

# Remuneration Report 2025

## 2025 Remuneration at a Glance

The Board fees approved by the Annual General Meeting for 2025 remained unchanged.

### Incentive plan pay-outs

In the short-term incentive plan (STI), the CEO and Board of Management's focus was on group and business financial targets for 2025.

The STI for 2024 resulted in a pay-out (paid in 2025).

The STI for 2025 resulted in a pay-out (will be paid in 2026).

In our Performance Share Plan (PSP), in addition to Economic Value Added (EVA), we have also included sustainability performance metrics, which are linked to our strategic target of providing a product portfolio that will be ready for zero carbon fuels by 2030.

The 2022-2024 PSP resulted in a pay-out (paid in 2025).

The 2023-2025 PSP resulted in a pay-out (will be paid in 2026).

## Remuneration policy at a glance

According to the **Remuneration Policy for Governing Bodies of Wärtsilä** (the "Remuneration Policy" or "Policy"), remuneration at Wärtsilä shall follow the '**Pay for Performance**' principles of being responsive, transparent, and competitive, while aligning relevant interests. These principles are used for structuring the reward approach throughout the organisation, and are designed to align employee rewards with the interests of the company and its shareholders.

### Remuneration for the Board of Directors

(the "Board") consists of annual fees for Board membership, attendance fees, and committee fees. Fees vary based on position, workload, and responsibility. Annual fees are paid in shares and cash, attendance and committee fees in cash. The Annual General Meeting ("AGM") decides on the fees for each term of office.

### Remuneration of the Chief Executive Officer

(the "CEO") consists of a base salary, pension, and benefits, as well as short- and long-term incentives. The objective is to have a good balance of rewarding elements, and to guarantee a competitive level of fixed remuneration. This is supplemented with short- and long-term incentive schemes aimed at providing an appropriate reward for driving company performance.

**The Board may deviate from the Policy in extraordinary circumstances.** To read the full Policy, please visit Wärtsilä's website at [www.wartsila.com/investors/governance](http://www.wartsila.com/investors/governance)

The Remuneration Report outlines the remuneration for Wärtsilä's Governing Bodies as required by the Finnish Securities Market Act, the Finnish Limited Liability Companies Act, the Decree of the Ministry of Finance on the remuneration policy and remuneration report of a share issuer (608/2019), and the Finnish Corporate Governance Code 2025 (the "Code") issued by the Securities Markets Association. The report presents information on the remuneration of the Chief Executive Officer and the Board of Directors during the financial year 2025. It also presents the development of average employee remuneration and company performance over the past five financial years, in comparison to the CEO and Board members' remuneration.

1. Introduction

Letter from the Chair of the People Committee

Dear Shareholders,

I am pleased to present Wärtsilä’s 2025 Remuneration Report, approved by our Board of Directors. In 2025, the People Committee focused on and ensured the application of our Remuneration Policy within the company, and actively supported the implementation of our People strategy and priorities. Our goal with the strategy is to create an engaging work environment with a strong emphasis on safety, sustainable performance, and wellbeing for our approximately 17,900 employees.

Our Pay for Performance approach is built on responsiveness, transparency, and competitiveness, aligning employee remuneration with the interests of the company and its shareholders. It ensures that remuneration is directly linked to measurable business results, while rewarding individuals and teams for achieving agreed goals aligned with company priorities. This approach motivates high performance, supports talent retention, and reinforces Wärtsilä’s strategic objectives.

Based on earlier feedback, we recognised the need for greater transparency in our short-term and long-term incentive plans, which we addressed in our 2024 Remuneration Report. In this Remuneration Report for 2025, we continue with this approach to disclose achievement rates for each STI and PSP performance measure.

