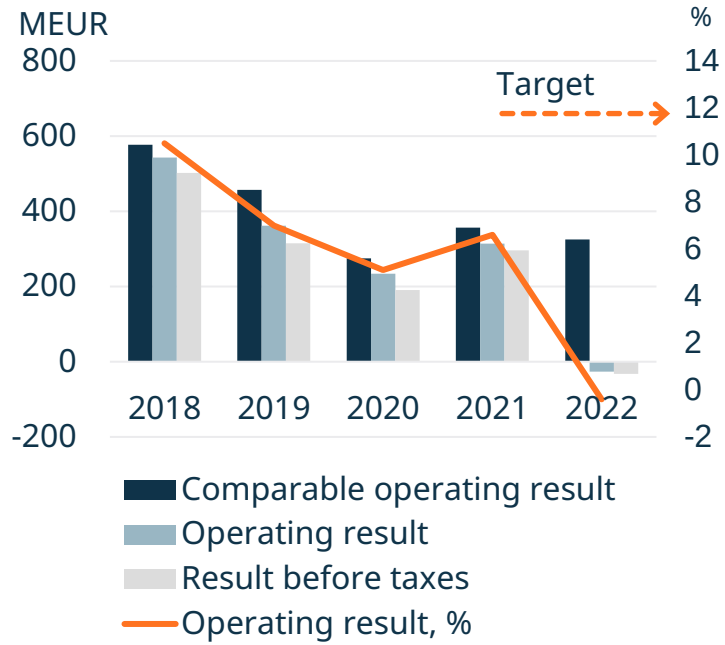
Comparable operating result
325 MEUR
5.6% of net sales

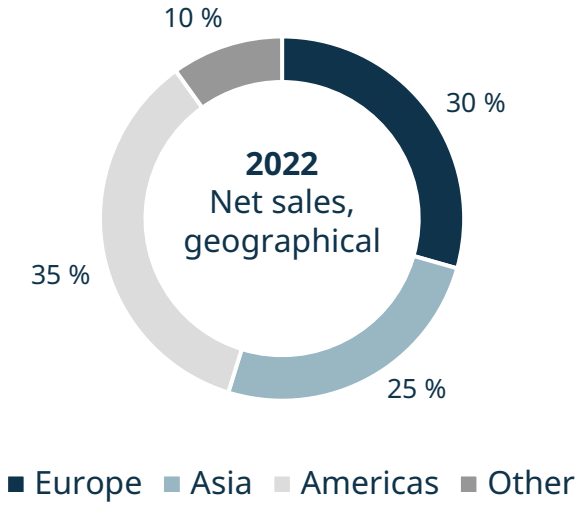
Operating result
-26 MEUR
-0.4% of net sales

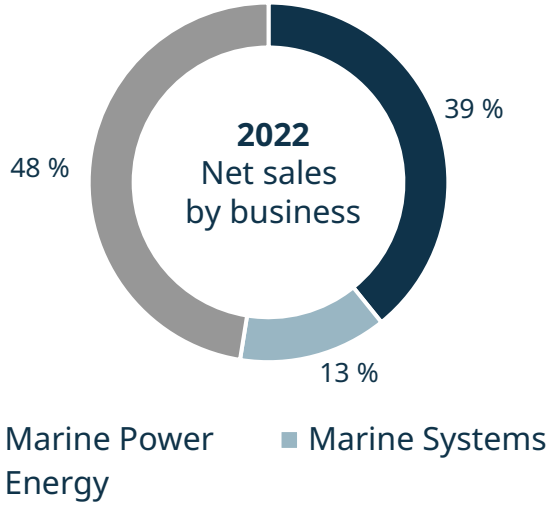
Cash flow from operating activities
-62 MEUR

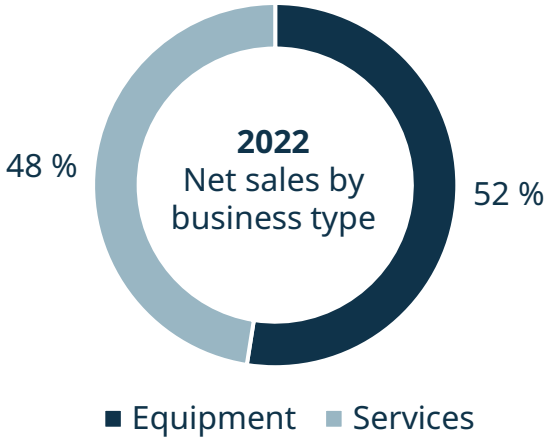
Personnel
17,500











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

Key figures in 2022

Order intake

2,707 MEUR

Net sales

2,247 MEUR

Comparable operating profit

179 MEUR

8.0% of net sales

Share of total net sales in 2022

Net sales by business type in 2022

Offering

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

Key customer segments

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

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

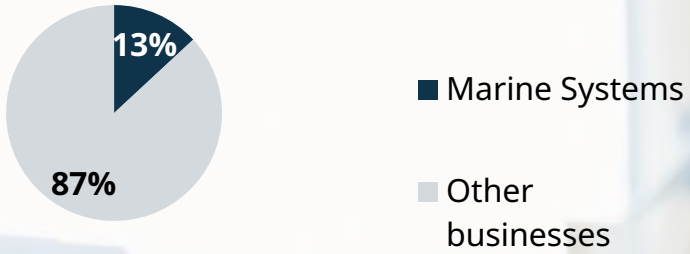
Key figures in 2022

Order intake
654 MEUR

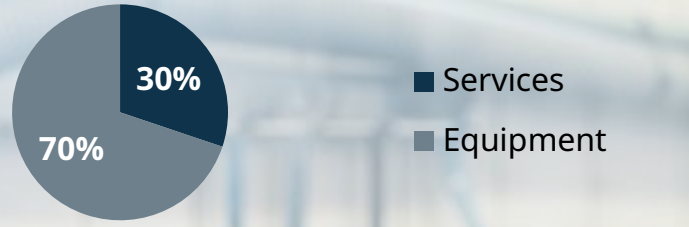
Net sales
765 MEUR

Comparable operating profit
56 MEUR
7.3% of net sales

Share of total net sales in 2022



Net sales by business type in 2022



Offering

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

Key customer segments

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

Wärtsilä Energy – Towards a 100% renewable energy future

Key figures in 2022

Order intake
2,612 MEUR

Net sales
2,721 MEUR

Comparable operating profit
91 MEUR
3.3% of net sales

Share of total net sales in 2022

Net sales by business type in 2022

Offering

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

Key customer segments

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


WÄRTSILÄ