

## **Wärtsilä disclosure policy**

### **1. Introduction**

This policy describes Wärtsilä's operating principles and procedures for communication with capital market representatives. Wärtsilä aims to give all market participants simultaneous and timely access to the information they need so that they can determine the value of the Wärtsilä shares in an informed manner.

The Wärtsilä shares are listed on the NASDAQ OMX Helsinki stock exchange, and Wärtsilä follows the rules and recommendations of the exchange, the regulations set forth in the Finnish Companies Act and the Finnish Securities Markets Act and other relevant laws, as well as the standards of the Financial Supervision Authority (FSA) in Finland.

The disclosure policy, which is approved by the Board of Management, is distributed to all Wärtsilä units globally. Its aim is to ensure a broad understanding of Wärtsilä's disclosure obligations and limitations.

This policy is reviewed periodically and revised accordingly if needed.

Policy approver: Board of Management

Policy owner: Investor Relations Director

Policy history:

First approved: 23 September 2010

Reviewed: 10 May 2012

### **2. Disclosure requirements and principles**

Wärtsilä discloses information in a timely manner in compliance with the Finnish Securities Markets Act, the FSA standards and the NASDAQ OMX Helsinki rules. The company is committed to providing the financial market with equal access to important information that may affect investment decisions and/or influence the value of the company's securities. According to the Finnish Securities Markets Act and the FSA standards, the disclosure requirements are divided into regular and ongoing reporting requirements. Regular reporting requirements refer to the company's obligation to provide information on its financial performance on a regular basis. This involves the disclosure of interim reports, financial statements and financial statement announcements. The ongoing disclosure requirements of the Securities Markets Act refer to the continuous provision of information, where necessary, on matters which, in the company's own assessment, may have a material impact on the value of the company's securities.

Information is disclosed to the market according to the following principles:

- (i) disclosures are carried out without undue delay;
- (ii) communication is consistent and accurate and enables its recipient to assess its impact on the company's financial standing and future;
- (iii) all stakeholders receive information simultaneously and the information is made public in a strictly controlled manner; first to the Nasdaq OMX Helsinki (Stock Exchange) and major public media, and only thereafter to any other parties
- (iv) all releases are published at the company website;
- (v) all information is published in Finnish and English

#### **2.1. Disclosure channels**

Wärtsilä's website is the main channel for up-to-date information, providing equal access to all investors. Therefore, Wärtsilä has full and fair information available on its website to increase investors' understanding of the company.

### **3. Communicating with the investor community**

The aim in communicating with the capital market representatives is to ensure that relevant information about the company is available so that they can determine the fair value of Wärtsilä's shares. At Wärtsilä, Investor Relations is defined as a strategic management responsibility integrating finance, financial accounting, corporate and financial communications as well as securities law compliance to enable the most effective two-way communication between Wärtsilä and capital market representatives.

Wärtsilä strives at all times to provide fair and equal access to company information and to its spokespersons, within the limit of their time and resources. Furthermore, Wärtsilä proactively initiates dialog with the analysts researching the company.

Wärtsilä responds continuously and without undue delay, except during silent periods, to routine inquiries from shareholders, investors, analysts and the media. Only Wärtsilä's spokespersons are entitled to give public statements relating to material information of Wärtsilä.

Wärtsilä interacts regularly with investors and equity analysts during roadshows and meetings in Finland and abroad to present the company and its business model, strategy and financial performance. Information given by Wärtsilä management in the course of individual meetings and corporate presentations with investors and analysts is restricted to those facts that have already been disclosed, or that are common knowledge on the market. All events and presentations involving shareholders, investors and analysts, their conduct and the support materials are prepared and coordinated by Wärtsilä's Investor Relations function. All media inquiries are coordinated by Communications & Branding.

#### **3.1. Roles and responsibilities**

Wärtsilä Corporation's CEO, CFO and Investor Relations Director are the primary contacts responsible for dealing with investors, shareholders and analysts. These persons and the Group VP, Communications & Branding are the main Wärtsilä spokespersons. Other Wärtsilä representatives can participate in Investor Relations activities at the request of the Investor Relations department.

