

**Corporate
Responsibility
Report
2014**

VAISALA

Material Aspects

The material aspects that guide Vaisala's sustainability strategy and priorities were updated in 2014. We have surveyed our key stakeholders to learn more about how they perceive Vaisala's sustainability work and which aspects they would like to have us pursue further. The materiality assessment below describes which aspects have been determined material and in which parts of the value chain they are relevant. The assessment has been conducted with input from a wide range of Vaisala stakeholders. The list of aspects is the basis for our sustainability strategy and objective setting and reporting.

	Vaisala Group	Contractors	Supply chain	Distribution channels	Customers	
PEOPLE						
	Safety & well-being	●	●	●	●	●
	Talent	●			●	●
	Customer relationship	●	●	●	●	●
	Stakeholder engagement	●	●	●	●	●
	Human rights			●		
INTEGRITY						
	Abiding to laws and regulations	●	●	●	●	●
	Anti-corruption	●	●	●	●	●
	Supply chain management	●	●	●		
	Community outreach	●				
SUSTAINABLE TECHNOLOGIES						
	Safety and efficiency of customer operations	●	●		●	●
	Research and innovation	●		●	●	●
	Resource efficiency	●		●		●
	Climate change	●		●		●
	Handprint	●			●	●
PERFORMANCE						
	Economic responsibility	●	●	●	●	●
	Quality	●	●	●	●	●
	Environment	●		●	●	●
	Operational efficiency	●	●	●	●	●
	Footprint	●	●	●		●

Vaisala is a global leader in environmental and industrial measurement. Building on 79 years of experience, Vaisala contributes to a better quality of life by providing a comprehensive range of innovative observation and measurement products and services for chosen weather-related and industrial markets. Headquartered in Finland, Vaisala employs approximately 1,600 professionals worldwide and is listed on the NASDAQ OMX Helsinki stock exchange.

www.vaisala.com

www.twitter.com/VaisalaGroup

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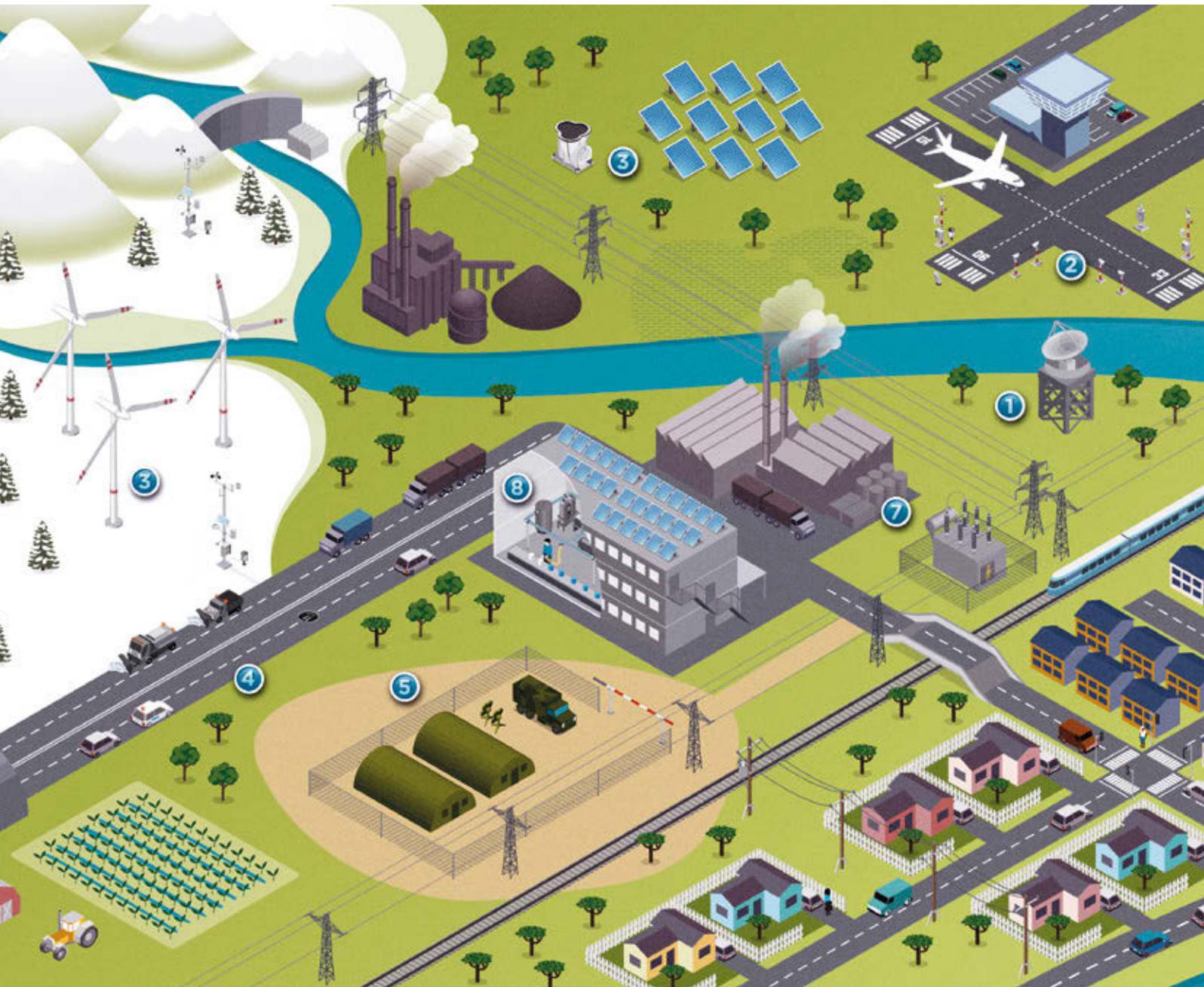


Vaisala
Observations
for a Better
World



Vaisala World

Through its customers, Vaisala is involved in many areas of the society. Our mission is to offer customers high reliability and added value through our products and services. This applies in macro scale from observation systems for entire countries down to minuscule controlled environments in a multitude of industries.



Key Customer Groups

- 1 Meteorology
- 2 Airports and Airlines
- 3 Energy
- 4 Roads and Rail
- 5 Defense
- 6 Maritime
- 7 Targeted Industrial Applications
- 8 Life Sciences



Chairman's Message

Compared to its size, Vaisala has a tremendous responsibility to the international community when it comes to measuring the weather and the environment. Without the Vaisala equipment that is installed and in use today around the world, it would be impossible to generate reliable weather forecasts or obtain climatological data from the upper atmosphere.

Measuring the weather and harnessing this powerful data effectively helps to increase safety on the roads, in the air, at sea and in operations across a diverse range of industries every day. Thus, Vaisala is involved in all instances where weather plays a part either as a risk or as an opportunity.

This year, Vaisala is restructuring the company's business operations for growth. With the restructure, we plan to improve our ability to execute growth strategies. We want to build stronger alignment between business and functions, integrated with our services. This improved operational efficiency will seek to enable long-term investments in the company's future. Fundamentally, this is about our customers and how we can best continue to provide excellence in everything we do.

Being a sustainable company is important to Vaisala. We recognize that most initiatives around renewable energy and scientific research are about climate change mitigation.

Increasingly, weather data is applied to energy production to achieve the full potential of a facility and forecast energy yield at any given time. Today, Vaisala is a strong partner for utilities and renewable energy producers and we are at the forefront of the renewable energy revolution.

Looking at our corporate responsibility initiatives, Vaisala continues to lead the way in deploying innovative technologies that protect lives and property as well as support climate research. As we seek to mitigate climate change, the impact that novel technology can provide should never be underestimated.

When the Board of Directors visited Vaisala offices around the world last year, it was inspiring to see that our staff members have a passion for the work they are doing and the contributions we make to society.

Vilho Väisälä's personal ambition was to develop scientifically reliable methods to measure the weather and the environment, rather than simply achieve financial gain from his venture. This company is founded on that core ambition, that scientific curiosity.



A handwritten signature in blue ink that reads "Raimo Voipio". The signature is fluid and cursive, written in a professional style.

Raimo Voipio
Chairman of the Board of Directors

Technology Leadership Demands Sustainable Solutions

At Vaisala, we know the weather business, our capabilities in measuring the atmosphere span nearly eight decades. We provide products and services that help increase efficiencies in a wide range of industries, from aviation to pharmaceuticals and to mitigating the impacts of severe weather phenomena.

Sustainability is an integral part of building weather-ready nations. At Vaisala, over 97% of our turnover comes from international customers. A significant portion of this comes from developing countries. Often delivering world-class solutions to locations around the world requires creativity and thinking outside of the box. Working together with our local partners, we take pride in the role that we have in safeguarding lives and property, bringing products and services where they are needed the most. Often we see that information is really the key: having the data to back up decision making, be it harvesting of your crop, preparing for lightning events, or knowing where and when extreme weather conditions will emerge next.

In the Weather business area, our customers care for the safety and wellbeing of people. Their challenge is to deliver efficient operations in all weather conditions. From meteorological institutes, to aviation and road authorities, to renewable energy customers, we bring operational benefits to our customers through a wide offering of products, projects, weather information and services. Accurate, real-time, uninterrupted and reliable weather data is the cornerstone for these operations.

Environmental sensing technology and continuous monitoring are tools that secure what matters most in any controlled environment. Vaisala helps its customers — for example pharmaceutical, biotechnology and medical companies, as well as related research institutes — to reduce the risk of damage to their potentially life-saving products and to meet their strict regulatory compliance needs.

Weather is Everywhere

The new Vaisala Radiosonde RS41 was under development for several years, and this work was done in close cooperation with our customers. The radiosonde, as well as the entire 4th generation sounding system, utilized customer feedback as the driving force for innovation.

The result is a truly value-adding radiosonde and sounding system, which 'raised the bar' in the reliability, consistency, accuracy as well as usability of conducting soundings.

To date, Vaisala has sold over 100 Weather Radar systems around the world, from tropical to arctic conditions. Our installed base is second to none. Vaisala's C-Band, Dual Polarization solution is proving its capabilities every day, providing accurate information to forecasters and decision-makers around the world. We also now offer a simple upgrade for older single polarization users looking to upgrade their radar without massive investments, with Vaisala's ground-breaking Antenna Mounted Receiver.

Vaisala went into the renewables business because weather powers renewable energy. Energy producers need to maximize production and to do this they depend on the weather to produce energy. Vaisala's expertise in the renewable energy industry lies in transforming complex weather and environmental information into value-adding decision making support. As governments continue to drive growth for the renewable energy sector, demand is increasing and Vaisala is at the forefront of delivering technologies that optimize efficiency and improve production. Vaisala has been working with partners in the renewable energy area for a long time. For example, we have been researching these opportunities for several years, but the implementation of technologies has been difficult. However, with increased demand, advancements in technology have also been made, leading to reliable energy production modelling. Today we are at the core of this business, with Triton in Lapland and solar maps from India to the United States, looking to harness the power of the sun.

Information services are driving growth in the Weather Business Area. We continue to lead the way in the Roads business, with uptake of the new generation road weather monitoring system (iRWIS), has customers reaping the benefits of our ground-breaking RoadDSS software suite. Furthermore, in the Airports business, Vaisala's Checktime solution which measures de-icing and anti-icing effectiveness plays an important role in safety for travelers as they take to the skies over the winter months.

Know your Environment

Herbalife Ltd. is a global company that provides dietary supplements, vitamins, and personal care products to customers in over 90 countries through its global member network. The company strives to meet or exceed all requirements that ensure the purity, safety and efficacy of their products from manufacture to final distribution.

Vaisala was the only company that could provide support throughout all regions, ensuring proper training, support and system uptime. Vaisala's continuous monitoring system ensures that facilities personnel maintain full control of monitored areas, identify any problems quickly, and respond with corrective actions.

Optimizing energy consumption and indoor air quality are important e.g. in schools, warehouses, concert halls, office buildings and hospitals. Good indoor air quality also increases human comfort, productivity and well-being. Both aspects can be achieved by combining humidity, temperature and carbon dioxide measurements with demand controlled ventilation. By controlling the ventilation according to the actual carbon dioxide level, rather than the number of people occupying the space, the indoor air can be kept fresh and the energy consumption optimized.

In 2014, Vaisala became one of the in-kind donors of the New Children's Hospital 2017 being built in Helsinki, Finland. Our measurement instruments will be integrated into the hospital's building automation solution to collect temperature, carbon dioxide, and relative humidity data to adjust ventilation to correspond to the true need. Good indoor air quality is a fundamental requirement for both patients and staff, helping to ensure high quality care and a safe working environment. Construction started on August 26, 2014 — the same day, as the Foundation's fundraising target of 30 million euros was reached.



Today's Customers Look Beyond Technology

Going Beyond Technology

We have been in the environmental business for nearly 80 years. This experience is our key competitive advantage, and it is upon this knowledge and these capabilities, that we are building our future success. It is important to understand that today's customers look beyond the technology. They want accurate, verified, reliable data from a company they can trust. Vaisala is committed to delivering solutions which fulfill these requirements and exceed them in practice. Several of our largest customers have very high expectations for their suppliers and have ambitious sustainability targets for their supply chains. Recently, Vaisala was recognized as a climate leader in CDP's (formerly known as Carbon Disclosure Project) report on environmental sustainability of global supply chains.

Another example of climate leadership is in our renewable energy business, where our aim is to increase productivity for renewable energy sources and help to mitigate risk across several industries. For Vaisala, this creates new business and growth opportunities, as the need for cleaner energy and resource efficiency increases. Making sure we run a clean operation ourselves is a must, of course, but the real excitement lies in the advanced technologies and services that we create and deliver, which help make societies safer and more efficient.