The 2025 Short-Term Incentive (STI) plan was based on group and business financial and strategic individual goals for the CEO and Board of Management. In 2025, we saw very positive progress across all four financial targets – net sales, EBIT, order intake, and operating cash flow. In line with our Pay for Performance principles, this strong

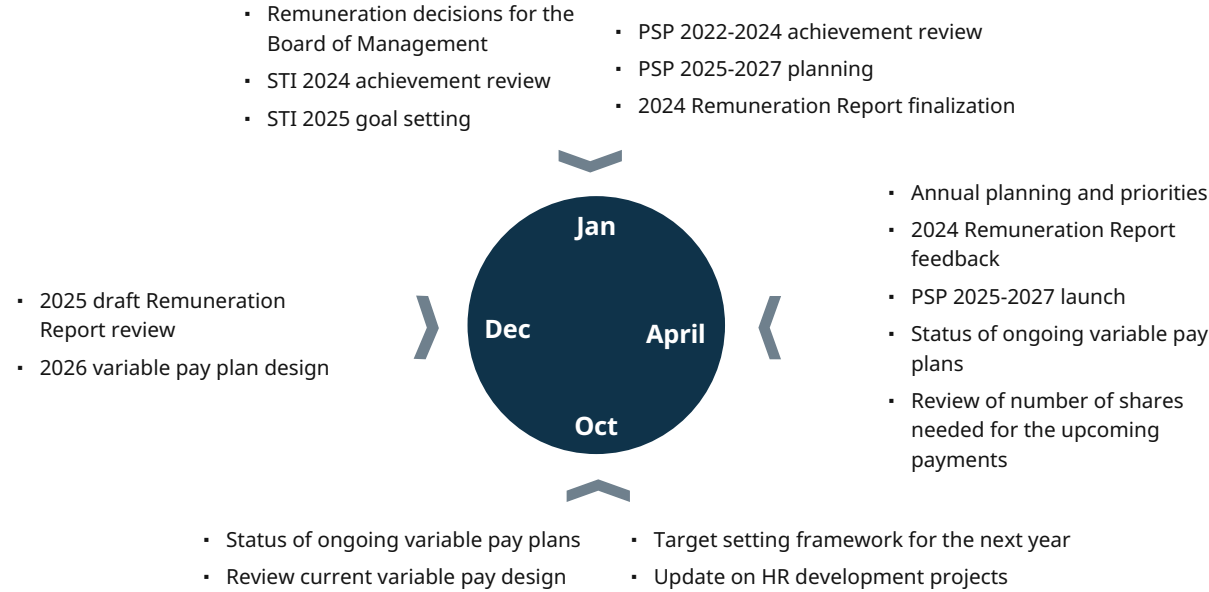
result has earned a good pay-out under the 2025 STI plan, recognising the great performance of our employees.

To ensure that remuneration drives Wärtsilä’s best interests, our Performance Share Plan (PSP) aligns incentive schemes, not only with financial performance, but also with the company’s sustainability goals. It focuses on CO<sub>2</sub> reduction and supports Wärtsilä’s decarbonisation strategy, which includes achieving carbon neutrality in our own operations, developing a product portfolio ready for zero-carbon fuels, and – as the latest target introduced in 2025 – reducing our direct suppliers’ greenhouse gas emissions by 25% by 2030. We achieved great results on both the financial and sustainability targets, and the 2023 – 2025 PSP resulted in a good pay-out.

In 2025, I am very pleased to inform you that Wärtsilä strengthened its position as a global employer of choice and advanced its cultural transformation through continuous improvement. The company earned recognition as one of Forbes’ World’s Best Employers, reflecting its commitment to creating an engaging workplace. At the same time, Wärtsilä expanded its Continuous Improvement framework, introducing new learning modules for employees in blue-collar roles and equipping line managers with tools to foster collaboration and performance excellence. These achievements exemplify The Wärtsilä Way – a strategy that combines our values of customer success, passion, and performance – by embedding a culture of learning and innovation, while ensuring people practices support sustainable growth and excellence in our operations.

Our purpose is to enable sustainable societies through technological innovation and services – a mission that has set a clear path for us on our way to decarbonising the marine and energy sectors. By fostering an inclusive workplace and embedding a learning culture and continuous improvement, we empower our teams to continue delivering industry-leading innovation and contributing to Wärtsilä’s long-term success.