#### **3.2. Guidance**

Wärtsilä guides the market on the company's prospects on an annual basis. The guidance covers group level net sales and profitability (operating profit as % of net sales, EBIT%). The prospects for the following year are communicated at the latest in connection with the publication of the Q4 financial statements bulletin. Wärtsilä also strives to guide the market on other cash flow related items such as capital expenditure on an annual basis. The presented statements and estimates are based on the management's present view on the development of the Group and its operations. The actual results may differ from the statements and estimates significantly.

Wärtsilä's guidance can be found on the website, in the interim and annual reports and in investor presentations.

#### **3.3. Profit warnings**

According to the disclosure rules, a profit warning must be issued if the company's result, balance sheet or financial position shows either a less favourable or a better performance than expected. The profit warning represents an adjustment of a previous outlook and guidance given by the company.

Profit warnings are disclosed without undue delay, if Wärtsilä estimates that its results are likely to materially differ from the guidance given by the company. Profit warnings are published as stock exchange releases.

### **3.4. Market estimates**

Wärtsilä monitors market expectations. Should the market expectations and the underlying logic for market estimates differ substantially from the guidance given by the company, actions are taken in order to further cultivate the market if deemed necessary.

Only disclosed material will be disseminated to analysts and investors. The company will review, upon request by an analyst, his or her earnings model or report only for factual accuracy or information that is in the public domain. Wärtsilä does not comment or take any responsibility for estimates or forecasts published by capital market representatives.

Under no circumstances will Wärtsilä comment on the company's valuation or share price development, give preference to one particular analyst, or distribute analyst reports to the investment community.

### **3.5. Silent period**

Wärtsilä observes a three-week silent period preceding the publication of its results to prevent revealing unpublished financial information. During this period Wärtsilä's officers and employees refrain from making any contact with or comments to investors, analysts and the media about the company's business prospects, financial results, or projections.

If any incident that arises during a silent period is subject to timely disclosure, Wärtsilä will without undue delay disclose the information according to the disclosure regulations and may comment that particular matter.

## **4. Financial reports**

Wärtsilä announces its strategy, financial targets and financial statements in annual and interim reports. Wärtsilä published three interim reports and a financial statements bulletin annually. The financial statements of Wärtsilä can only be disclosed to the internal or external audiences after the company has issued a stock exchange release of the corresponding information.

All reports, financial statements and the financial reporting schedule for each year are published on Wärtsilä's website [www.wartsila.com/investors](http://www.wartsila.com/investors) after the issuance of the stock exchange release. All announcements are archived on the company's website for 10 years.

### **4.1. Reporting levels**

Wärtsilä's public reporting is made on the corporate level. Business level information only comprises net sales, order intake and order book as well as number of personnel. No additional financial figures, or calculations of figures, are published regarding business units, local companies or any legal entities other than Wärtsilä Corporation. The relative share of net sales by country can be communicated on an annual basis if needed.

### **4.2. Reporting language**

The official reporting language of Wärtsilä is Finnish. All official material is published in Finnish and English (UK). Because the company has global operations, its business language is English.

### **4.3. Annual report**

Wärtsilä's annual report is published on the company's web pages no later than three weeks before the Annual General Meeting.

## **5. Changes in shareholding and flagging notifications**

Wärtsilä publishes information on changes in shareholding in accordance with the provisions of the Securities Markets Act. Changes in holdings are disclosed when the holding reaches, exceeds or falls below 5, 10, 15, 20, 25, 30, 50 or 66.7 (2/3) percent of the voting rights or the numbers of shares of the company. Notifications of changes in holdings are made without undue delay.

## **6. Public announcements**

All public announcements are coordinated by Communications & Branding to ensure the right timing of the release, coordination with international markets, as well as wide and rapid distribution of the announcement to all stakeholder groups.