As global economy struggles to get back on its feet, Vaisala is set for growth and with growth comes responsibility. Once again, I would like to highlight that our way of conducting business is aligned with the universal principles of the UN Global Compact and we remain an active member of this community of responsible companies.

A handwritten signature in blue ink that reads "Kjell Forsén".

Kjell Forsén
President and CEO

Highlights of 2014

After a slow start to the year, Vaisala performed well in 2014 despite the challenging market conditions. Our order intake was strong throughout the year and the fourth quarter saw record high net sales of EUR 95.7 million. The market conditions that Vaisala faces in its different markets vary significantly. Competition in the weather observation market is expected to continue intensifying. In the Americas, the market for industrial measurement and life science solutions is expected to remain favorable and other markets to continue flat. The Russian economy is expected to continue to weaken. The Chinese market is expected to be somewhat slow during 2015.

January

Vaisala partnered with Weather Fusion LLC, making Weather Fusion the exclusive provider of Vaisala's STRIKENet Lightning Verification reports and lightning services to the U.S. insurance industry.

February

Vaisala was selected as Weather-Ready Nation Ambassador. As one of the first companies to join the Weather-Ready Nation Ambassador initiative, Vaisala is privileged to work with the National Oceanic and Atmospheric Administration (NOAA) and the US National Weather Service (NWS) on this important scheme.

April

In April, Vaisala announced it would donate measurement instruments to the New Children's Hospital to be completed in 2017 in Helsinki, Finland. Vaisala will be contributing state-of-the-art equipment valued at an estimated 225,000 euros, which will be integrated into the hospital's building automation solution to ensure good indoor air quality.



May

Vaisala's new CARBOCAP® Carbon Dioxide Probe GMP231 was released in May. The GMP231 is designed to provide incubator manufacturers with accurate and reliable carbon dioxide measurements and sterilization durability at high temperatures of up to 180 °C.

June

Vaisala launched an entirely new Road Weather Station known as the RWS200. Combined with our RoadDSS™ Software suite, Vaisala is able to offer a revolutionary, fully intelligent Road Weather Information System called iRWIS. The system consists of intelligent roadside hardware making its own decisions, and sophisticated decision support software and improved measurement reliability.

July

In July, Vaisala announced a regional expansion in two focus areas, targeted industrial applications and life science, to accelerate the growth of these businesses. Regions where new distributors are sought include Russia, Turkey, Italy, Spain, Poland, India, Indonesia, South Korea, South Africa, Argentina, United Arab Emirates and Saudi Arabia.

August

The Association of Hydro-Meteorological Equipment Industry (HMEI) granted Vaisala's Dr. Ryan Said the Award for Young Engineers. This inaugural award recognizes Dr. Said's work on mastering hardware and software solutions in the development and implementation of Vaisala's global lightning detection network, which generates the commercial Global Lightning Dataset GLD360.

In August, 3TIER®, a Vaisala company and global leader in renewable energy assessment and forecasting, announced the public release of wind and solar annual averages from its global datasets as part of Google's Map Gallery launch. Through its collaboration with Google, 3TIER was able to make this contribution to the global community and vastly improve access to wind and solar resource information by making it freely available to both researchers and the general public in Google's popular and widely used platform.

October

Vaisala was recognized by CDP, formerly known as The Carbon Disclosure Project, as a leader on disclosure of climate change information as well as for its approach to climate change mitigation. This was the first time Vaisala has been included in the Nordic Climate Disclosure Leadership Index (CDLI) and in the A List of the Global Climate Performance Leadership Index (Global CPLI). Organizations graded within the top 10% constitute the CDLI. Following an evaluation, Vaisala earned 99 points out of the maximum 100.

In late October, Vaisala entered the competitive Brazilian renewable energy market auction process as an energy assessment provider. The company also secured its first certification of a 30MW solar project. Vaisala's successful auction and tendering certification enables the renewable energy assessment and forecasting firm to work directly with developers and financiers actively investing in this emerging renewable energy market.

December

In December, Vaisala announced that wind energy developer, Windlab, is using the Vaisala Triton Sonic Wind Profiler, a ground based remote sensing system, to assist with ongoing and critical site selection work in Africa. With the continent registering a boom in renewable energy deployment in a number of countries, and South Africa in particular working to reduce its dependence on coal fired power plants, developers must quickly and efficiently make key site selection decisions for development.

Read more on these stories:

www.vaisala.com/en/press/news/2014/

Strategy

We see ourselves as being the leading provider of operational value for our customers in weather and controlled environment markets. We focus on customer value, reliability, and simplification to create value by bringing together our technological expertise and the needs of our customers. We believe that increasingly loyal customers drive us towards long-term profitable growth.

Vaisala's Board of Directors confirmed the 2014-2018 strategy in 2014. Vaisala's goal of profitable growth will be achieved through the implementation of the strategic themes: creation of customer value, reliability, and simplification.

In Weather Business Area additional customer value will be created by building new business around decision support services that are offered to renewable energy, aviation and roads customers. Controlled Environment Business Area will focus on enhancing offering and developing the sales channel for life science and industrial customers in order to create value for customers' operations.

Reliability will create customer satisfaction and loyalty. High quality of products and services, well-functioning customer service and on-time actions will deliver reliable customer experience.

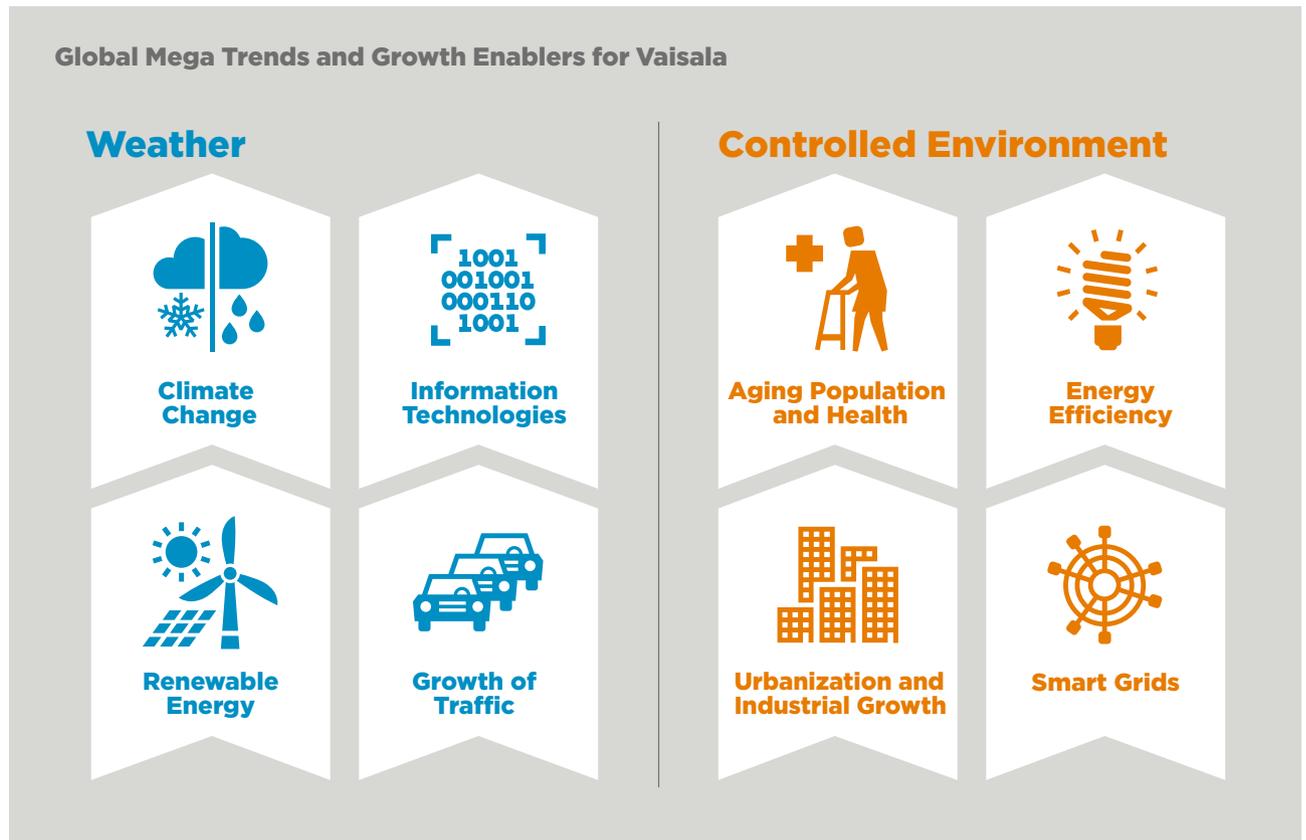
Simplification will create operational efficiency. Optimized global networks, streamlined supply chains, common capabilities and continual improvement in all functions will ensure increased efficiency of Vaisala's operations.

Vaisala's Long-term Financial Targets

Vaisala targets an average annual growth of 5%. In selected growth businesses such as renewable energy and life science the target is to exceed 10% annual growth.

Vaisala's objective is profitable growth and the target is to achieve 15% operating profit (EBIT) margin towards the end of the period.

Vaisala does not consider the long-term financial targets as market guidance for any given year.



Vaisala's markets are directly affected by several mega trends and market drivers.

Strategy Implementation in 2014

Growth is Driven Through Creation of Customer Value

In 2014, Vaisala continued the investments in strategic growth areas in Weather and Controlled Environment Business Areas according to the strategy. Vaisala also increased the R&D spending by EUR 5 million to 11.3% of net sales to support the growth initiatives, to renew the portfolio and to improve competitiveness.

Weather Business Area continued to build new business around information services to be offered to renewable energy, aviation, and roads customers.

In 2013, Vaisala acquired two companies, 3TIER Inc. and Second Wind Systems Inc., to take a leap forward in Weather Business Area's renewable energy strategy. Year 2014 focused on building a solid basis for the renewable energy business by redefining the unit's strategy and most importantly the integration and alignment between the three organizations. Building new offering and gaining industry acceptance of the existing product portfolio progressed well as Vaisala continued to gain industry recognition. Vaisala had a good progress in strengthening its presence in focused countries, however, the sales performance did not yet meet the set expectations.

Other initiatives for the information service strategy implementation progressed well and Vaisala signed first contracts for aircraft deicing optimization with three airlines in Europe and USA.

In 2014, Vaisala launched several new advanced products and software for the weather markets to enhance growth as well as to replace existing products. The main launches were a completely renewed road weather station, RWS200, combined with sophisticated decision support software. Another key launch was a new antenna-mounted receiver for weather radars that allows customers to upgrade, rather than completely replace, their existing single-polarization weather radars into modern dual-polarization radars.

Controlled Environment Business Area continued to accelerate growth in the industrial businesses; targeted industrial applications and life science by enhancing the offering and developing the sales channel. Controlled Environment Business Area invested in regional expansion by contracting new distributors in over 10 countries with high industrial potential. Vaisala's instruments are now available to current and new customers through the company's own sales channels, local distributors as well as the online store which is currently available in close to 100 countries around the world.

Vaisala built industrial business also by driving growth in life science monitoring systems. Industrial instruments were provided to wide variety of industries and new products were introduced e.g. for the building automation industry amending the portfolio with new generation products incorporating the new generation Vaisala CARBOCAP carbon dioxide sensing technology.

Reliability and Simplification

In 2014, Vaisala continued its efforts to improve the quality and delivery capabilities of products and services to fulfill the high customer expectations. The main actions included development of the quality of product design, manufacturing and service deliveries. Special attention was paid to corrective and preventive actions to improve quality of subcontractor deliveries.

Vaisala continued its efforts also in on-time delivery accuracy and reduction of lead times throughout a variety of products, projects and services. Good progress was achieved by utilizing lean practices to improve the end-to-end material flow and throughput time of deliveries. Delivery times are especially important for Vaisala's many industrial customers.

Vaisala also continued its actions to improve and optimize ERP system, core processes, global supply and delivery networks.

Vision

We focus on being the leading provider of operational value for our customers in targeted segments of weather and controlled environment markets.

Mission

We offer high reliability and added value with our products and services by bringing together customer business expertise and our technical expertise.

Corporate Governance

The General Meeting of Shareholders, the Board of Directors and the President and CEO, assisted by the Management Group, are responsible for the operations of the Vaisala Corporation.

Board of Directors

Vaisala's Board of Directors is responsible for the administration and the proper organization of the operations of the Company. In accordance with Vaisala Corporation's Articles of Association, the Company's Board of Directors comprises at least four and at most eight members. All Board members are appointed by an Annual General Meeting. The Board of Directors elects a Chairman and a Vice Chairman from among its members.

The majority of the Board members must be independent of the Company and at least two members in this majority must be independent of the Company's major shareholders.

The term of the members of Vaisala's Board of Directors deviates from the Recommendation 10 of Corporate Governance Code, which recommends a term of one year. Under the Articles of Association, the term of the Board members is three years. The term begins at the close of the General Meeting of Shareholders at which the

member is elected, and ends at the close of the third subsequent Annual General Meeting following the member's election.

Vaisala's Board of Directors convenes at least six times each year and if otherwise needed. The Group President and CEO and the Chief Financial Officer also attend Board meetings. The other members of the Management Group attend Board meetings as required on the invitation of the Board of Directors.