People Committee annual clock 2025



Tom Johnstone  
Chair of the people committee

People Committee members’ meeting participation in 2025

Number of meetings	
Tom Johnstone, Chair	6/6
Mika Vehviläinen	6/6
Karin Falk	6/6

## 1.1 Remuneration and company performance

2025 was a strong year for Wärtsilä. Despite increased uncertainty, the global economy showed greater resilience than anticipated. We continued steady progress in both the marine and energy markets. Order intake for Marine and Energy increased, and we delivered all-time high order intake, net sales, operating profit and cash flow for the year.

Wärtsilä's Remuneration Principles set by the Policy are applicable to all employees, in all countries and in all businesses. These principles guide the development of remuneration and related practices, including for the CEO. The short-term incentive scheme (STI) is designed to provide incentives for the achievement of, and to reward the delivery of, the short-term business plan. Over the past years, the STI has been consistently based on financial targets. Long-term incentive (LTI) schemes are approved by the Board of Directors. They annually introduce individual Performance Share Plans (PSP), each with a three-year performance period, designed to align the interests of participants with those of Wärtsilä's shareholders. The current Performance Share Plan, which is launched annually, measures Economic Value Added (EVA) and sustainability targets connected to our decarbonisation strategy, namely, to become carbon neutral in our own operations, and to have a product portfolio ready for zero carbon fuels. By aligning the incentive schemes with the goals of the Company, we can ensure that remuneration drives the best interests of the Company.

As Wärtsilä is a global company, the remuneration markets in which Wärtsilä operates vary significantly. Nevertheless, the People Committee considers that the most transparent means for comparing the development of remuneration over time, is to compare the CEO and Board's remuneration with that of employees globally. Therefore, the figures shown for average employee

remuneration are based on data for all Wärtsilä employees.

In line with the Pay for Performance principle, a substantial part of the CEO's remuneration is based on variable pay, i.e., short- and long-term incentives. As our performance targets for short- and long-term incentives are linked to business results, this development is reflected in the CEO's remuneration. Employee remuneration is less volatile than that of the CEO, since a smaller portion of their total remuneration is based on variable pay elements. However, as all short-term incentive schemes are connected to the same performance indicators to a varying degree, employee remuneration is also impacted by Company performance.

## 1.2 Any deviations or clawbacks made

No deviations from the Remuneration Policy were made during 2025 and the Company has not exercised any rights to reclaim or cancel any paid or unpaid incentives.

### Five-year development of remuneration and Company performance

	2025	2024	2023	2022	2021
<b>Total Board remuneration, TEUR</b>	<b>1,021</b>	1,006	910	946	794
Change compared to previous year, %	<b>1.5</b>	10.5	-3.8	19.1	
<b>CEO base + benefits, TEUR*</b>	<b>1,083</b>	1,056	1,021	980	915
Change compared to previous year, %	<b>2.0</b>	3.4	4.2	7.1	
<b>CEO total remuneration, TEUR*</b>	<b>3,504</b>	2,230	1,322	1,712	1,812
Change compared to previous year, %	<b>57.1</b>	68.7	-22.8	-5.5	
<b>Average employee remuneration, TEUR**</b>	<b>88.6</b>	76.3	73.1	68.2	62.9
Change compared to previous year, %	<b>16.1</b>	4.4	7.2	8.4	
<b>Comparable operating result, MEUR</b>	<b>829</b>	694	497	325	357
<b>Cash flow from operating activities, MEUR</b>	<b>1,598</b>	1,208	822	-62	731

\*The Company had a new CEO as of 1 February 2021. The 2021 total remuneration combines the previous CEO's earnings including STI earned 2020 and paid 2021, as well as the new CEO's total remuneration. The CEO's fixed base salary did not increase in 2025, table reflects change in taxable benefits.

\*\*Average employee remuneration comprises personnel expenses without other compulsory personnel costs divided by the average number of personnel during the year.

The comparison figures show the remuneration paid out during each financial year. Pay-outs for the STI and LTI are always made during the year following the performance period. This means that, for example, remuneration figures presented for 2025 are based on the STI performance period 2024 and the LTI performance period of 2022–2024.

