

Salary and remuneration report 2009

■ Remuneration of the Board of Directors

The Annual General Meeting decides annually on the fees to be paid to the members of the Board of Directors for one term of office at a time.

The Annual General Meeting approved the following fees to the members of the Board of Directors for 2009:

- To the ordinary members EUR 55,000/year
- To the deputy chairman EUR 82,500/year
- To the chairman EUR 110,000/year

In addition, each member will be paid EUR 400/meeting attended, the chairman's meeting fee being double this amount. Roughly 40% of the annual fee is paid in Wärtsilä shares.

The six members of Wärtsilä's Board of Directors, none of whom are employees of the company, were paid altogether 454,580 euros for the financial period that ended 31 December 2009. The Board's members were not covered by the company's stock option scheme or bonus scheme.

■ Remuneration of the President and CEO and the Board of Management

The remuneration paid to the President and CEO and other members of the Board of Management, and the principles underlying it, are determined by the Board of Directors. The remuneration paid to the President and CEO and the other members of the Board of Management consists of a monthly salary and a bonus. The Board of Directors determines the terms for the bonus payment. The bonus payments for the President and CEO and the Board of Management are paid according to the achievement of the company's profit targets. Monthly updated information on shares held by the President and CEO and the other members of the Board of Management can be found on the website at www.wartsila.com.

The President and CEO is eligible to take retirement on reaching the age of sixty and his retirement pension is 60% of his statutory (TyEL) earnings. Remuneration paid to the President and CEO if dismissed by the company, corresponds to 24 month's salary plus six months' period of notice salary. The retirement age of some of the members of the Board of Management is sixty years.

Financial benefits of President and CEO Ole Johansson

- Salary 2009: EUR 649 thousand
- Bonuses 2009: EUR 177 thousand *)
- Shares and share related rights granted as remuneration: -
- Retirement age: 60
- Period of notice: 6 months
- Compensation paid if dismissed by the company: 24 months' salary + 6 months' period of notice salary.

*) In addition, EUR 396 thousand has been reserved for long term bonus programs based on share price development.

[Consolidated Financial Statement, Note 29: Related party disclosures](#)

■ Management incentive schemes

The Board of Directors determines the incentive schemes for the President and CEO and other members of the Board of Management, and the principles underlying them. The Board of Directors also decides on other possible long-term incentive

schemes for senior management, unless they are by law determined by the Annual General Meeting. The Board of Management decides on bonus schemes for other directors and managers.

The Group operates a bonus scheme, which is implemented globally in all businesses. The bonus is based on the Group's profitability and agreed personal targets. Approximately 1,700 directors and managers are covered by this bonus scheme.

The Board of Directors has decided on a long-term bonus scheme for senior management tied to the stock development of the company's share. The bonus scheme applies to approximately 50 directors.

The Group's white- and blue-collar employees are covered by various bonus or profit-based incentive schemes. These are applied in each country according to that country's legislation, or to agreements concerning profit-sharing schemes. All in all, some 60% of the company's employees are covered by the Group's bonus scheme and various other profit-based incentive schemes.

Consolidated Financial Statement, Note 6: Employee benefit expenses

Fees paid in Wärtsilä shares in 2009

Board of Directors	No. of shares
Chairman Antti Lagerroos	1 652
Deputy Chairman Matti Vuoria	1 239
Maarit Aarni-Sirviö	827
Kaj-Gustaf Bergh	827
Kari Kauniskangas	827
Bertel Langenskiöld	827

Board of Directors share ownership in Wärtsilä 31.December 2009

Board of Directors	Share
Antti Lagerroos	26 951
Change in 2009	+11 652
Matti Vuoria	3 301
Change in 2009	+1 239
Maarit Aarni-Sirviö	2 001
Change in 2009	+827
Kaj-Gustaf Bergh	1 297
Change in 2009	+827
Kari Kauniskangas	2 297
Change in 2009	+827
Bertel Langenskiöld	5 822
Change in 2009	+827

Board of Management share ownership in Wärtsilä 31.December 2009

Board of Management	Share
Ole Johansson	24 533
Change in 2009	-
Raimo Lind	3 383
Change in 2009	-
Jaakko Eskola	5
Change in 2009	-
Lars Hellberg	0
Change in 2009	-
Kari Hietanen	72
Change in 2009	-
Atte Palomäki	300
Change in 2009	-
Vesa Riihimäki	0
Change in 2009	-
Christoph Vitzthum	466
Change in 2009	-