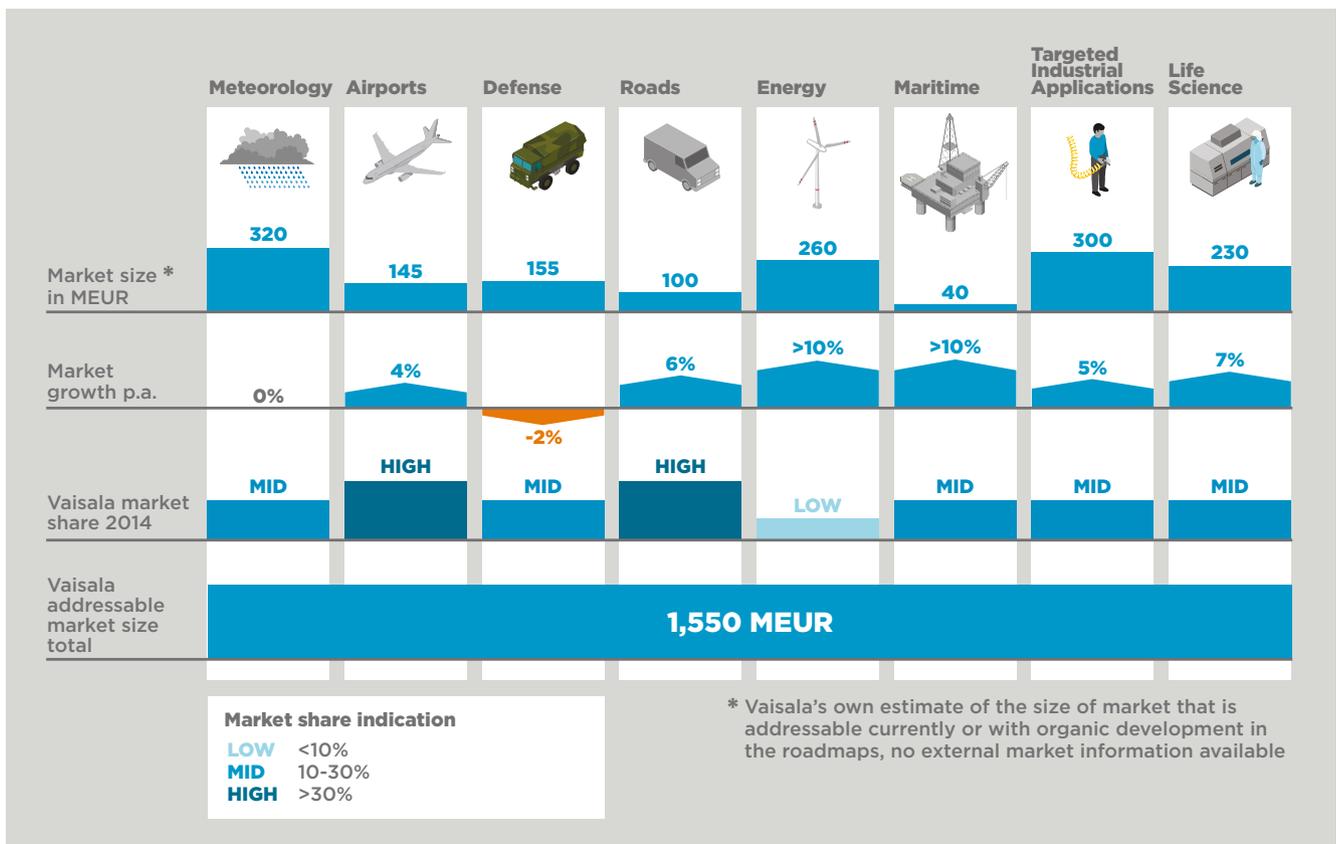
The Board of Directors may, on the basis of the Chairman's decision, establish working groups from among its members in individual cases in order to prepare the matters allocated for it in order to ensure the effective organization of the Board of Directors' work.

At the end of 2014, the Board of Directors consisted of seven members, five male (71%) and two female (29%).

President and CEO

Vaisala's President and CEO is appointed by the Board of Directors. The President and CEO manages the Company in accordance with the instructions and orders given by the Board of Directors, and informs the Board of the development of the Company's business and financial situation. The President and CEO is

Vaisala Markets, Global Market Sizes and Growth in 2014



also responsible for arranging the Company's management. The President and CEO is the Chairman of Vaisala's Management Group.

Management Group

The President and CEO is the Chairman of Vaisala's Management Group. The Management Group had seven members in 2014 and it convenes once a month to execute Vaisala's strategy and take care of the Company's operative management. It consists of the heads of business areas, finance and control, operations, and human resources.

More information on Vaisala's corporate governance can be found online at www.vaisala.com/investors

Sustainability Management

Sustainability in Vaisala is managed by various guiding principles. The main principles are Vaisala's Code of Conduct, Supplier Code of Conduct, Environmental Policy, Anti-Corruption Policy and Community Outreach Policy, together with a number of practical guidelines as well as quality and environmental standards. Vaisala complies with all national laws and regulations wherever it operates.

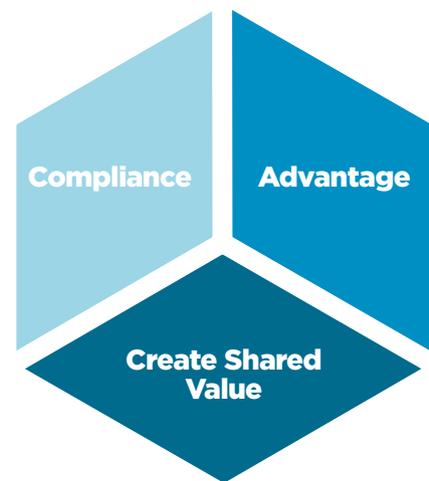
Sustainability in Vaisala is seen as threefold. Foremost, we comply with a set of strict methods that are characteristic of a responsible company, and insist on the same standard from our collaborators. Secondly, we derive advantage through our stakeholders by being a responsible actor in society and lastly, we transform markets and customer requirements by creating shared value with sustainable solutions.

The business case for sustainability in Vaisala is primarily founded on information services, which entail close partnering with customers; this allows us to provide decision-support systems that improve efficiencies in customers' operations. We constantly seek ways in which we can include a sustainability element in our products or services thereby generating added value for our customers and at the same time lessening their environmental impacts through the use of our solutions.

Vaisala's senior management has set an ambition level for the sustainability strategy and formulated a long-term sustainability vision for Vaisala: to become a world-leading sustainable supplier in selected market segments. This requires us to be able to maintain a competitive advantage in our chosen marketplaces and excel in providing sustainable products and services to our customers.

Internal sustainability practices are subject to guidance from the Group's Sustainability Manager in cooperation with all internal stakeholders. The sustainability function resides in the Marketing & Communications function headed by the Chief Marketing Officer who reports to the CEO. In practice, the most important guidance is set out in our Code of Conduct and our other internal policies and emphasized in personnel and leadership training.

The company's operations with the largest impact on our sustainability have been identified as new product development, sourcing, manufacturing, services and maintenance, business travel and employee commuting. Our manufacturing sites follow a certified ISO 14001 environmental management system and periodically report on their environmental performance to the Chief Quality Officer, who reports to the CEO. We do not currently offer monetary incentives for management or personnel to reach specific sustainability targets. Instead, all members of staff are assessed based on not only the job performance but also on how they adhere to the company values.



Our sustainability vision is to become a world leading sustainable supplier in selected market segments

**Sustainability in Vaisala is
Founded on Three Core Principles**



Organization

Vaisala is organized into a matrix where business, R&D and services are conducted by two business areas: Weather and Controlled Environment. The business areas are supported by group wide functions of Operations and Support Units. Sales teams are divided into the two business areas.

Weather

Weather customers care for the safety and well-being of people and effectiveness of operations under all weather conditions. They include meteorological institutes, airports and airlines, road and railroad authorities, renewable energy customers, maritime market segments, as well as defense forces. We bring operational benefits to our customers through a wide offering of products, projects, weather information and services.

The Weather business is a partner to customers whose primary interest is the safety and protection of lives and property through effective operations and decision-making support under any weather conditions. Accurate, real-time, uninterrupted and reliable weather data is the cornerstone for efficient operations. The Business Area is divided into three Business Units, Meteorology, Transportation, and Energy.

Meteorology

National meteorological institutes provide weather forecasts and warnings to safeguard people and property. They use weather observation data also to measure extreme weather phenomena and follow the changing climate. Turnkey projects and capability improvement for prediction of severe weather are imperative for customers in the developing markets.

Vaisala's offering to the meteorological institutes includes a versatile range of high-end products, integrated measurement systems and services. Vaisala is the trusted partner of meteorological and hydrological institutes whose primary interest is safety and wellbeing of people and safeguarding of property. Customer needs vary from standard weather observation equipment to further automation of weather networks and remote monitoring systems.

Vaisala weather observation products and systems are also used in defense weather observation applications. Defense forces and security organizations use Vaisala's weather observation systems and solutions to support operational decision-making and improve safety and efficiency in air, land and sea operations. In addition to their defense functions, many na-

tional defense organizations also control civilian airports and contribute to national weather forecasts.

Transportation

The Transportation business unit serves a broad range of customers who need to safeguard lives, ensure continued operations and strive for sustainable transportation networks.

Aviation organizations, airport operators and airport service providers are responsible for passenger safety, flight schedules and the overall efficiency of the airports. Vaisala's aviation weather observation offering provides real-time and reliable observation information to all relevant airport stakeholders under all weather conditions. The Airports segment supports effective operational decision-making to improve the safety, efficiency and environmental compatibility of airport operations.

The national, regional, and municipal road authorities ensure safe and smooth traffic management and maintenance operations. The Vaisala Road and Railroad business helps them to improve mobility and safety by measuring, forecasting and integrating environmental observations to support operational efficiency, and optimized decision-making.

Safety, security and efficiency are top requirements also in various maritime operations. Accurate and reliable weather information is vital in ensuring safe operations in ports, on ships and offshore platforms. Maritime customers include the shipbuilding industry, offshore oil and gas platforms, and ports. Reliable measurements and environmental observations help customers enhance their operational efficiency and optimize decision-making.

Energy

Weather is the largest variable impacting electricity generation, transmission, and demand and it provides the fuel for renewable energy projects. Energy customers work with Vaisala to support efficient, reliable, and profitable electrical energy systems around the globe with a wide range of measurement, assessment, forecasting, and asset management products and services.

Our real-time and historical lightning information ensures continuous energy generation, improved safety, and reduced costs in both energy production and transmission. Renewable energy developers and operators use Vaisala equipment and services to support the entire project lifecycle, from greenfield prospecting

and due diligence to operational forecasting and plant optimization.

Controlled Environment

Controlled Environment serves customers in multiple industries with over 30-year industry knowledge. The main drivers for our customers are operational quality, risk reduction, productivity and energy savings. Our customers operate in different types of environments – from small incubators to massive engine rooms and high rise buildings – where reliable measuring and monitoring of the ambient conditions are a prerequisite for successful operations. Customers use our fixed and hand held measurement instruments as well as calibration services for temperature, humidity, dewpoint, carbon dioxide, moisture in oil and pressure. Large customer groups include pharmaceutical, biotechnical, medical device and drug distribution companies,

as well as power generation and transmission, automotive, semiconductor, electronics and building automation integrators.

The Controlled Environment Business Area is organized into three regions: Americas; Europe, Middle-East and Africa; and Asia-Pacific.

Group-wide Functions and Support Units

Vaisala’s Operations function serves both Business Areas and includes manufacturing, logistics, supply-chain management and related activities.

Support units include Finance & Control, Marketing & Communications, Group Quality, Human Resources, Legal & Facilities, and Group Business Infrastructure.

The operational sales and services functions and research and development teams are within the business areas. To ensure an efficient way of working and two-way information sharing in the matrix model, the organizational reporting structure includes several dotted line roles that link the business areas and functions together.

Vaisala Organization

Weather

Meteorology	Regional Sales
Transportation	Regional Sales
Energy	Regional Sales
Weather Offering	
Information Services	
Project and Customer Services	

Controlled Environment

AMER North and South America	Sales
EMEA Europe, Middle East and Africa	Sales
APAC Asia Pacific	Sales
Controlled Environment Offering	
Calibration and Repair Services	

Operations
Support Units



People





Stakeholders

Vaisala wants to have an engaging relationship with its stakeholders, as they are the ones who influence the future of our business. We strive to be open and transparent, responding to stakeholders' needs to our best abilities. We are active in many corners of society and want to influence and convince people with our expertise. Working with environmental issues is a priority in our scope of societal affairs and it is in these forums we believe we have the most to offer.



Stakeholder Process

We identify and evaluate our stakeholders as part of our risk management and corporate responsibility processes. Both of these assessment methods are carried out internally and are part of corporate-wide processes. We determine the impact of various stakeholder groups on the company and analyze how our actions in turn affect stakeholders. We actively seek partnerships and joint opportunities with partners, customers, suppliers, academia, research institutes, and other parties. We recognize that not all our stakeholders will either want to or be able to take part in our sustainability communication and will not always voice their opinions about what they consider material to our reporting. We try to fill this gap by keeping abreast of good reporting practices in other companies within our industry. In this chapter we discuss our relationship with what we regard as our key stakeholders.

A broad sustainability stakeholder survey was commissioned in 2013, the results of which are still very much valid. The results clarified stakeholders' expectations and since then we have been able to better align the Group's sustainability prioritizations with those of our stakeholders.

As stated in the beginning of the report, the dialogue with Vaisala's different stakeholders has led us to choose four themes concerning what Vaisala and the stakeholders find material for the company. These themes are People, Integrity, Sustainable Technologies, and Performance.

This report can serve as a foundation for dialogue, as it often does. We seek to engage academia, the scientific community, customers, partners, the media, and various organizations in dialogue with us in order to convey to them what it is we do best and why Vaisala is worth their attention. We have prioritized our stakeholders into three levels according to how significantly they influence Vaisala.

