

Modern Slavery and Human Trafficking Policy Statement 2020

This statement has been made in accordance with the reporting requirements of the UK Modern Slavery Act for the financial year ending 31 December 2020.

Our organization and supply chain:

Wartsila Water Systems Ltd [“WWS”] are wholly-owned subsidiaries of Wärtsilä Corporation. Wärtsilä is a global leader in smart technologies and complete lifecycle solutions for the marine and energy markets. By emphasising sustainable innovation, total efficiency and data analytics, Wärtsilä maximises the environmental and economic performance of the vessels and power plants of its customers. In 2020, Wärtsilä's net sales totalled EUR 5.1 billion with nearly 19,000 employees. The company has operations in over 200 locations in more than 80 countries around the world. Wärtsilä is listed on Nasdaq Helsinki. Wärtsilä has an extensive supply base with more than 27,000 active suppliers, out of which 1,120 are considered key suppliers.

As a wholly-owned subsidiary, WWS follow the Wärtsilä group level policies and procedures in respect with managing the supply chain. The UK based company employed a total of 87 persons at the end of 2020.

Our policies and actions related to slavery and human trafficking:

WWS support and respect basic human rights as outlined in the UN's Universal Declaration of Human Rights. Wärtsilä also supports the Ten Principles of the UN Global Compact, of which six principles are related to Human and Labour rights.

Wärtsilä Code of Conduct defines common rules for all our employees, and provides guidance on Wärtsilä's approach to responsible business practices, including respect for human and labour rights. Therefore, WWS do not accept the use of forced labour or child labour in any form. Human and Labour rights are a part of the mandatory Wärtsilä Code of Conduct training material.

WWS require every employee to comply with the Code of Conduct and takes an active approach to the application of the Code of Conduct by promoting its implementation through effective communication and the global training program. Wärtsilä monitors the application of the Code internally.

Suppliers and business partners are expected to conduct their businesses in compliance with the same high legal and ethical standards and business practices as Wärtsilä. Wärtsilä standard supply contracts prohibit the suppliers from using any forced or compulsory labour.

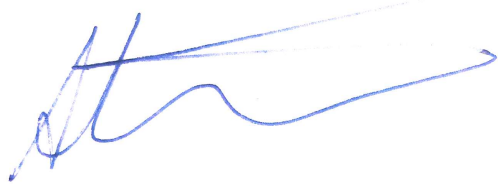
Due diligence:

Wärtsilä assesses and manages its key suppliers through its Vendor Management System. Wärtsilä regularly conducts supplier evaluations, which are divided into three categories: pre-assessment, auditing, and performance review. As part of the supplier evaluation, Wärtsilä

conducts a rating based upon Wärtsilä's supplier requirements, which include respect for human and labour rights issues. This rating is a result of an assessment of various information sources, such as pre-qualification questionnaires, dialogue with suppliers, and/or conducted audits.

This statement applies to Wartsila Water Systems Ltd, and has been approved by Arto Lehtinen, Managing Director.

Signed on behalf of Wartsila Water Systems Ltd



Arto Lehtinen
Managing Director