## 2. Remuneration of the board of directors for 2025

The 2025 Annual General Meeting approved the payment to the members of the Board of Directors for 2025 as presented in the table on the right.

The members of Wärtsilä's Board of Directors were paid altogether EUR 1,020,500. Approximately 40% of the annual Board remuneration is paid in Wärtsilä Corporation shares, and the remainder in cash. In addition, the meeting fees for Board meetings will be paid as follows: The Chair will be paid EUR 1,500 per Board meeting attended, and the other Board members will be paid EUR 1,000 per Board meeting attended. These meeting fees are applied to the Board meetings in Finland for those members resident in the Nordic countries, to all Board meetings held outside of Finland, and to all board meetings held by teleconference or per capsulam. In the case of a board member being domiciled in a European country other than the Nordic countries, a meeting fee of EUR 2,000 per Board meeting attended in Finland will be paid. In the case of a board member being domiciled in a country outside Europe, a meeting fee of EUR 3,000 per Board meeting attended in Finland will be paid. In addition, Board members are reimbursed for their travel costs in accordance with Wärtsilä's travel policy. Members of the Board are not covered by incentive schemes and do not receive performance-based remuneration, nor do they have a pension scheme arranged by Wärtsilä. All payments to members of the Board during the financial year 2025 were in compliance with the Remuneration Policy.

### Fees paid to the Board in 2025

(TEUR)	2025
<b>Annual Fixed compensation</b>	
Chair of the Board	200
Deputy Chair	105
Ordinary members	80
<b>Fixed compensation for committee members (per term)</b>	
Chair of the Audit Committee	28
Members of the Audit Committee	15
Chair of the People Committee	22
Members of People Committee	11
<b>Meeting fees (per meeting)</b>	
Chair of the board / Committee	1.5
Member (Nordic)	1
Member (Europe)	2
Member (Global)	3

### Fees paid to the members of the Board in 2025

	Attendance fees, TEUR*	Annual fees, TEUR	Total remuneration, TEUR**
Tom Johnstone, Chair	44.5	200	244.5 (4,722 shares)
Mika Vehviläinen, Deputy Chair	27	105	132 (2,479 shares)
Karen Bomba	36	80	116 (1,889 shares)
Morten H. Engelstoft	33	80	113 (1,889 shares)
Karin Falk	26	80	106 (1,889 shares)
Johan Forssell	15	80	95 (1,889 shares)
Henrik Ehrnrooth	11	80	91 (1,889 shares)
Tiina Tuomela	43	80	123 (1,889 shares)

\* Attendance fees also include committee fees.

\*\* Total remuneration includes the number of shares. The value of the share portion is approximately 40% of the annual fees.

### 3. Remuneration of the CEO for 2025

In 2025, CEO Håkan Agnevall was paid a total remuneration of EUR 3,510,297. The relative proportion of fixed pay was 40% and variable pay 60%. The fixed pay includes a base salary, benefits, and supplementary pension contributions, while variable pay includes short- and long-term incentives and other temporary payments. The composition of the CEO's remuneration for 2025 is further illustrated in the graph below and the CEO's remuneration details are shown in the table on the right.

The CEO's numerical achievement rates per short- and long-term incentive plan specific performance measures are shown in the tables on the following page.