Customers

- Vaisala's major customer groups are:
- Meteorological and hydrological services
 - Airport authorities and airlines
 - Road and rail organizations
 - Defense forces
 - Energy industries
 - Maritime
 - Life science companies
 - Industrial companies and integrators

1	Customers	Employees	Investors and Financial Institutions
2	Suppliers and Contractors	Universities and Research Collaborators	The Environment
3	Regulators and Decision-makers	External Organizations and Interest Groups	Media and the General Public

Stakeholder activities:

- Annual customer satisfaction survey across markets and regions.
- Ongoing online survey for industrial customers.
- Monthly online survey on technical support and services.
- Ongoing feedback surveys on customer training and field service operations.

Employees

Vaisala employs more than 1,600 professionals and their wellbeing is important to us. Our goal is a work environment that encourages innovation and offers the opportunity for long-term professional development. The corporate culture at Vaisala emphasizes reasonable hours and workloads. Furthermore, we believe that success comes from the work of dedicated employees who take care of their own well-being. We regularly monitor our staff for perceptions on their work. The results have shown us that not only are the members of our staff motivated by their assignments, but that they are proud to work for Vaisala and feel that their work is meaningful and rewarding. We are proud of these results and want to develop the company further, embracing our employees' commitment.

Stakeholder activities:

- Annual staff survey for the entire staff and pulse surveys mid-year.
- Performance and Development Cycle which incorporates annual development discussions, objective setting and performance review as well as a People Forum.
- Internal development programs for managers and subject area experts, Vaisala Business Learning Program, LEAD-training and mentoring.

Investors, Owners and Financial Institutions

Vaisala Oyj is a publicly listed company on the NASDAQ OMX Helsinki stock exchange. The largest individual shareholders include descendants of founder Professor Vilho Väisälä, Novameter Oy, Finnish pension funds and other financial institutions, and the Finnish Academy of Science and Letters. The foundation donates its earnings from Vaisala shares to the Yrjö, Vilho and Kalle Väisälä Fund, which supports research in natural sciences. Other large shareholders include private households, private companies, and non-profit organizations. Foreign ownership amounted to 16.3% of share capital in December 31, 2014.

Stakeholder activities:

- We arrange an interim results report and presentation and Q&A to investors, analysts and the media each quarter
- Annual General Meeting
- Stock exchange releases
- Roadshows, investors and analysts meetings, conference calls and seminars.
- We also set up meetings with institutional investors and organize events for analysts. The previous Capital Markets Day was held in Vaisala's Head Office in 2014.

Suppliers and Contractors

Vaisala seeks long-term partnerships with its suppliers and wants to build mutual trust between its partners. We do this by giving our partners a good insight into our demand forecasting, constructive performance feedback as well as our support and help. In return, we expect our suppliers to respect our values and vision, and enable our commitment to quality and sustainable production to preserve our reputation and high quality of our products.

Stakeholder activities:

- We conduct regular on-site audits at our main suppliers and advise them on our ESG-criteria

Universities and Research Collaborators

Research and development activities are a key prerequisite for Vaisala's success. We place a special emphasis on the continuous development of our expertise. Vaisala collaborates in several projects with meteorological authorities and leading research institutes in the field, such as the National Oceanic and Atmospheric Administration (NOAA), Colorado State University, University of Massachusetts, and the US National Center for Atmospheric Research (NCAR) in the United States, and the American Meteorological Society. In Finland, Vaisala conducts joint projects with VTT (Technical Research Centre of Finland), University of Helsinki and Aalto University. Vaisala is also working with Shanghai Meteorological Service and the Nanjing University for Information Science and Technology (NUIST) in China. Vaisala is also an active member of the UN World Meteorological Organization, WMO.

Stakeholder activities:

- Vaisala grants research scholarships to universities, students and researchers every year in the United States, China and Finland. Read more about our cooperation in the Society chapter of this report.



The Environment

The environment is not only at the core of our business, it is also an important stakeholder for us. We have always regarded the natural environment as something captivating and something we need to measure carefully. As our products are directly linked with natural phenomena, we find it important to understand these phenomena and relate to them in our work.

Stakeholder activities:

- We encourage our staff to take a general course in meteorology and arrange expert talks in our offices and at conferences.

Regulators and Decision-makers

Various government bodies stipulate regulations that directly affect both Vaisala and its customers. Lately, regulations concerning hazardous substances and conflict minerals, put forward through EU and US legislation, have directly impacted Vaisala's supply chain and customers.

Stakeholder activities:

- Vaisala follows up closely upcoming regulation e.g. through relevant industry organizations.

External Organizations and Interest Groups

Vaisala is a member of the Federation of Finnish Technology Industries, and has members in several of the Federation's expert working groups. Vaisala's CEO Kjell Forsén is a member of the International Chamber of Commerce Finland (ICC) Delegation and Vaisala participates in ICC's working groups. Mr. Forsén is also a Board member for VTT Technical Research Centre of Finland.

Vaisala is a shareholder of CLEEN Oy, the strategic center for science, technology and innovation of the Finnish energy and environment cluster. The center's objective is to facilitate the development of innovation and globally competitive technologies and service products through its stakeholders. CLEEN's shareholders include around 40 leading Finnish companies, Finnish

universities and research institutions. The main areas of research include carbon-neutral energy production, sustainable fuels, efficient energy use, resource-efficient production technologies and services, recycling of materials and waste management, and assessment of environmental efficiency. Vaisala is also a member of the Finnish Water Forum, a joint public-private cooperation platform that represents the variety of actors in the Finnish water sector. Moreover, Vaisala is a member of the Association of the Hydro-Meteorological Equipment Industry and a founding partner of FIRWE, Finnish Road Weather Excellence collaboration project. Also, Vaisala is part of the Finnish Corporate Responsibility Network, FIBS.

Vaisala is a Sustaining Member of the American Meteorological Society and is a sponsor of its Freshman and Undergraduate Scholarship Program.

Stakeholder activities:

- Activities depending on organizations' and working groups' planned activities.

Media and the General Public

Our goal is to ensure that Vaisala is recognized as a responsible and innovative thought leader in environmental monitoring by generating positive coverage with clear and consistent messages and establishing relevant media relationships. As a publicly listed company, Vaisala also guarantees that timely, accurate and transparent financial communications are available to all its stakeholders.

The general public is dependent on reliable weather forecasts. Farmers, sailors, motorists, pilots and event organizers are just a few examples of people who rely on weather forecasts to support their activities. Vaisala is indirectly providing the general public with accurate and reliable weather data through meteorological institutes.

Stakeholder activities:

- Continuous effort to maintain dialogue with media in main markets
- Active monitoring and dialogue on social media

"The fact you are asking about sustainability makes a statement. We all see the need [to safeguard] the environment for future generations and we are looking at [renewable energies]."

-Weather application customer, Stakeholder Survey 2013

Managing Talent

Motivated and highly educated staff are a cornerstone of Vaisala's success. Retaining creative and skilled people is not necessarily simple, and we want to make every member of our staff feel valued and respected. Although on average, employees stay with us for more than a decade, we do not take this for granted but aim for highly motivating career plans. This kind of long-term commitment has provided us with extremely competent staff dedicated to developing superior technology and long-term customer relationships.

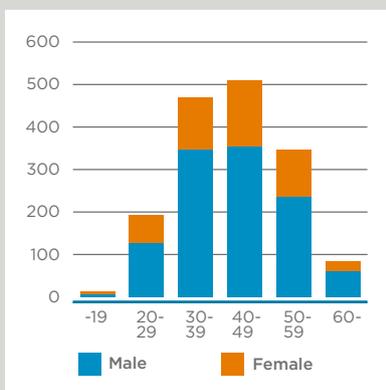
Employees by employment contract, type and gender

	Permanent		Temporary	
	1549		64	
	Male	Female	Male	Female
	1095	454	36	28
Full time	1051	417		
Part time	44	37		

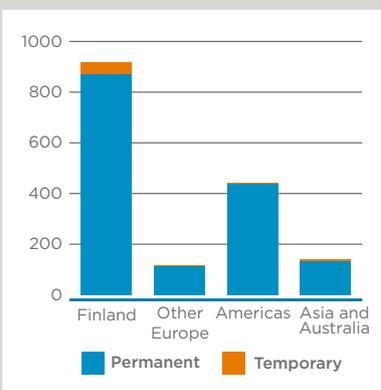
Self-employed workers do not make up a significant part of the workforce

Total Workforce	2010	2011	2012	2013	2014
Employees at end of period	1 367	1 394	1 442	1 563	1 613
Finland	56.6%	55.5%	57.3%	55.7%	56.9%
Rest of Europe	8.2%	8.2%	7.7%	7.0%	7.2%
Americas	27.9%	27.6%	26.3%	29.2%	27.3%
Asia, Australia and Oceania	7.3%	8.7%	8.7%	8.1%	8.6%
Women	28.7%	28.4%	29.5%	30.3%	29.9%
Men	71.3%	71.6%	70.5%	69.7%	70.1%
Staff in R&D	20.4%	19.4%	19.5%	19.8%	22.3%
Staff in manufacturing	n/a	n/a	n/a	n/a	10.5%
Permanent	n/a	n/a	95.8%	96.6%	96.3%
Temporary	n/a	n/a	4.2%	3.4%	3.7%

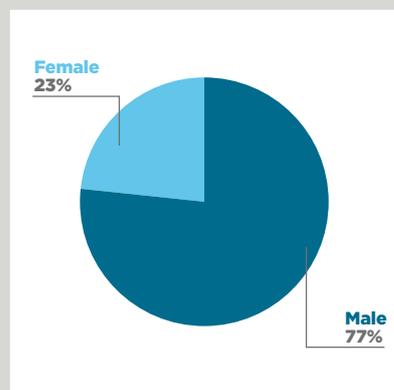
Personnel by Age Group and Gender



Personnel by Region

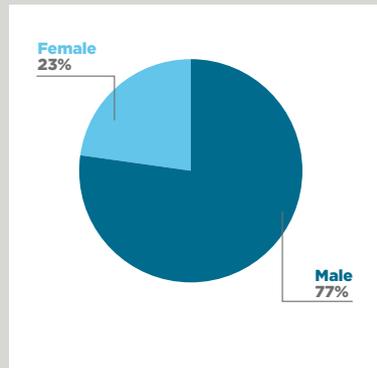


Management Group Gender Distribution

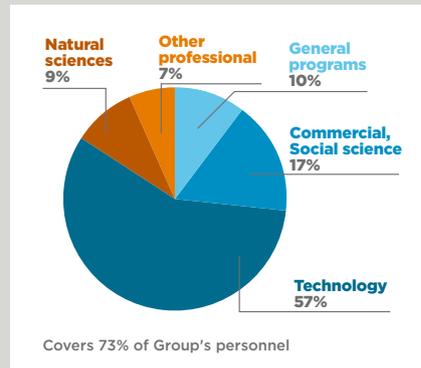




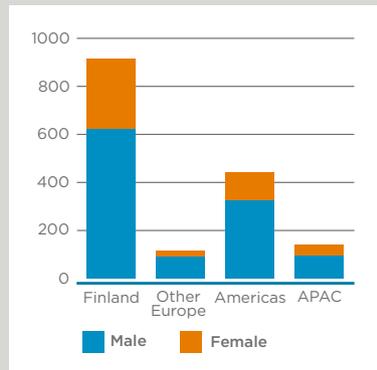
Supervisors Gender Distribution



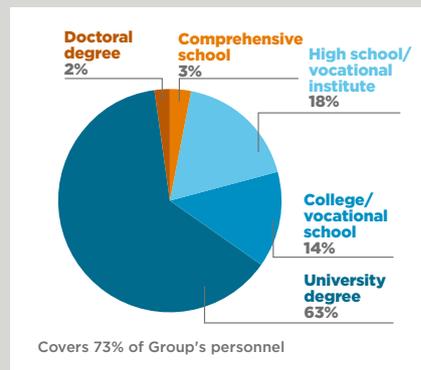
Personnel by Area of Education



Personnel by Region and Gender



Personnel by Level of Education



Turnover 2014	Temporary	Permanents	Turnover rate %	Turnover rate, permanent employees
Recruitment (+)	257	106		
Turnover (-)	176	76	10.9%*	6.4%**

* number of employees leaving the company in the reporting period divided by total number of employees at the end of the period

** number of permanent employees leaving the company in the reporting period divided by total number of permanent employees at the end of the period

Turnover	-19	20-29	30-39	40-49	50-59	60-
Male	8	55	17	14	12	13
Female	1	30	14	4	4	4
Total	9	85	31	18	16	17
%	5.1%	48.3%	17.6%	10.2%	9.1%	9.6%

Turnover by region	Finland	Other Europe	Americas	Asia and Australia	Total
Permanent	42	8	42	8	100
Temporary	67	4	3	2	76
Total	109	12	45	10	176

Recruitments 2014	-19	20-29	30-39	40-49	50-59	60-
Male	14	78	42	22	11	2
Female	5	42	20	17	4	0
Total	19	120	62	39	15	2
%	7.4%	46.7%	24.1%	15.2%	5.8%	0.8%

Recruitments by region	Finland	Other Europe	Americas	Asia and Australia	Total
Permanent	83	12	40	16	151
Temporary	93	2	7	4	106

Number of retired, Finland	2013	2014
All	9	7
Average age	62.9	63.3

Staff turnover 2010-2014	2010	2011	2012	2013	2014
Employees +/-	+248/-171	+203/-161	+234/-151	+230/-176	+257/-176
Turnover	12.5%	11.5%	10.5%	11.9%	10.9%
Turnover, permanent employees	9.0%	5.4%	6.2%	6.0%	6.4%

Development discussions	2010	2011	2012	2013	2014
Rate of total staff that has had a development discussion with their supervisor during the last 12 months (March 2015). Excludes long time absent and recently recruited employees.	88%	90%	92%	95%	98%

Training EUR 1,000	2010	2011	2012	2013	2014
Total employee training cost	1 355	1 543	1 271	1 318	1 270
Average training cost per employee	1.0	1.1	0.9	0.9	0.8



Preferred Employer of the Future

A reputation and image as a good employer are important to us when competing for talented individuals. We want to be acknowledged as a great company to work for and want potential employees to learn about the opportunities that we offer. Technology and research-intensive companies like Vaisala are reliant on a constant and growing talent pool on the job markets. To attract talent to Vaisala, we engage researchers, academics and students, and focus on retaining critical expertise in the company and constantly develop our personnel.

