

## ANNUAL GENERAL MEETING OF WÄRTSILÄ CORPORATION

**Date and time:** 3 March 2016, 3.13 pm – 4.26 pm

**Venue:** Conference Centre at Messukeskus Helsinki, Expo and Convention Centre

**Attendance:** Shareholders included in the list of votes confirmed at the meeting were recorded as being present, in person or by proxy.

Also present at the meeting were all members of the board of directors, the president and CEO, the auditor, and members of the company's senior management.

### 1§ OPENING OF THE MEETING

The meeting was opened by Mikael Lilius, the chairman of the board of directors.

### 2§ CALL TO ORDER

Advocate, Master of Laws Juha Väyrynen was elected as chairman of the general meeting. The chairman invited EVP Kari Hietanen to act as the secretary of the general meeting.

The chairman described the meeting procedures for handling the matters included on the agenda.

It was noted that the general meeting would be held in Finnish and Swedish, and that when speaking at the meeting the participants could use Finnish, Swedish or English.

It was noted that the proposals of the board of directors and its committees had been published as a stock exchange release and on the company's website on 27 January 2016.

The chairman noted that certain nominee-registered shareholders had submitted voting instructions to the company prior to the general meeting, and then proceeded to describe said voting instructions. A summary list of the voting instructions was appended to the minutes.

Meri Herranen, the representative of Nordea Pankki Suomi Oyj, announced that she represents numerous shareholders with nominee-registered holdings. She had submitted the information on the shareholders' number of shares and voting instructions to the chairman of the meeting. Meri Herranen announced that her clients did not require those items of the agenda in which she had been instructed to vote against the proposal or not to participate in the discussion of the matter to be voted on, but that appending the voting instructions to the minutes would be enough.

Correspondingly, Eetu Tampio from the Helsinki branch office of Skandivaniska Enskilda

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Banken AB (publ) (SEB) and Petra Suvas from Svenska Handelsbanken, presented their voting instructions and comments on the meeting procedures given by their principals.

The chairman noted that the general meeting would be conducted in line with the proposed procedures. He also noted that the opposing votes included in the summary list would be recorded in the minutes under the relevant item on the agenda only to the extent that they were given in favour of a counter-proposal eligible to vote.

It was noted that the summary list of the voting instructions provided by the shareholders represented by Nordea, SEB and Svenska Handelsbanken will be appended to the minutes (Appendix 1).

**3§**

**ELECTION OF PERSONS TO SCRUTINISE THE MINUTES AND TO SUPERVISE THE COUNTING OF VOTES**

Matti Kleimola and Päivi Timonen were elected as scrutiners of the minutes.

Erkka Kohonen and Marja-Leena Helenius were elected to supervise the counting of votes.

**4§**

**RECORDING THE LEGALITY OF THE MEETING**

It was noted that the notice convening the meeting had been published on 1 February 2016 in the newspapers Helsingin Sanomat and Hufvudstadsbladet. The notice convening the meeting had also been made available on the company's website on 27 January 2016.

It was noted that the Annual General Meeting had been convened in compliance with the company's articles of association and the provisions of the Limited Liability Companies Act. Based on this, a quorum was ascertained.

The notice convening the meeting was appended to the minutes (Appendix 2).

**5§**

**RECORDING THE ATTENDANCE AT THE MEETING AND ADOPTION OF THE LIST OF VOTES**

The list of the participants and the list of votes as at the opening of the meeting were presented, according to which 1,693 shareholders were present, either personally or represented by a statutory or authorised representative. It was recorded that 113,858,630 shares and votes were represented at the opening of the meeting.

The list of participants and the list of votes as at the opening of the meeting were appended to the minutes (Appendix 3). It was noted that at the beginning of any vote the list of votes would be confirmed to correspond with the attendance of the meeting.

**6§**

**PRESENTATION OF THE FINANCIAL STATEMENTS, ANNUAL REPORT AND**

## AUDITOR'S REPORT FOR 2015

President and CEO Jaakko Eskola presented a review of the company's operational and financial performance in 2015. He also described the company's current position and objectives, topical business developments, and future outlook. The President and CEO's presentation material was attached to the minutes (Appendix 4).

The financial statements for the financial period 1 January – 31 December 2015 were presented, including the profit and loss account, balance sheet and cash flow statement, with appendices, as well as the consolidated financial statements and the report of the board of directors. It was recorded that the financial statements of the parent company had been prepared in accordance with Finnish Accounting Standards (FAS), while the consolidated financial statements had been prepared in accordance with International Financial Reporting Standards (IFRS).

It was noted that the financial statement documentation had been available on the company's website since 9 February 2016, in addition to which the documentation was available at the meeting venue.

All the financial statement documents were appended to the minutes (Appendix 5).

The auditor's report was presented and then appended to the minutes (Appendix 6).