#### Actualized CEO remuneration 2025



Remuneration element	Paid	Description	Compliance with the Policy
Salary and short-term benefits	<b>Paid EUR 1,083,052</b>	The CEO has the following short-term benefits: phone, car, medical insurance.	Complies with the Policy
Short-term incentives	<b>Paid EUR 821,727</b> <b>Accrued EUR 1,345,869</b>	For the financial year 2024, paid in 2025: EUR 821,727. For the financial year 2025, paid in 2026 ('accrued'): EUR 1,345,869	Complies with the Policy
	<b>Policy maximum</b>	The short-term incentive for year 2026 will measure EBIT, Cash Flow, Order Intake, Net Sales and individual strategic targets.	
	For the financial year 2024 an amount equalling to 100% and for the financial year 2025 an amount equalling to 130% of the annual fixed pay.		
Long-term incentives	<b>Paid EUR 1,290,039/ 75,455 shares</b> <b>Accrued 177,475 shares (gross)</b>	For PSP 2022-2024, the CEO was granted 86,136 shares, with a value at target of EUR 963,000 and with a maximum earning opportunity of 175% of the base pay at grant. The performance measure in the PSP is Economic Value Added (weighted 85%) and sustainability targets (weighted 15%). The plan resulted in a gross award equivalent to 75,455 shares. The gross value of the transfer was EUR 1,290,039.	Complies with the Policy
	<b>Policy maximum</b>	For PSP 2023-2025, the CEO was granted 122,735 shares, with a value at target of EUR 1,001,520 and with a maximum earning opportunity of 175% of the base pay at grant. The performance measure in the PSP is Economic Value Added (weighted 85%) and sustainability targets (weighted 15%). The plan resulted in a gross award equivalent to 177,475 shares. The final taxable value of the award is dependent on the share price at the time of transfer.*	
	Three times the annual fixed pay at grant	Ongoing schemes: For PSP 2024-2026, the CEO was granted 81,779 shares, with a value at target of EUR 1,065,582 and with a maximum earning opportunity of 175% of the base pay at grant. The performance measure in the PSP is Economic Value Added (weighted 85%) and sustainability targets (weighted 15%). For PSP 2025-2027, the CEO was granted 76,476 shares, with a value at target of EUR 1,331,978 and with a maximum earning opportunity of 218.75% of the base pay at grant. The performance measure in the PSP is Economic Value Added (weighted 80%) and sustainability targets (weighted 20%). For PSP 2026-2028, the performance measures are Economic Value Added (weighted 80%) and sustainability metrics (weighted 20%).	
Pension	<b>Paid EUR 315,479</b>		Complies with the Policy
Severance benefits	N/A	Remuneration paid to the CEO if dismissed by the company corresponds to 18 months' salary plus a six months' period of notice salary	Complies with the Policy

\*On the basis of the January 2026 volume-weighted average share price, the estimated gross payout value would be around MEUR 5,8.

The CEO’s numerical achievement rates per short-term incentive plan

STI PLAN		STI 2024 - paid in 2025		STI 2025 - accrued (to be paid in 2026)	
Metric		Weighting	Performance outcome %	Weighting	Performance outcome %
Group EBIT before IAC		50%	163%	40%	200%
Group Operating Cash Flow		25%	200%	20%	200%
Group Net Sales		25%	91%	20%	188.4%
Group Order Intake				10%	200%
Individual Strategic Goals				10%	166.3%
Total weighted outcome		100%	154%	100%	194.3%
Pay-out to CEO based on STI, EUR		821,727			1,345,869
Threshold 0%, target 100% and maximum 200%					

The CEO’s numerical achievement rates per long-term incentive plan

LTI PLAN: PSP 2022-2024		LTI pay-out to CEO in 2025		
Metric		Weighting	Performance outcome % <sup>1</sup>	Gross value in euros
Group Economic Value Added (EVA) 2022-2024		85%	76.6%	
Sustainability metrics		15%	150%	75,455
Total weighted outcome		100%	87.6%	1,290,039

<sup>1</sup>Threshold 25%, target 100% and maximum 175%. Performance period is in the total three years (including years 2022,2023,2024).

<sup>2</sup> Includes own emission reduction and R&D roadmap (ammonia and hydrogen engine readiness).

LTI PLAN: PSP 2023-2025		LTI pay-out to CEO in 2026		
Metric		Weighting	Performance outcome % <sup>1</sup>	Gross value in euros
Group Economic Value Added (EVA) 2023-2025		85%	143.6%	
Sustainability metrics		15%	150%	177,475
Total weighted outcome		100%	144.6%	To be defined at the time of transfer in 2026

<sup>1</sup> Threshold 25%, target 100% and maximum 175%. Performance period is in the total three years (including years 2023,2024,2025).

<sup>2</sup> Includes own emission reduction and R&D roadmap (ammonia and hydrogen engine readiness).