Risks and opportunities relating to personnel are part of our risk management, and our Code of Conduct lays down the basic principles regarding our treatment of personnel.

Major Changes during the Reporting Period

At the end of 2014, our staff had increased by 50 employees or 3.2% compared with the situation a year earlier. The total staff count at the end of the reporting period was 1,613 (1,563 in 2013). The average age of personnel was 42.1 years. The number of employees increased due to strengthening the company's research and development as well as sales activities.

The integration of the two acquisitions from 2013 continued last year. The Energy business started an efficiency improvement program that will be implemented during 2015. This includes moving production from the acquired Newton office to our North American manufacturing facility in Boulder, Colorado, which will result in headcount reductions. The Newton Office will be closed and staff will move to our Boston Office during 2015.

Training and Competence Development

Vaisala's competence development is steered by business strategies. Development of our staff's skills, knowledge and behavior as individuals and teams is vital to achieving Vaisala's strategic aims. Last year, Vaisala continued to invest in digitalization capabilities and competencies to further improve customer experience especially in Vaisala's online services and customer communication activities. Customer and application knowledge has increasing importance for Vaisala strategy implementation. To support the capability to argument customer value of solutions we continued to execute Vaisala tailored Value-selling training sessions. Renewable energy industry competence has been mainly developed through acquisitions and recruitments.

Vaisala's approach to competence development combines internal and external learning programs, co-operation with universities and researchers, job-rotation, international assignments, mentoring and coaching processes. In 2014 Vaisala launched a comprehensive e-learning platform to complement other learning initiatives. Vaisala online eLearning environment hosts currently over 40 interactive modules.

It is our objective that all Vaisala employees should have regular development discussions with their supervisors to discuss their work duties, career aspirations, competence requirements and professional development. To develop our people further, we promote job rotation between our business units and offices in different countries.

Staff training costs amounted to approximately EUR 800 per employee in 2014. Due to several local sources of training records, there is no precise overall statistic on the number or duration of training events.

LEAD program for managers and Expert Lead program for key experts focused on further developing Vaisala's leadership and collaboration culture and competences. The ninth global Vaisala Business Learning Program started in fall 2014 extending leadership skills especially in strategy, customer focus and financial performance. Quality Lead training was launched for all Vaisala managers in May 2014. Cross-functional Reliable Customer Experience workshops in all Vaisala offices enhanced customer focused mindset and process thinking.

Aligned with 'Well-being at work' theme all Finland based managers participated in an interactive training session. Occupational Health and Safety Awareness training was renewed during last year.

Whenever we face a situation in which there are job losses or personnel relocations, we draw up a plan on the types of training and support that we can arrange. In some cases where organizational changes result in job losses, we may offer outplacement assistance packages that support the person's future employability and help with career transition. In the last couple of years, such packages have been offered to employees in the U.S. and Canada who have been made redundant due to structural changes.

In the United States and Canada, Vaisala supports the ongoing education of its employees' children through the Vaisala Student Scholarship Gift. This one time gift is intended to give children of Vaisala employees the incentive to continue their education beyond high school.

Staff Survey

Employee satisfaction and well-being are measured regularly at Vaisala to better understand the views of employees throughout the company and to keep abreast with possible changes and trends in our employees' attitudes. The survey is commissioned from a research company to guarantee the confidentiality of responses. The response rate in 2014 was 85%. The results were consistently good and similar to the previous year's survey.

The results showed that Vaisala employees are proud to work at Vaisala, find their own work meaningful and feel professional in their own field of expertise. Leadership displayed by immediate superiors was identified as one of Vaisala's most important strengths. The results were excellent concerning employee views of the ability of their superiors to give support and advice when needed, to display a positive attitude to new ideas, to give feedback, and to take the customer perspective into account.

In addition to the annual Staff Survey, a global Pulse Survey was conducted to further map the level of employee well-being at Vaisala. Pulse is a focused follow-up study to the Staff Survey and is conducted annually each fall. It provides complimentary feedback and development input to the Staff Survey, which is typically carried out in March.

Feedback obtained from the surveys is used for continual development of our common ways of working and our work environment. The most important phase in the process is group meetings where results are studied and development actions agreed. The reports and team discussions held each year provide valuable feedback to team leaders and support team development.

Collective Agreements and Trade Unions

Vaisala recognizes the Federation of Finnish Technology Industries as its trade union. Vaisala's employees in Finland are covered by three collective agreements: the collective agreement for employees in technology industries, the collective agreement for salaried employees in technology industries, and the collective agreement for senior salaried employees in technology industries. Health and safety topics are included in these agreements but are also covered by Finnish legislation in the Occupational Health and Safety Act 2002. Information is not available for Vaisala's operations outside of Finland where local agreements are used.

Salaries paid by the company are based on local collective and individual agreements, individual performance and the demand level of each job. The base salaries are supplemented by results-based bonus systems, which cover all Vaisala personnel.

Minimum notice periods are based on labor legislation in each country we operate. For Finland this means a minimum notice period from two weeks to six months depending on the length of employment.

Some highlights from Staff Survey 2014

- My supervisor takes into account customer perspective (4.19)
- I have the competences required to do my work (4.16)
- My supervisor gives support and advice when needed (4.16)
- My supervisor has a positive attitude to initiatives and ideas (4.11)
- My supervisor is fair and objective (4.11)
- I feel that my work is meaningful (4.05)
- I am proud that I work for Vaisala (4.08)

Scoring from 1 - 5 where 5 is the highest



Diversity and Inclusiveness

We demonstrate equal employment opportunity in all recruitment, hiring, and working practices such as training and development. In North America, Vaisala Inc. is an Equal Opportunity Employer (EOE). Qualified applicants are considered for employment without regard to age, race, color, religion, sex, marital status, national origin, sexual orientation, disability, or veteran status. If an applicant needs assistance or an accommodation during the application process because of a disability, the company is pleased to provide it. No applicant will be penalized as a result of such a request.

Equality and fairness is an important element of Vaisala's compensation policy. We do not distinguish between gender or other non-professional attributes in employee compensation or benefits plans.

Grievance Mechanisms

Vaisala provides an internal grievance mechanism for its employees through a dedicated channel, the Fair Play Forum. The channel operates by e-mail and regular mail and accepts both anonymous and signed messages. Responsibility for the channel and actions taken on cases put forward in the forum lies with a compliance committee, which has members from Human Resources, the Risk and Compliance team, the Legal Department and Finance & Control. Cases are handled confidentially by the committee.

The Fair Play Forum also acts as a medium for clarifying questions about our Code of Conduct or the Code of Conduct training. All Vaisala employees take part in e-learning covering the Code of Conduct. This channel serves also our suppliers.

Employee benefits offered to permanent employees and the difference in benefits for permanent and temporary employees for significant locations of operations.

	FIN	UK	USA
Life insurance	No differences	No differences	Part time employees are eligible for life insurance. Temporary employees are not.
Health care	No differences	Not applicable	No differences
Disability and invalidity coverage	No differences	No differences	Part time employees are eligible for life insurance. Temporary employees are not.
Parental leave	No differences	No differences	Any employee is eligible if they have been with Vaisala for 12 months and worked 1,250 hours during that time.
Retirement provision	No differences	No differences	No differences
Stock ownership	Not applicable	Not applicable	Not applicable

We have defined Finland, the UK and the US operations as the most significant in this regard and employees in these locations make up for 86% of all staff.



Vaisala Juniors

In summer 2014, Vaisala's Helsinki office took part in a Finnish summertime work experience program for young people called Tutustu työelämään ja tienaa ("Discover the world of work and get paid for it"). Although participating in this program for the first time, Vaisala has a long history with summer interns, who are a very welcome sight at the company during the time when many regular employees take their holidays.

Numerous companies all over Finland participate in the Tutustu työelämään ja tienaa program, which has been going since 1992. The program is organized by the Finnish trade union confederations.

The participating companies have a shared goal each year: to offer more summer jobs for youngsters, because getting a job at a young age is becoming increasingly difficult. To be eligible for a summer job through the program, the applicant must be aged 14-17 and attending comprehensive school, or in the 10th grade or at upper secondary school. During the summer, the youngsters work for two weeks doing six-hour work days, including lunch.

Hands-on Experience of Working Life

Two of the Vaisala Juniors, Liisi Hänninen and Millina Lehikoinen, tell us more about their time at Vaisala:

There were 27 of us altogether, all teenagers, and we were given the name Vaisala Juniors. We all worked for the same period at the beginning of June. It was nice because between all the work we also got to know each other on the occasions when we came together to play games or do fun quizzes.

We all worked in different teams at Vaisala. There were Vaisala Juniors in, for example, marketing, communications, human resources, the legal department, and the manufacturing teams. The assignments given to the two of us were to take pictures and write short articles. Other Juniors did jobs such as scanning documents, IT-related stuff, and photographing Vaisala's products. As we were given varied tasks, we got to know a lot about Vaisala. Sharing our experiences was probably one of the most exciting parts of the job.

"Every teenager should get a chance like this," said Liisi before leaving Vaisala. "When the summer is so long, you have time to work and do new things. This has been the best summer job I've ever had. I am going to miss this place."

HR Manager Tiina Baniba-Atoko summed up her feelings about the program: *"I'm proud that Vaisala is part of this program. It's nice to have an energetic group of young people working with us."*

Vaisala Juniors on 10 June 2014.

Text and picture by
Liisi Hänninen and Millina Lehikoinen





Experiencing Giant Leap

Giant Leap is Vaisala's internship program for university and polytechnic students who are in at least their third year. Up to 20 students work with real-life projects that have genuine business relevance for a period of three months over the summer. Challenging but also rewarding, the program is designed for students with a variety of skills, qualities, and educational backgrounds.

Minttu Tuononen, a graduate from the University of Helsinki with a major in meteorology, joined Vaisala in 2014 as a Giant Leap intern. Since her internship Minttu has continued her Vaisala career as an application specialist part-time. She is now working with measurement solutions in the wind and solar energy fields.

"I became interested in working for Vaisala after I heard about the company and its Giant Leap internship program in my meteorology studies. I had heard good feedback about the program and Vaisala in general, so I decided to apply. I was looking for work experience in my own field but something with a difference, and the Giant Leap internship felt right for that."

"During my Giant Leap I worked in the Airport segment and my research topic was runway surface conditions. My goal was to find new ways to improve the reporting system for runway surface conditions in winter. I met various people inside Vaisala, talked with customers, analyzed runway weather information, and programmed an algorithm designed to produce more information about the current status of the runway. I continued my work at Vaisala after the Giant Leap internship. Currently I'm working in Vaisala's Energy segment. My work is related to renewable energy and I am focusing on measurement solutions in the wind and solar energy fields."

"I started my studies at the University of Eastern Finland, where I studied mathematics as my major and physics and statistics as minors. After four years I decided to change my major and I came to the University of Helsinki to study meteorology. I graduated soon after my Giant Leap internship. During the internship my meteorological knowledge and programming skills were definitely put to use."



Minna Tuononen was part of the seventh Giant Leap internship program in 2014.

"In the internship, I learned new things about airports and runways in general and I also had a chance to improve my programming and presentation skills. I became familiar with Vaisala as a company, which was a whole new working environment for me as a meteorology student. I met other students and co-workers from different fields and it was a good opportunity to learn plenty of new things from each other."

"Vaisala's Giant Leap internship program is well-organized and a good opportunity for students who want challenging summer work. Giant Leap projects are meaningful for the company and they are taken seriously inside Vaisala. There is a good team spirit and people are very kind and helpful," concludes Minttu Tuononen.



Vaisala Supports AKVA Rúntur 2014

Akva is a club for future water and environmental engineers of Aalto University. Every other year Akva organizes an excursion abroad, with the aim of learning about the way different countries utilize their water resources. The 2014 excursion destination was the land of fire and ice, Iceland!

Altogether 25 enthusiastic Akva members traveled around Iceland for 10 days learning and wondering what it has to offer. To help discover what the rich environment hides beneath its veil, Vaisala offered the students a brand new handheld humidity and temperature meter HM40 to be used at the breathtaking Icelandic locations.

The Land of Renewable Energy and Clean Water

In contrast to its rather small population, Iceland has a tremendous supply of renewable energy and pure water. Much of this is due to the country's volcanic origin. Numerous volcanic hot spots throughout the island are utilized as

a source of hot groundwater directly for house heating, snow melting and even as hot water for showering.

Iceland is a world leader in the utilization of renewable energy. Approximately 85% of the country's primary energy supply is derived from domestically produced renewable energy resources, the most prominent fields being geothermal energy (65%) and hydro-power (20%). Iceland is the world's largest green energy producer and largest electricity producer per capita.

The club's first official excursion site was at the Hellisheiði Geothermal power station where a volcanic hot spot is used as an energy source for hot water and electricity. The plant has a capacity of 303 MW of electricity and 400 MW of hot water. The students were given a tour inside the power plant giving them an overview on the history of geothermal energy and its utilization in Iceland.

The gigantic Kárahnjúkar dam was one of Akva's top destinations in Iceland.