Centralised coordination further reduces the possibilities of the creation, or the impression of the creation, of a false market in Wärtsilä's shares and opportunities for "insider dealings or trading". It also ensures that senior management, including the corporate spokespersons who may be asked for a comment by the media, analysts and others, are fully aware of the case.

### **6.1. Stock exchange releases (Company announcements)**

Matters which, according to FSA and in Wärtsilä's own assessment, may have a material impact on the value of the company's securities and are potentially price sensitive in nature must be disclosed as a stock exchange release to the NASDAQ OMX Helsinki and key media without undue delay.

Guidelines for publishing a stock exchange release to be applied unless other specific reasons exist:

- Business transactions, such as acquisitions, divestments, joint ventures or partnerships, with a value of EUR 100 million or more and/or which are of major strategic importance
- Orders and sales contracts with a value of 10% or more of the relevant Business' net sales or order book as reported for the previous full financial year
- Other strategically important transactions for the group
- Appointments in the Board of Management

### **6.2. Press releases, trade press releases and local releases**

Regular business news is published as press releases by Communications & Branding.

Business news can consist of for example the following:

- Smaller mergers and acquisitions or partnerships
- Orders and contracts which do not require a stock exchange release
- Successful project implementation concepts or customer cases
- New product launches, new technology developments
- Cooperation agreements with customers and partners
- Business unit and local management appointments

Releases to the trade press provide more detailed information on Wärtsilä's products and technology. Local releases are issued for news that is of a local nature.

The press releases, trade press releases and local releases do not contain price sensitive information. They can be published at Wärtsilä's discretion and with the consent of other related parties such as customers and partners. Wärtsilä aims to publish all press releases in a timely and consistent manner. The releases are mainly published in English, but can also be published in other languages depending on the relevance to local markets. Local releases can be published only in the local language.

## **7. Internal disclosure and insiders**

Wärtsilä applies the legal provisions applying to the management of insiders, as well as the Guidelines for Insiders approved by NASDAQ OMX Helsinki Exchange for public listed companies, and the stipulations and guidelines of the FSA.

Wärtsilä's permanent insiders comprise the statutory insiders, i.e. the Board of Directors, the President and CEO, the Executive Vice President and the Principal Auditor, as well as the members of the Board of Management.

Certain members of the Corporate Management and other employees, as required by their duties, also belong to the company's own non-public insider register. When significant projects are at the preparation stage, the company also draws up insider registers for the projects concerned. Insiders are given written notification of their status as insiders and instructions on the obligations that apply to insiders.

The company's insiders are not permitted to trade in the company's shares for 14 days (however Wärtsilä recommends 30 days) prior to publication of the interim reports or the annual financial statements bulletin.

The statutory and permanent insiders shall schedule the trading of Wärtsilä securities as far as possible to the moment when full information on facts and figures influencing the value of these securities is available on the market. The time after the publication of the financial statements bulletin or interim report is normally suitable in that respect, except for project-specific insiders.

Information on the interests and holdings of the company's permanent insiders and related parties is available from the SIRE system of Euroclear Finland Ltd. The same information is also available on Wärtsilä's website.

## **8. Crisis situations**

Wärtsilä has a separate crisis communications plan in place, which is updated whenever needed, e.g. after major corporate restructurings.

If a crisis occurs, Corporate Management shall be informed promptly. Depending on the magnitude and type of the crisis, the Board or CEO will nominate a Crisis Management Team to handle the situation and communication.

## **9. Dealing with leaks and rumours**

Wärtsilä does not comment on rumours. However, Wärtsilä responds in a timely and public manner to market rumours if they materially affect, or are likely to affect, the Wärtsilä share price.

Should material information accidentally be disclosed selectively, the company releases the information without undue delay to all audiences in the way material information is normally distributed. In case of any potential leak with material impact on Wärtsilä's securities, the persons in charge of Communications & Branding and Investor Relations must be informed immediately.