### 7§

## ADOPTION OF THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

The financial statements and consolidated financial statements for the financial period 1 January – 31 December 2015 were adopted.

### 8§

## RESOLUTION ON THE USE OF THE PROFIT SHOWN ON THE BALANCE SHEET AND THE PAYMENT OF DIVIDENDS

It was noted that the total distributable funds of the parent company on the balance sheet date 31 December 2015 were EUR 1,052,581,243.14, of which the profit for the financial period was EUR 276,747,007.02.

It was noted that the board of directors had proposed that a dividend of EUR 1.20 per share be paid from the parent company's distributable funds, which would make the total amount of dividends EUR 236,689,356.00. According to the proposal, dividends would be paid to shareholders who, on the dividend record date, 7 March 2016, were registered in the company's shareholders' register held by Euroclear Finland Ltd. The proposed payment date for dividends would be 14 March 2016.

It was noted that the board of directors had also proposed that the remaining part of the profit be transferred to the retained earnings account.

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The proposal of the board of directors was appended to the minutes (Appendix 7).

It was decided, as per the proposal of the board of directors, that a dividend of EUR 1.20 per share be paid from the parent company's distributable funds, in total EUR 236,689,356.00, to the shareholders, who are listed in the list of the company shareholders kept by Euroclear Finland on the date of record 7 March 2016. The payment date for the dividends will be 14 March 2016.

**9§**

**RESOLUTION ON THE DISCHARGE FROM LIABILITY OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE PRESIDENT AND CEO**

It was noted that the resolution on the discharge from liability for the financial period 1 January – 31 December 2015 concerned the following persons:

Mikael Lilius, chairman of the board  
Kaj-Gustaf Bergh, deputy chairman of the board until 5 March 2015, board member as of 5 March 2015  
Maarit Aarni-Sirviö, board member  
Sune Carlsson, board member until 5 March 2015, deputy chairman of the board as of 5 March 2015  
Alexander Ehrnrooth, board member until 5 March 2015  
Paul Ehrnrooth, board member until 5 March 2015  
Tom Johnstone, board member as of 5 March 2015  
Risto Murto, board member  
Gunilla Nordström, board member  
Markus Rauramo, board member  
Björn Rosengren, President and CEO until 31 October 2015  
Jaakko Eskola, President and CEO as of 1 November 2015

It was resolved to grant a discharge from liability to the members of the board of directors and the presidents and CEOs listed above.

**10§**

**RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS**

It was resolved, in accordance with the proposal of the nomination committee of the board of directors, that the board members elected for the term of office ending at the closing of the 2017 Annual General Meeting be paid the following annual remuneration:

EUR 132,000 to the chairman of the board,  
EUR 99,000 to the deputy chairman of the board, and  
EUR 66,000 to each other board member.

Each member of the board of directors will also be paid a fee of EUR 600 for each board meeting that they attend, the chairman's meeting fee being double this amount. Furthermore, each member of the nomination committee and remuneration committee will be paid a fee of

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EUR 700 for each committee meeting that they attend and each member of the audit committee will be paid a fee of EUR 1,200 for each meeting that they attend, the chairmen's meeting fees being double these amounts.

Approximately 40% of the annual remuneration will be paid in Wärtsilä Corporation shares, and the remaining portion in cash, from which tax will be deducted on the basis of the total annual remuneration. The meeting remuneration will be paid in cash. Travel expenses will be reimbursed in accordance with the company travel policy.

**11§  
RESOLUTION ON THE NUMBER OF MEMBERS OF THE BOARD OF  
DIRECTORS**

It was noted that, pursuant to the articles of association, the board of directors shall comprise no fewer than five and no more than ten members, and that the board of directors currently had eight members.

It was noted that the nomination committee of the board of directors had proposed that the number of members of the Wärtsilä Corporation's board of directors be confirmed as eight (8).

In accordance with the proposal of the nomination committee of the board of directors, the Annual General Meeting decided that the number of members of the Wärtsilä Corporation's board of directors be confirmed as eight (8).

**12§  
ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS**

It was noted that, in accordance with the articles of association, board members shall be elected for a one-year term, starting on the day of the annual general meeting in which the election was held and ending at the closing of the first annual general meeting following the election.

It was noted that the nomination committee of the board of directors had proposed to the Annual General Meeting that, for the term of office ending at the closing of the 2017 Annual General Meeting, the following persons be re-elected as board members:

- Maarit Aarni-Sirviö
- Kaj-Gustaf Bergh
- Sune Carlsson
- Tom Johnstone
- Mikael Lilius
- Risto Murto
- Gunilla Nordström and
- Markus Rauramo.

It was noted that the persons listed above had agreed to accept their nomination.