From Volcanos to Waterfalls

The tour of Iceland started with a 3-day road trip east to the other side of the island. The aim was to reach the brand new Fljótisdalur hydro-power station which is located near Egilsstaðir in eastern Iceland. The drive eastwards allowed stops at several waterfalls and the black pebble beach which takes ones breath away. At the hydropower station, the group was blown away by the enormous scale of the plant. The Kárahnjúkar dam confining its glacier-fed reservoir is the tallest dam in Europe with a vertical drop of 194 meters. A rock tunnel running deep under the mountains increases the plant's vertical drop to 420 meters.

"During our return-trip we stopped at a site called Being Finnish, we had to take a little swim in the mildly chilly water and of course measure the humidity and temperature. We measured 73.5 RH and 7.7 °C. Jökulsárlón is a crowded tourist location so we even got a round of applause for our bravery", recounts one of the students.

On the way back, the students visited Jökulsárlón which is a famous lagoon filled with floating icebergs and a geothermal park.

The park had previously had many hot springs, but most of them had dried out after recent earthquakes. The HM40 came into good use, as they clocked 99.5 % relative humidity in the air and 85 °C from the hot water stream.

Earthquakes or Tiny Details?

During their last days in Iceland, the group visited the Icelandic Meteorological Office (who managed to find time for a visit, despite the ongoing hassle caused by a volcanic eruption), a wastewater treatment plant, and the water supply area. Turns out that treatment for drinking water is almost too easy in the Reykjavík area since they do not need to treat their raw water at all, it is just pumped straight into the system. Wastewater treatment is also less extensive than what the students were used to in Finland. The culmination of the trip was a relaxing afternoon in the geothermal spa: the Blue lagoon – a classic finish.

Text contributed by students from the AKVA Club.



The hot water in the stream of the geothermal park was 85 °C and the air was extremely humid.





AWOS Installation – Know Your Risks

In the spring of 2014 Vaisala Field Service Health & Safety conducted a survey in co-operation with ITAC Fall Protection Services to observe fall hazards at two Automatic Weather Observation System (AWOS) facilities in North Carolina, USA.

The purpose of the Fall Hazard Assessment Survey was to assess uncontrolled fall hazards identified within the facilities. Applying a relative risk assessment rating and prioritization procedure provides conceptual fall hazard solutions that adhere to a prescribed hierarchy of fall protection controls – Fall Elimination, Prevention, and Arrest.

According to the assessment, servicing an AWOS tower scored an unacceptable risk rating due to field engineers climbing up the tower with inadequate safety mechanisms. The risk mitigation solutions recommended included use of an aerial lift where applicable and selection of a fall arrest system that allows self-rescue at facilities where lifts cannot be used. These recommendations were implemented immediately, which reduced the risks from unacceptable to

moderate or minor. In addition, a decision was taken to look for a customer approved fold-over tower that Vaisala can quote as an option to the rigid tower in order to eliminate the fall hazards altogether.

All in all, “Case AWOS” was an excellent example of cooperation within the organization, which led to a tangible reduction of risks and hazards for employees.

Vaisala’s Global Occupational Health and Safety (OHS) Objectives:

- Reduce injuries
- Implement an OHS management system and drive continuous performance improvement
- Increase visibility of management commitment to OHS
- Mitigate OHS risks for staff as well as for contractors
- Establish a global OHS organization, common working procedures and reporting process

AWOS tower.



Photos by David Smock.





Occupational Health and Safety

Vaisala continues to strengthen its focus on safety at work. Global objectives, such as enhanced visibility of management commitment, mitigation of risks, and inclusion of third party employees in the scope of safety management, are set to guide the way to world class safety performance. We believe that zero injury is achievable and we are committed to attaining that goal through continual improvement.

The Global Health & Safety Team established in 2014 will play a key role in driving a global compliance program. The team provides expertise and support to Vaisala operations by issuing tools and fundamental corporate guidelines ensuring that the best practices are used wherever we operate.

Common Processes and Procedures

All employees are entitled to remain in good health at work, and staff well-being is a theme of great importance at Vaisala. We want to ensure that the working environment and methods are safe, regardless of the country of employment or employee status. This extends to our contractors and service partners.

We develop common procedures and unified requirements in cooperation with our employees and ensure implementation through training and regular audits.

Enhanced Internal Reporting

We encourage an active approach in reporting. Employees are directed not only to report incidents and hazards, but also to suggest safety improvements to the workplace and working methods. In order to prevent injuries and a recurrence of incidents, reported non-conformities are investigated and corrective actions based on root causes are implemented promptly.

To increase the transparency of incident management and to share lessons learned, we have developed an Environment, Health & Safety (EHS) reporting system which covers all Vaisala operations. A globally harmonized reporting procedure and database allows for improved health and safety performance follow-up.

As a consequence of our harmonized global approach to EHS reporting, we now follow a standard procedure that requires slight changes in how we report these metrics from previous years. Instead of the previously reported injury data collected mainly from our Finnish and US operations, the current figures represent the whole Vaisala Group and focus on:

- Lost Time Injuries of at least one day's absence, normalized as rate of injuries per million hours worked (LTI-1); and
- Total Recordable Injuries (TRI), all injuries and illnesses requiring care beyond first aid: medical treatment cases, restricted work cases, lost time injuries, fatalities and occupational illnesses, normalized as rate of injuries per million hours worked.

Employee Participation Essential

Occupational safety is a joint cause requiring ongoing effort from both employees and management in order to maintain and develop a safe working culture. Although Vaisala is considered a low risk workplace, hazards do exist and we make sure these do not go unnoticed. Risk assessments and job hazard analyses are conducted by those employees who are the best experts of the task being evaluated. Employees are also included in incident investigations and root cause analysis. Moreover, health and safety information and lessons learned are shared with all levels of the organization.

In Finland and Canada it is a statutory requirement for the employer and employees to meet in health and safety committees. In its operations in Finland, the Health and Safety Committee consists of eight employee representatives and two management representatives. Their objective is to improve safety culture throughout the site, follow-up on incident reporting and implement the global EHS strategy and action plan. This committee meets a minimum of four times annually, and in between meetings it organizes events and information sharing sessions for staff. The Canadian committee is formed of six members, four of whom are non-management staff representatives. The committee meets on a monthly basis to e.g. conduct site inspections and talk about recent incidents or injuries at the workplace. Under legislation, committee members are entitled to eight hours of paid training per year.

Currently the representatives in health and safety committees make up 0.7 % of the total workforce, representing 59% of staff. We intend to have at least one non-management employee representative on each site of more than 10 employees. When this target is achieved, employee representation in health and safety matters will be doubled, helping us to raise awareness throughout the organization.

Reporting and Investigation

In 2014, Vaisala launched a new global Environment, Health & Safety (EHS) notification and

investigation procedure. The purpose of this harmonized process is to ensure that all EHS cases are investigated in their required detail and that root causes are analyzed for effective corrective actions to be taken.

Consequently, ownership of incident management has been transferred from the EHS organization closer to line management. This increases awareness of actual hazards and harms taking place in the work place and gives managers the chance to improve their own working environment.

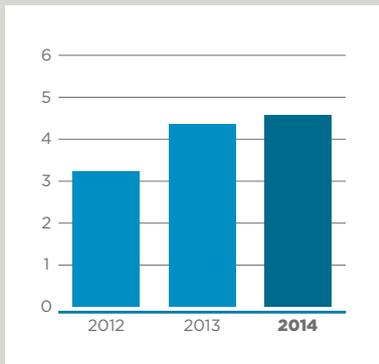
Along with the procedure, a new web-based incident reporting tool was introduced. Any

Vaisala employee can file a report in this system and it allows employees to read about cases entered by others, thus increasing awareness and developing our safety culture.

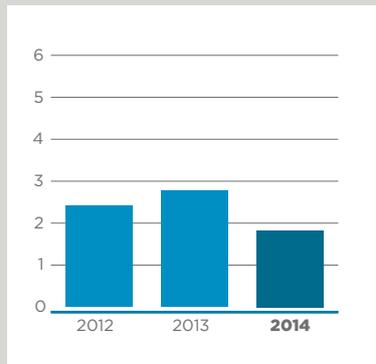
Cases that are managed within the system include accidents, incidents, near misses, hazardous conditions and activities, and also EHS improvement suggestions. Record keeping on investigations, corrective action management and performance indicator dashboards have made our EHS reporting robust and resilient for our needs.

Recordable Injuries per gender 2014	FIN	NA	APAC	EMEA	Total
Male	5	5	1	0	11
Female	2	1	0	0	3

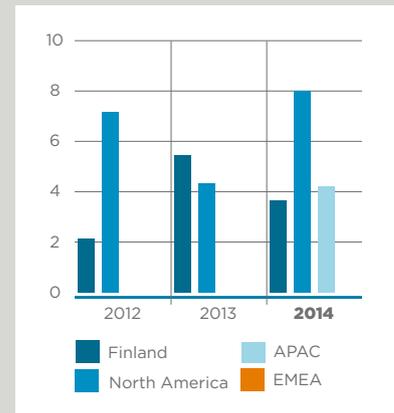
Total Recordable Injuries per 1 Million Hours*



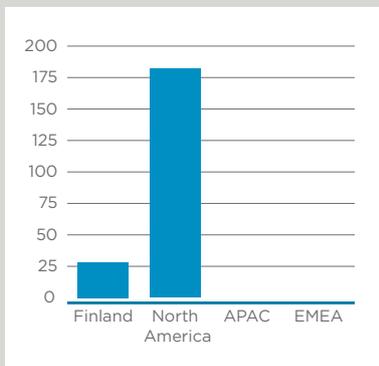
Lost Time Injuries per 1 Million Hours*



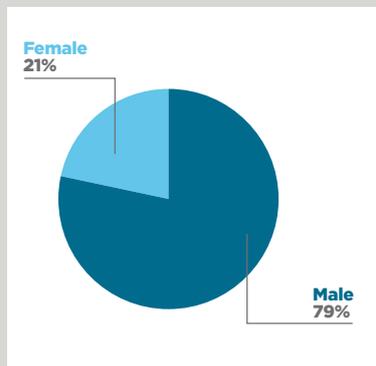
Total Recordable Injuries per Region per 1 million hours*



Days of Absence due to Injury



Gender of Injured Persons



* Scope broadened in 2014, previous years' data not comparable.



Integrity





Vaisala's Values

Our way of operating is innovative and driven by the following four values. They make up the basis of all our activities, both within Vaisala and with our partners and customers.



Customer Focus

We strive for deep understanding of our customers' needs and aim at meeting them in everything we do.

Innovation and Renewal

We embrace pioneering innovation and drive change through continuous improvement and learning.

Strong Together

We excel by sharing, learning and working together with each other and our stakeholders.

Integrity

We are honest, respectful and reliable. We promote sustainable and ethical behavior.



Values Dialogue – What Does a Successful Vaisala Look Like?

Over the course of summer and fall 2014, everyone at Vaisala was welcomed to share ideas and viewpoints on what they consider to be the values that drive us as a company. What kind of values are they? Are they visible in our daily work? And how should they be reflected in our work?

The values dialogue was initiated at a global management meeting in May 2014. This was followed by team poster sessions at company

sites around the world. People were encouraged to create values posters with keywords and pictures, and this brought important themes and color to the discussion. These poster workshops engaged our personnel in different locations, and live events and online discussion took the values dialogue a step further. Finally, after several more steps, the new Vaisala values were ready in December 2014.





Code of Conduct

To further promote and ensure responsible business practices, Vaisala has a Code of Conduct which is to be followed by all employees. This Code translates our values and responsibility into actions taken by our staff every day. The Code highlights important issues such as the environmental aspects of our operations, anti-corruption and anti-trust legislation, human rights issues, workplace behavior and safety.

The Code of Conduct was first introduced to the organization in 2008. Since then, all members of staff have been required to complete an online training module which is also part of the orientation program for new employees. At the end of the reporting period, 84.4% (95.4%, 2013) of current Vaisala personnel had completed the Code of Conduct online training module. The drop in attendance is caused by mainly two issues; the e-learning being transferred to a new platform, leaving some of the manufacturing staff outside of the system. Secondly, the e-learning had not been yet rolled out to staff from the previous acquisitions. These are issues that we will tackle in 2015 through a renewed Code of Conduct training for all staff.

Vaisala's Code of Conduct

1. We comply with national laws and regulations

Vaisala Oyj ("Vaisala") and its subsidiaries, offices and agencies will obey and abide by any national laws in their respective countries, whether Vaisala is stationed therein or doing business in that country. Vaisala respects local legislation and regulations, whether they are business related or other. Where differences exist between local laws, regulations, customs, norms or this code – Vaisala strives to apply which ever sets the highest standard.

2. We encourage fair and lively competition in the marketplace

Vaisala is a strong supporter of fair competition worldwide – irrespective of any national or international competition regulations. Vaisala does itself comply with any and all regulations concerning competition and encourages its competitors and associates to do the same. Healthy competition in the marketplace is necessary for the development of the whole industry, thus benefiting customers and shareholders.

3. We respect the environment and treat it with care

Vaisala takes environmental matters to heart and attends to them with care. Vaisala wants to be involved in establishing a sound foundation for better quality living, environmental protection

and conservation, safety and productivity. Vaisala complies with generally accepted international environmental standards and often exceeds legal requirements. Vaisala strives to continually improve environmental performance of its products and is committed to reduce the company's impact on the environment. All employees are responsible for Vaisala's environmental performance.

4. We treat our suppliers and customers fairly

Vaisala strives for long term partnerships both with its suppliers as well as customers. We give our partners a good insight into our demand forecasting, constructive performance feedback as well as our support and help. We treat our suppliers and customers in a professional and ethical manner and follow through our obligations and agreements promptly. We want to share our success with our collaborators and create benefits for all parties.

