

Scope

These are the basic requirements that Wärtsilä expects all of its suppliers to comply with.

Requirements for Wärtsilä Suppliers:

General requirements

1. Compliance with relevant legislation

Any and all business transactions and other activities of the supplier shall be carried out strictly in compliance with applicable laws and under the requirements of good citizenship in each jurisdiction where such activities take place. This includes, but is not restricted to, laws and regulations on competition, corporate governance, taxation, financial disclosure, occupational health and safety, employee rights and environmental protection. Strong attention must be paid to the integrity of each business transaction.

Neither the supplier nor any of its employees may solicit, accept or offer bribes or kickbacks of any kind. This includes money, benefits, services and anything beyond nominal value. Such payments and favours may be considered bribery, which violates local legislation and internationally recognized principles for combating corruption and bribery.

2. Submitting the necessary information

The supplier shall provide necessary information to Wärtsilä in order for Wärtsilä to assess the supplier's compliance with these supplier requirements. The supplier shall also inform Wärtsilä of any gaps in its performance. Wärtsilä handles this information confidentially and does not use the information publicly without the permission of the supplier.

3. Confidentiality

The supplier shall sign a written commitment regarding confidentiality/non-disclosure. The supplier shall keep the confidential information of Wärtsilä in confidence and shall not use it for any other purpose than the one determined by Wärtsilä. The supplier shall comply with the specific requirements of the applicable Confidentiality/Non-Disclosure Agreement.

Technical and safety requirements

The supplier specific requirements shall be determined in the agreement.

1. Technical capabilities

The supplier shall have the design and manufacturing capabilities required by Wärtsilä.

2. Technical performance and compliance

The supplier's product quality shall fulfil Wärtsilä's performance and compliance requirements. The supplier shall also secure that the product complies with all the safety regulations and requirements.

3. Communication and claim handling

In case the supplier or its sub-supplier owns the design of its product and performs any changes to the design and/or the production process, the supplier shall, before implementing any changes, inform Wärtsilä in order to discuss and/or find out what kind of consequences the changes may have to Wärtsilä. The supplier shall handle Wärtsilä's claims professionally and without any delays.

Quality

1. Certified quality management system

The supplier shall have a certified quality management system created according to ISO9001 latest edition at the minimum.

2. Inspections on supplier's premises

The supplier shall allow Wärtsilä to make inspections at supplier's premises. The supplier shall ensure that Wärtsilä is allowed to make inspections also at the sub-suppliers' premises if needed.

3. Process mapping and quality plans

The supplier shall have the processes mapped and implemented as well as the quality plans for Wärtsilä components, equipments, systems and services.

4. Corrective and preventive actions

The supplier shall have a system for components, equipments, systems and services follow up, as well as for corrective and preventive actions for nonconformities.

Environment

1. Certified environmental management system

The supplier shall have a certified environmental management system created according to ISO14001 or EMAS.

2. Reporting of packing materials

The supplier shall record annually the amounts of packing materials submitted to Wärtsilä companies and report the annual figures to Wärtsilä when required.

Occupational health and safety

1. Occupational health and safety program

The supplier shall have management approved occupational health and safety programs implemented the aim of which is to create hazard-free workplace for its employees.

2. Safety plan

The supplier shall have a valid safety plan for emergency situations with trained personnel.

3. Safety equipments

The supplier shall have sufficient safety equipment in all significant premises for the emergency situations.

Social issues

1. Human rights

The supplier shall support and respect the protection of internationally proclaimed human rights, as defined in United Nation's Universal Declaration on Human Rights (www.un.org).

2. Freedom from discrimination

The supplier shall promote equal working opportunities and freedom from any discrimination based for example on race, nationality, sex, religion and/or age.

3. Freedom of association and collective bargaining

The supplier shall support basic labour rights as stated by the International Labour Organization (www.ilo.org). In this respect the suppliers shall uphold the freedom of association and the effective recognition of the right to collective

bargaining. In case these rights are restricted by local law, the supplier shall offer its personnel alternative methods to present their views.

4. Compensation

Wages paid for regular working hours, overtime hours and overtime differentials shall meet at least the legal minimums. Illegal or unauthorised deductions from wages shall not be made.

5. Child labour

Any kind of use of child labour is strictly prohibited.

6. Forced labour

The use of forced and compulsory labour of any form is strictly prohibited.