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It was resolved, in accordance with the proposal of the nomination committee of the board of directors, to elect for the term of office ending at the closing of the 2017 Annual General Meeting the following persons as board members:

- Maarit Aarni-Sirviö
- Kaj-Gustaf Bergh
- Sune Carlsson
- Tom Johnstone
- Mikael Lilius
- Risto Murto
- Gunilla Nordström and
- Markus Rauramo.

**13§**

**RESOLUTION ON THE REMUNERATION OF THE AUDITOR**

It was resolved that the remuneration to the auditor be paid in accordance with the auditor's invoice, approved by the company.

**14§**

**ELECTION OF AUDITOR**

It was noted that, in accordance with the articles of association, the company shall have one auditor, which must be an audit firm approved by the Finland Chamber of Commerce. For the previous financial period, the company's auditor had been authorised public accountants KPMG Oy Ab, with Virpi Halonen acting as the responsible auditor.

It was noted that the company's audit committee had proposed that authorised public accountants KPMG Oy Ab be elected as the company's auditor.

It was resolved that the elected auditor will be requested to provide a statement on the discharge of liability, use of profit and payment of dividends also for 2016.

It was resolved to elect authorised public accountants KPMG Oy Ab as the company's auditor.

**15§**

**AUTHORISATION REGARDING THE REPURCHASE AND DISTRIBUTION OF COMPANY SHARES**

It was resolved to approve the board of directors' proposal for granting authorisation regarding the repurchase and distribution of company shares (Appendix 8).

The board of directors was authorised to resolve on the repurchase of no more than 19,000,000 company shares, in accordance with the proposal of the board of directors. The repurchase authorisation shall remain in force until the end of the first annual general meeting following the resolution, but no later than 18 months from the resolution made at the annual general meeting.

The board of directors was authorised to resolve on the distribution of no more than 19,000,000 company shares, in accordance with the proposal of the board of directors. The distribution authorisation shall remain in force for three years from the date of the resolution made at the annual general meeting. The authorisation entitles the board of directors to resolve to whom and in which order the company shares will be distributed.

It was recorded that, based on the authorisations, the board of directors is entitled to resolve on the repurchase or distribution of company shares to the extent corresponding to the existing number of company shares held by shareholders.

## **16§**

### **BOARD OF DIRECTORS' PROPOSAL TO AMEND THE ARTICLES OF ASSOCIATION**

The board of directors' proposal to amend the articles of association was handled. It was resolved that Article 2 (Industry) of the Articles of Association be amended to read as follows:

#### "Article 2 Sphere of Operations

The company shall develop, manufacture and sell mechanical and electrical products, plants and systems, sell spare parts and provide operation and maintenance services in the marine and energy markets either directly or through its subsidiaries and associated companies. The company can also provide financing, design and consulting services as well as engage in other industrial and commercial activities. The company may deal in securities and engage in other investment activities."

It was resolved that Article 8 (Convocation) of the Articles of Association be amended to read as follows:

#### "Article 8 Convocation

The notice of an annual general meeting is published on the company's website, or in not less than two (2) daily newspapers, which are commonly distributed in Finland, as determined by the Board, a maximum of two (2) months and no less than three (3) weeks before the meeting, but in any case no later than nine (9) days before the record date of the Annual General Meeting.

Every shareholder who has pre-registered for the Annual General Meeting in the manner set forth in the notice of the Annual General Meeting has the right to attend it. The registration period may end 10 days before the meeting at the earliest."

## **17§**

### **DONATIONS TO UNIVERSITIES**

The Annual General Meeting resolved to authorise the board of directors to decide on a maximum of EUR 1,300,000 in donations to universities during the years 2016–2017, with Aalto University as the chief recipient of said donations.

## **18§**

### **CLOSING OF THE MEETING**

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The chairman of the general meeting noted that the items on the agenda had been discussed, and that the minutes of the meeting would be available to the shareholders at the company's head office and on the company website no later than two weeks from the date on which the general meeting was held.

The chairman concluded the meeting.

Chairman of the general meeting:

[signature]

Juha Väyrynen

In witness whereof:

[signature]

Kari Hietanen

Minutes scrutinised and approved:

[signature]

Matti Kleimola

[signature]

Päivi Timonen

**APPENDICES**

<u>Appendix 1</u>	Voting instructions by nominee-registered shareholders
<u>Appendix 2</u>	Notice convening the meeting
<u>Appendix 3</u>	Adopted list of votes
<u>Appendix 4</u>	Presentation materials of the president and CEO's review
<u>Appendix 5</u>	Financial statement documentation
<u>Appendix 6</u>	Auditor's report
<u>Appendix 7</u>	Board of directors' proposal for the use of profit and payment of dividends
<u>Appendix 8</u>	Board of directors' proposal for the authorisation regarding the purchase and transfer of company shares
<u>Appendix 9</u>	Board of directors' proposal to amend the articles of association