

22.10.2010

Referring to the letter sent to Board Chairman of Wärtsilä Antti Lagerroos, we want to respond on the behalf of Wärtsilä as follows.

Wärtsilä is one of the biggest multinational companies in Finland. Wärtsilä has its own offices and staff in over 70 countries and the company has supplied power plants to more than 160 territories in the world. Wärtsilä operates in accordance with the OECD and the ICC's guidelines, and both the UN and the EU imposed sanctions on promoting their implementation. Addition to these requirements, the company has its own business principles, which commit all employees of Wärtsilä. A truly global company, Wärtsilä no doubt sometimes acts in areas where exists a variety of ethnic conflicts, territorial disputes or violations of human rights. Working in such countries emphasizes the importance of responsible business.

The territorial dispute of Morocco and the (Algerian-backed) Sadr in Western Sahara has been going on for decades. There is no clear status of the region in international consensus. The UN Security Council resolution 1754 (2007) calls on the parties of the dispute to the negotiations without preconditions, and calls upon Member States to make grants to "confidence-building measures." The European Union in turn has intensified its relations with Morocco and Finnish Foreign Ministry has helped investment opportunities of the Finnish companies in Morocco.

Wärtsilä has not invested or is not about to invest in Western Sahara, and is not exploiting natural resources of the region with its actions. Wärtsilä has supplied the oil-fired power plant and the related expansion to Dakhla to produce energy from the grid, and therefore contributed to the development of infrastructure in the region. We have indirectly contributed to the welfare of the construction of environmentally benign, modern and reliable energy solution that will benefit households, hospitals and industry. Electricity in Western Sahara is needed, regardless of which government has jurisdiction in the area. Wärtsilä has taken dozens of power plant projects in Algeria, and Department of Dakhla (first part already 2000), has not attracted any criticism. From the Wärtsilä's point of view, it is difficult to see that this project is doubtful in any way.

States and international organizations need to define the framework in which business is carried out. Wärtsilä complies and will comply with the prevailing business laws, regulations and international agreements. Wärtsilä has a strong commitment to sustainable development and corporate responsibility, and promote the principles of UN Global Compact in its own sphere of influence.

With respect

Kari Hietanen
Group Vice President
Wärtsilä Corporation