5. We collaborate with subcontractors and suppliers that meet international standards in ethics and sustainable development

Vaisala pays special attention to the ethical and environmental issues when validating suppliers. We monitor and encourage our current suppliers to comply with the requirements of international human rights and environmental laws and practices.

6. We treat our employees with respect and guarantee a safe working environment

Vaisala's central value is 'fair play' which shows in all our undertakings, whether it is towards our staff, suppliers or our customers. Beyond this, Vaisala respects the employees' right to peaceful assembly, freedom of association, collective bargaining and a safe working environment. Vaisala does not accept any child, bonded or forced labor in any parts of its supply chain. Vaisala ensures that all of its safety measures are up to date and is committed to continuous improvement.

7. We encourage professional and personal growth of our employees

Vaisala invests continuously in the professional and personal learning and growth of its employees in order to realize their full potential. This is achieved by emphasizing on-the-job learning supported by internal and external personal development programs. Furthermore, Vaisala encourages its employees to actively manage their work-life balance as this has been recognized to improve work capacity and well-being at work.

8. We contribute to the communities we live in

Vaisala believes in a world where environmental observations improve daily life. As the global leader in environmental measurement and active

member of society, Vaisala has a responsibility to act as a good corporate citizen. Vaisala's overall objective for Community Outreach is to support organizations and projects that advance environmental awareness and science education. All our outreach activities should be in line with Vaisala's values and resonate well with environmental issues such as climate, weather, environmental measurement, industrial impact and environmental sciences.

9. We respect human rights and we retain high moral standards in whatever we do

People should be treated equally and fairly irrespective of ethnic origin, nationality, ancestry, religion or creed, political views, gender, sexual orientation, marital status, medical condition, disability or age. Vaisala respects these rights and condemns discrimination and intolerance of all kinds.

Vaisala endorses the United Nations' Universal Declaration of Human Rights, The International Labour Organization's Declaration on Fundamental Principles and Rights at Work, The OECD Guidelines for Multinational Enterprises, and the Ten Principles of Global Compact. Furthermore, Vaisala recognizes the value of diversity, teamwork, fair compensation, innovation, health and safety at the work place, environmental awareness, and community involvement and strives to contribute in these fields for the benefit of the company and its stakeholders.

10. We condemn all corruption

Vaisala will neither accept nor tolerate any form of corruption. Vaisala has a strict anti-corruption policy which, if not followed, will result in disciplinary actions against its violator and any accomplices. Vaisala endorses the UN Global Compact and thus pledges to work against corruption in all its forms.

Employees must not use a contractor, agent, consultant or other third party to perform any act which conflicts with Vaisala's Code of Conduct. We will seek to influence our suppliers and collaborators to adopt similar principles, if they do not already do so.

Regulatory Compliance

We believe that responsible business conduct is based on fairness and integrity. Vaisala complies with all national laws and regulations, and does not respond to suspicious business proposals. We continuously follow up changes in legislation and keep our staff informed through internal communication, such as the company intranet, and training for key employees.

There were no identified complaints, incidents or sanctions by authorities during 2014. Specifically, no incidents of corruption, anti-competitive behavior, anti-trust or monopoly practices or any other breach of legislation or regulations were identified during 2014. Furthermore, there were no reported concerns or breaches of human rights, labor rights, or environmental legislation in the adjacent supply chain.

Compliance Committee

Vaisala has a compliance committee whose task is to oversee that all parts of Vaisala's operations are in line with the Code of Conduct as well as all other legislation and regulation. The committee has members from the Legal Department, Finance & Control and Human Resources and is headed by Senior Vice President for Compliance and Risk Management.







Weather-Ready Nation Ambassador

Destructive, damaging weather can wreak havoc across communities, especially vulnerable ones with limited resources and education about preparing for detrimental impacts. We can all contribute to a better informed and prepared public, smarter business and community planning, and more resilient infrastructure.

Vaisala has been selected as a National Oceanic and Atmospheric Administration (NOAA) Weather-Ready Nation Ambassador™. As one of the first companies to join the Weather-Ready Nation (WRN), Vaisala is privileged to work with NOAA and the National Weather Service (NWS) on this important initiative. Embracing the concept of a collaborative Weather Enterprise, the Weather-Ready Nation brings together government organizations, private enterprise and academia in an effort to build communities that are ready, responsive and resilient to severe weather events. This requires the participation and commitment of a vast nationwide network of partners, and Vaisala sees the Weather Enterprise as a global community, something that extends well beyond just the US.

Vaisala's Role as an Ambassador

WRN Ambassadors serve a pivotal role in affecting societal change, with the underlying charge of helping to build nations that are ready, responsive, and resilient to the impacts of extreme weather. This goes well beyond commercial, business interests, and for Vaisala, the Ambassador program speaks directly to our company's values and ethics.

"Observations for a better world" is a genuine calling and purpose that drives our innovation, our curiosity, and our inspiration to shape the way the world understands and deals with weather.

As such, the Ambassador program represents an extension of Vaisala's contribution to, and collaboration with, the Weather Enterprise at large. Whilst Vaisala's portfolio is designed to better manage the socio-economic impacts of severe weather, with this also comes a wider moral imperative - and that is to ensure that the application of technology, and the harnessing of innovation, truly benefits nations at large.

We believe this is at the core of sustainable development and creating shared value; the notion that one should strive to keep ecosystems in balance in order to build for the future. In

building weather-ready nations, Vaisala sees the human-weather ecosystem as being pivotal to socio-economic sustainability; this is the protection of life and property that is at the heart of meteorological agencies around the globe.

Through the work that Vaisala does and the technology it innovates, the company actively touches the lives of millions of people all around the world every day. Accurate meteorological observation systems, such as Vaisala's weather radars, sounding systems, automatic weather stations and lightning detection systems make it possible to generate early warnings, which help mitigate the impacts of extreme weather events.

Forecasting Extreme Weather

To illustrate how Vaisala supports the ready, responsive and resilient approach of the program, consider how we enable forecasting of extreme weather events.

Vaisala continues to be supplier of GPS drop-windsondes to the Hurricane Hunters, the NOAA Aircraft Operations Group as well as supporting the National Weather Service (NWS) Hurricane Center and NOAA's Hurricane Research Division. Dropsondes are deployed by flying through hurricanes and dropping these highly accurate measurement devices into the storm.

Vaisala RD94 Dropsondes measure air temperature, relative humidity, atmospheric pressure, and use the GPS positioning to detect horizontal and vertical wind. These data are used to provide invaluable data to be ingested to the various models that are used to predict the path of a storm as well as its likely intensity. Storm path and intensity forecasts are vital to the preparation and protection of coastal communities, and help with the planning and execution of any required mitigation and evacuation plans.





Developing the National Solar Atlas of India

Publicly available solar information from the Indian government will guide development, attract investment, and accelerate the growth of solar energy.

3TIER India Private Ltd., a wholly owned subsidiary of Vaisala and the leading source for global renewable energy assessment and forecasting information, has been selected through a global tender for satellite data to create a Solar Atlas of India. The signed agreement is with the Centre for Wind Energy Technology (C-WET), an autonomous research and development institution that forms a part of the Indian Ministry of New and Renewable Energy (MNRE). Under the terms of agreement, 3TIER will work directly with C-WET to develop and disseminate critical investor-grade information that will enable India to meet its ambitious solar energy capacity targets.

C-WET is entrusted by the Indian government through a mission mode project to create and share commercially relevant weather resource information with prospective future financiers and the wider investor community. This ambition forms part of a wider strategy to ensure adequate solar radiation data is available to the domestic and international business community, with a particular emphasis on those that have already identified the Indian market to be of strong solar investment interest.

"The collaboration between 3TIER and C-WET will greatly help in evaluating and prioritizing required infrastructure, such as solar generation facilities, storage technology, and transmission lines - in essence, answering where and how to invest in order to harness India's considerable solar energy potential," said Dr. S. Gomathinayagam, Executive Director, C-WET. "The resulting nationwide solar study will help investors and market players clear the first hurdle in the process by filling a critical information gap."

Under the Jawaharlal Nehru National Solar Mission (JNNSM), India aims to reach 20 GW of grid tied solar power, 2 GW of off grid solar power, and 20 million square meters of solar thermal collector area by 2022. Meeting these targets will require long-term market certainty in order to attract the necessary inward investment of capital.

"Long-term certainty is not solely generated by strong, stable government policy," said Mr. Nikhilesh Singh, Managing Director of 3TIER India. "It also requires long-term certainty in the resource. Prospective developers and investors need information to quickly assess whether solar projects will be commercially viable and able to meet energy production expectations. A large part of ensuring project feasibility is optimal siting."

"This involves appropriately sizing the system to match the available energy resource, evaluating proximity to transmission and major centers for energy demand, as well as ensuring that the infrastructure is equipped to manage the influx of energy from a variable source. The forthcoming Solar Atlas will provide a detailed view of India's solar power resources, which while vast, vary significantly both across geography and over time."

Having a clear understanding of resource variability prior to investment is crucial since falling short of energy estimates has a direct impact on project production and profitability. 3TIER pioneered the use of satellite technologies in calculating pre-construction solar energy estimates and has set the global best practices for project planning. To date, this has enabled global project developers to secure investments worth over €4 billion.



Vaisala Honorary In-kind Donator for New Children's Hospital

Vaisala will be contributing humidity, temperature, and carbon dioxide measurement instruments to the new children's hospital to be constructed in Helsinki, Finland in 2017. The equipment is valued at an estimated 225,000 euro and will be integrated into the hospital's building automation solution.

"This project is a very valuable one for Finnish wellbeing, as well as for the future. We at Vaisala are delighted and proud to join in the effort to help build the world's best children's hospital. In a hospital environment, good indoor air quality is an obvious and fundamental requirement for both patients and staff, helping to ensure high quality care and a safe working environment," says Vaisala President and CEO Kjell Forsén.

Vaisala's measurement equipment will provide data to control the central heating, ventilation and air-conditioning system in the building. These instruments will gather data on temperature, carbon dioxide, and relative humidity. The information will be used to adjust ventilation intensity to meet actual ambient conditions and requirements, which changes based on the number of people in a particular area. This also helps to ensure that indoor air quality is optimized, further improving the overall energy efficiency of the building.

World's Best Children's Hospital

The new children's hospital has created a lot of publicity from the start due to the lack of public financing. The project is co-funded by public and private parties, both companies and private citizens alike. The hospital is scheduled to open in 2017 and is expected to cost 160 million euros. The new hospital will treat seriously ill children from across Finland.

Many Finnish companies have donated either money or products for the hospital. Vaisala is an honorary in-kind donator and will make the actual donation at a later stage agreed together

with the contractor and when the construction is at the stage when Vaisala can step in.

"The new children's hospital is being designed and constructed in accordance with a dozen select and measurable criteria. In addition to medical processes, the child's and family's experience in the hospital are at the core of this project. Other important factors include the hospital as a work environment, its reliability, safety, and energy efficiency. Vaisala's contribution brings the industry-leading, state-of-the-art technology to the children's hospital, which will help us reach our target, to build the world's best children's hospital," commends Chairman of the Board of the New Children's Hospital 2017 Foundation, Anne Berner.



The agreement was signed by Anne Berner, the Chairman of the New Children's Hospital Foundation and Kjell Forsén, President and CEO of Vaisala.





Supply Chain Management

We believe that by actively engaging with our suppliers to bring sustainability topics forward, there will be a mutually beneficial impact on both our suppliers' and our own performance.

We rely on hundreds of suppliers in our operations, and therefore we have recognized sustainable supply chain management to be an important element in deploying our vision. We also believe that by actively engaging with our suppliers to bring sustainability topics forward, we can contribute to tangible improvements in both our suppliers' and our own performance.

Product life cycles are typically from 1 to 20+ years, with scheduled recalibrations and maintenance during that time. Recalibration and maintenance are performed at one of Vaisala's five service centers or in many cases on site. At the end of the product life cycle, customers are instructed to follow the best available local practices for recycling electronic equipment, or to return products to Vaisala for recycling. Vaisala is required by the European Union Waste Electrical and Electronic Equipment (WEEE) Directive to finance the take-back, reuse, and recycling of products that is placed on the EU market.

Typical Product Supply Chain

Vaisala's direct suppliers are located close to its manufacturing sites. The company sources components and mechanical parts primarily from Finland, Western-Europe, and the United States, and to a lesser extent from key Asian countries. Raw materials used in Vaisala's own sensor factory are currently sourced exclusively from Europe. The upstream supply chains resemble those of other typical global electronic manufacturing industry supply chains.

In addition to the sensor factory in Helsinki, Finland, which produces sensors for all product families, Vaisala's manufacturing involves assembly, configuration, and calibration of electronic and mechanical equipment. Typically, our products are highly customized according to customer specifications, and therefore all products are made to order, thus keeping inventories of finished goods low. Final products are shipped directly to customers from the manufacturing sites in Helsinki and in Boulder, Colorado and Newton, Massachusetts.

