



Title:	Disclosure Policy	
Author:	Natalia Valtasaari	Revision: 1.7.2016
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## Disclosure Policy

### 1. Introduction

This policy, effective as of 3 July 2016, describes Wärtsilä's operating principles and procedures for communication with capital market representatives. Wärtsilä aims to give all market participants simultaneous, sufficient, and timely access to the information they need so that they can determine the value of Wärtsilä's financial instruments, such as shares, options and debt instruments, in an informed manner.

As a listed company, Wärtsilä complies with EU regulations, Finnish laws, Nasdaq Helsinki Ltd.'s Stock Exchange Rules and Insider Guidelines and the regulations issued by the Finnish Financial Supervision Authority (FSA) and other authorities, as applicable.

The disclosure policy is approved by the Board of Management. It is distributed to all Wärtsilä units globally with the aim of ensuring a broad understanding of Wärtsilä's disclosure obligations and limitations. The policy is reviewed periodically, and revised as necessary.

### 2. Disclosure requirements and principles

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 financial instruments.

In accordance with the Finnish Securities Market Act and the regulation issued by FSA, Wärtsilä provides information on its financial performance on a regular basis in interim reports, financial statements and financial statement announcements. As per the EU Market Abuse Regulation (MAR), Wärtsilä shall inform the public as soon as possible of inside information which directly concerns Wärtsilä, or delay such disclosure in accordance with the regulation.

Wärtsilä discloses information in a timely manner in compliance with relevant regulations and guidelines. The company is committed to providing the financial market with equal access to information that may affect investment decisions and/or influence the value of the company's financial instruments.

The following principles apply to public disclosures:

- (i) disclosures are carried out as soon as possible;
- (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 Helsinki and major public media, and only thereafter to any other parties;
- (iv) all releases are published on the company website and archived there for at least 5 years;
- (v) all information is published in Finnish, Swedish and English.

In accordance with the provisions of MAR, Wärtsilä can delay the public disclosure of inside information, provided that all the below conditions are met:

- (i) immediate disclosure is likely to prejudice the legitimate interests of Wärtsilä;
- (ii) delay of disclosure is not likely to mislead the public; and
- (iii) Wärtsilä is able to ensure the confidentiality of that information.

The decision to delay the disclosure of inside information is made and recorded in accordance with Wärtsilä's internal guidelines. When Wärtsilä has delayed the disclosure of Inside Information, it shall inform the FSA immediately after the information is disclosed to the public that disclosure of the information was delayed.

### **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. Communication with the investor community**

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 dialogue 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 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. Media inquiries are coordinated and handled by Communications & Branding and the respective Business.

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

Wärtsilä's CEO, CFO and Investor Relations Director are the primary contacts responsible for dealing with investors, shareholders and analysts. These persons and the Executive Vice President, 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 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**

Wärtsilä publishes a profit warning 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 published as stock exchange releases as soon as possible, if Wärtsilä estimates that its results are likely to materially differ from the guidance given by the company.

### **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 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 publishes three interim reports and a financial statements bulletin annually according to a predetermined schedule. Wärtsilä's annual report is published on the company's webpages no later than three weeks before the Annual General Meeting. 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 5 years.

### **4.1. Reporting levels**

Wärtsilä's public reporting is made on the corporate level. Business level information 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, English and Swedish. Because the company has global operations, its business language is English.

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

Wärtsilä publishes notifications 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 90 percent or two thirds of the voting rights or the numbers of shares of the company. Notifications of changes in holdings are made without undue delay.

## **6. Managers' transactions**

Wärtsilä publishes notifications on transactions conducted by persons discharging managerial responsibilities and persons closely associated with them when the transactions reach a threshold of EUR 5,000 (without netting) on a yearly level in accordance with the provisions of the MAR. Persons discharging managerial responsibilities refer exclusively to members of the Board of Directors and the Board of Management of Wärtsilä. Notifications of transactions by persons discharging managerial responsibilities and persons closely associated with them are published as stock exchange releases within three business days from the date of the transaction.

## **7. Public announcements**

All public announcements are coordinated, published and distributed 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 of publishing and distribution 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 matter.

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

Matters, which may have a material impact on the value of the company's financial instruments, and are potentially price sensitive in nature, are disclosed as a stock exchange release to the NASDAQ Helsinki, the FSA, and key media as soon as possible.

The following guidelines for publishing a stock exchange release are 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 EUR 100 million or more and/or which are of major strategic importance
- Other strategically important transactions for the group
- Appointments to the Board of Management

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

Press releases contain information on events relating to Wärtsilä's business operations, which do not fulfil the criteria for a stock exchange release but are assessed to be of general interest for investors and media. 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.

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

Press releases, trade press releases and local releases are 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.

## **8. Insider management**

Wärtsilä manages inside information and insiders in accordance with the requirements of the MAR, the Insider Guidelines of Nasdaq Helsinki Ltd., and Wärtsilä's Insider Policy.

Members of Wärtsilä's Board of Directors and Board of Management and certain other Wärtsilä personnel are prohibited from trading of the Wärtsilä financial instruments 30 days before publication of the financial statements bulletin or interim report.

Persons discharging managerial duties must schedule the trading of Wärtsilä's financial instruments to the moment when full information on facts and figures influencing the value of these securities is available on the market.

When significant projects are at the preparation stage, the company draws up an insider list for the projects concerned. Insiders are given written notification of their status as insiders and instructions on the obligations that apply to insiders.

## **9. Crisis situations**

Wärtsilä has a Crisis Communications Process for providing accurate and timely information to Wärtsilä management, employees and other stakeholders, if a crisis occurs. The role of crisis communications is to support Crisis Management by providing expertise, tools and by sharing accurate information with key audiences.

## **10. 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 value of Wärtsilä financial instruments.

Should inside information accidentally be disclosed selectively, the company releases the information as soon as possible 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 the Business Communications in question, Communications & Branding and Investor Relations must be informed immediately.