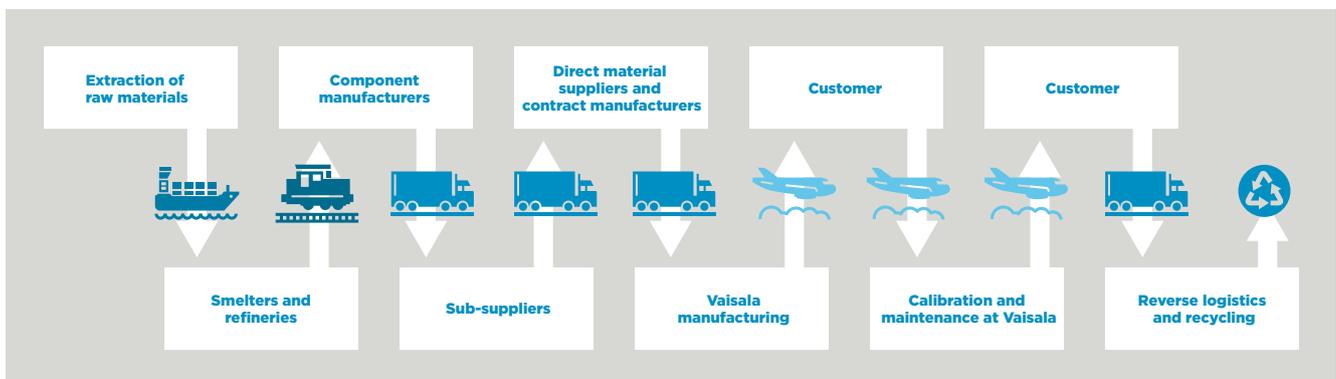
Engaging Suppliers

With the purpose of communicating our sustainability expectations better and ensuring a responsible supply chain from materials sourcing all the way to our distributors, Vaisala initiated a Supply Chain Sustainability Development program in 2013. The scheme is intended to be a long-term process for better identifying and managing risks and opportunities, aligning our supply chain partners' sustainability efforts with our own, and encouraging continuous development and closer collaboration through a constructive dialogue. The tools and resources of the program is part of continuous supply chain management and ESG-topics are brought up regularly with key suppliers.

Key components of the program:

- Supplier Code of Conduct
- Supplier ESG Self-assessment Questionnaire
- Audits and quarterly meetings with key suppliers
- ESG-guidance for suppliers

Simplified description of a typical supply chain for electronic equipment manufacturing.



Rating Suppliers on ESG-metrics

Vaisala introduced the Supplier ESG Self-assessment Questionnaire (SAQ) as part of the development program. The SAQ rates the supplier by asking a series of questions relating to the governance of the supplier and its adherence to standards and labor and environmental laws. The scoring categories are between the supplier exceeding expectations to being far below expectations. The SAQ forms a part of the supplier risk assessment and raises red flags for breaches in labor and human rights, and environmental issues. If a supplier scores in the lowest category, a corrective action plan must be put in place at once. No such corrective action plans needed to be issued in 2014. The SAQ-scoring is discussed bi-annually or when needed with each direct supplier. New suppliers are scored at the time of contract negotiations.

At the end of 2014, Vaisala had 767 direct suppliers. Our target is that at least 80% of total euros spent on direct suppliers would be covered by SAQ-responses, the target for 2014 was met at 80.3%. There were no new suppliers in 2014.

Supplier Code of Conduct

The Supplier Code of Conduct reflects Vaisala's values and the Vaisala Code of Conduct, and is based on principles created by the International Labor Organization (ILO), the United Nations Global Compact initiative, and the Electronic Industry Citizenship Coalition (EICC). The Code of



Read more: Vaisala's Supplier Code of Conduct

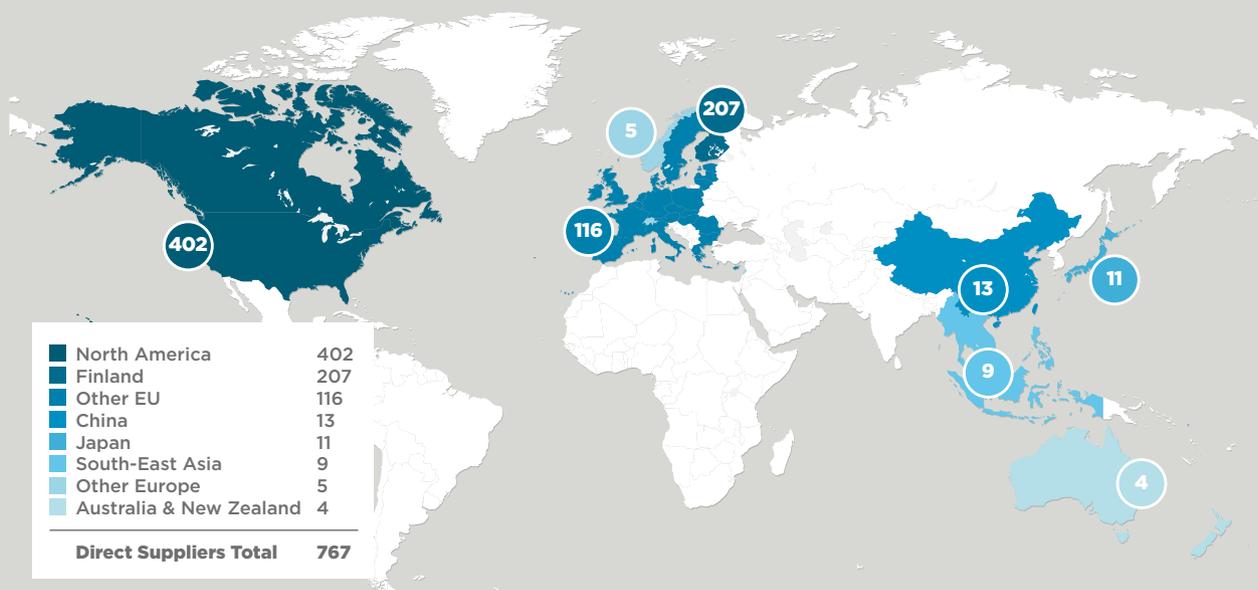
<http://www.vaisala.com/en/sustainability/responsiblevaisala/suppliers/Pages/default.aspx>

Conduct contains language from standards and policies formulated by the above-mentioned organizations, as well as those of the Business Social Compliance Initiative (BSCI) and Social Accountability International (SAI).

Compliance to Human Rights and Labor Laws

Vaisala does not condone human rights abuses or breaches of labor laws in any part of its supply chain and takes appropriate measures to ensure that the risks of any violations of the company's Code of Conduct or its Supplier Code of Conduct are minimized in the adjacent supply chain. Moreover, due to the enforcement of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, suppliers to Vaisala must ensure that proper precautions are taken in order not to source any materials that have their origin in conflict areas, including but not limited to the tin, tungsten, tantalum, and gold mined in the Democratic Republic of Congo (DRC) or in adjoining countries.

Vaisala's direct material suppliers





Community Outreach

Vaisala believes in a world where environmental observations improve daily life. As the global leader in environmental measurement and an active member of society, we acknowledge that the company has a responsibility to support its stakeholders in society and the research community.

Vaisala may provide charitable donations of products, funding or services to non-profit organizations through its Community Outreach Program. The Program's overall objective is to support organizations and projects that advance environmental awareness and science education. All our outreach activities should be in line with Vaisala's values and resonate well with environmental issues such as climate, weather, environmental measurement and environmental sciences.

In 2014, donations were EUR 310,000 globally. Our objective is to focus our donations and continuously correlate them with the community outreach policy. Vaisala does not donate funds to political parties, causes or campaigns.

Current Sponsorships

Following the guidelines set by Vaisala's Community Outreach Program, we sponsor a variety of different causes.

Professor Vilho Väisälä Award

Vaisala funds the bi-annual Professor Vilho Väisälä Award. The award was established in 1985 to encourage and stimulate interest in research in the field of environmental measurement instruments and methods of observation. It is administrated by the World Meteorological Organization, which selects the winners on a biennial basis. The award consists of a medal, diploma and a cash prize of USD 10,000.

The winners of the twenty-fourth Professor Dr. Vilho Väisälä Award for an outstanding research paper in 2014 were A. Overeem, H. Leijnse, R. Uijlenhoet from the Netherlands. Their research paper is titled "Country-wide rainfall maps from cellular communication networks" and has been published in Proceedings of the National Academy of Sciences of the United States of America, Vol. 110, No.8, 2013.

In 2004, the WMO Executive Council decided to establish a second Professor Vilho Väisälä Award. The main focus of this new award is

meteorological instrument work in developing countries and countries with economies in transition. At the same time, the WMO Executive Council adopted new guidelines for granting the Professor Vilho Väisälä Awards. Both awards are granted biannually in connection with the WMO TECO/METEOREX conference and carry a cash prize of US\$ 10,000. More information about the awards: www.wmo.int

Scholarships and Research Collaborations

In 2014, Vaisala supported thirteen scholarships to graduate students at the Nanjing University of Information Science and Technology. The scholarships are intended to provide nominal support to students' research in areas that are relevant to Vaisala's meteorological interests, including instrumentation and decision support systems.

Vaisala has also a research & development cooperation with the University of Arizona in the field of lightning detection. Moreover, the company supports the research on radar meteorology at the Colorado State University.

Young Ambassadors

Vaisala sponsors the Finland-US Young Ambassadors scholarship program that sends 15 Finnish youngsters on a six week excursion to the United States. The program is aimed at 16-17 year old students who do well in their studies and have a special interest for environmental issues. The program is cooperation between the US Embassy in Finland, the Center for International Mobility (CIMO) and Youth For Understanding, an international exchange organization.

Millennium Technology Prize

Vaisala's success is based on a constant stream of world-class innovations. It is only natural that we are a proud supporter of the Finnish tribute for better life, The Millennium Technology Prize. The biannual prize is awarded to groundbreaking technological innovations that enhance the quality of people's lives in a sustainable manner. In 2014, Professor Stuart Parkin was awarded the prize for discoveries leading to increased data storage density. Previous winners include Linus Torvalds for Linux, the open source operating

The Vilho, Yrjö and Kalle Väisälä Fund granted donations to 89 researchers in 2014

TAF

TECHNOLOGY
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FINLAND

AWARDING THE MILLENNIUM TECHNOLOGY PRIZE

system; Shinya Yamanaka for ethical stem cells research; and Michael Grätzel for dye-sensitized solar cells.

Read more:

<http://taf.fi/en/millennium-technology-prize/>

Vilho, Yrjö and Kalle Väisälä Fund

In the 1960's, Professor Vilho Väisälä, the company's founder, donated Vaisala shares to the Finnish Academy of Science and Letters. These shares were used to establish the Vilho, Yrjö and Kalle Väisälä Fund. The Fund provides grants annually for research in mathematics, physics, geophysics, meteorology and astronomy.

In 2014, the Fund granted a total of EUR 1.5 million to 89 researchers. The Fund's available grants are dependent on Vaisala's profits and thus the company has an economic responsibility towards the Fund.

Raising Awareness

Vaisala partners with Heureka Science Centre in Finland in order to increase awareness of atmo-

spheric sciences among children and adolescents. As an example, Vaisala sponsors the Smart Cities exhibition as well as the development of the Science on a Sphere exhibition at Heureka.

Focus Areas

Science education

Students and their teachers, in contexts that promote natural sciences, innovation, and environmental awareness. Universities, scientists and researchers who help increase the understanding of environmental observations and their implications. Scholarships paid in the form of salary are outside the scope of this program.

Non-profit organizations working in environmental disaster prevention and recovery

Non-profit organizations that protect lives and assets – particularly in connection with the prevention of environmental hazards. Impartial and neutral humanitarian organizations that provide protection and assistance to people affected by disasters.

Global Donations	2010	2011	2012	2013	2014
EUR 1,000	375	664	259	75	310

The 2014 Young Ambassadors Scholarship Program focused on innovations in green technologies.





UN Global Compact

Vaisala joined the UN Global Compact in 2008 and has committed itself to following the ten guiding principles of the initiative. Consequently, we report on our progress on annual basis. Vaisala is an active member in its local UNGC network, The Global Compact Nordic Network. Engaging in the local network gives us the possibility to learn about the initiative and benchmark our efforts to other companies. Vaisala's Corporate Responsibility report has qualified for the Global Compact Advanced differentiation level since its introduction in 2010. Vaisala is also an active member according to the initiative's new definition.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Embedded in Vaisala's Code of Conduct and Supplier Code of Conduct. Mandatory Code of Conduct training for entire personnel.
Principle 2: Make sure that they are not complicit in human rights abuses.	Mandatory Code of Conduct training for entire personnel.

Labor Standards

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Embedded in Code of Conduct and Supplier Code of Conduct. Employee representatives, according to local legislation.
Principle 4: The elimination of all forms of forced and compulsory labor.	Covered in Code of Conduct and Supplier Code of Conduct.
Principle 5: The effective abolition of child labor.	Covered in Code of Conduct and Supplier Code of Conduct.
Principle 6: The elimination of discrimination in respect of employment and occupation.	Covered in Code of Conduct and Supplier Code of Conduct.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges.	We systematically identify and evaluate our environmental impacts and hazards to mitigate any negative effects they might incur.
Principle 8: Undertake initiatives to promote greater environmental responsibility.	Signatory of The Federation of Technology Industries' Energy Conservation Agreement. Participates in WWF Finland's Green Office program and refurbishes facilities to meet green standards.
Principle 9: Encourage the development and diffusion of environmentally friendly technologies.	Vaisala is constantly developing Best Available Technology (BAT) products to meet the increasing demand for highly accurate measuring instruments, e.g. for climate change research.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Covered in Code of Conduct, Supplier Code of Conduct and Vaisala's International Anti-Corruption Policy. Vaisala's management enforces a strict zero-tolerance policy on any forms of bribery and corruption.
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Local Network and National Cooperation

Vaisala is part of a Global Compact local network, The Nordic Network, which has Global Compact participants from Denmark, Finland, Greenland, Iceland, Norway and Sweden. The network provides a learning forum for its members, displaying best practices in corporate responsibility as well as in implementing the ten principles. The network convenes twice per year in a member country. Vaisala is also represented in the network's Steering Group.

In order to benchmark with other industrial companies, Vaisala also takes part in discussions between other Finnish signatory companies. A group of companies meets on a regular basis to exchange best practices with each other and to promote Global Compact for companies that are not yet Global Compact members.

Read more about The Nordic Network: www.gcnordic.net







Lightning Casualties in the Developing World

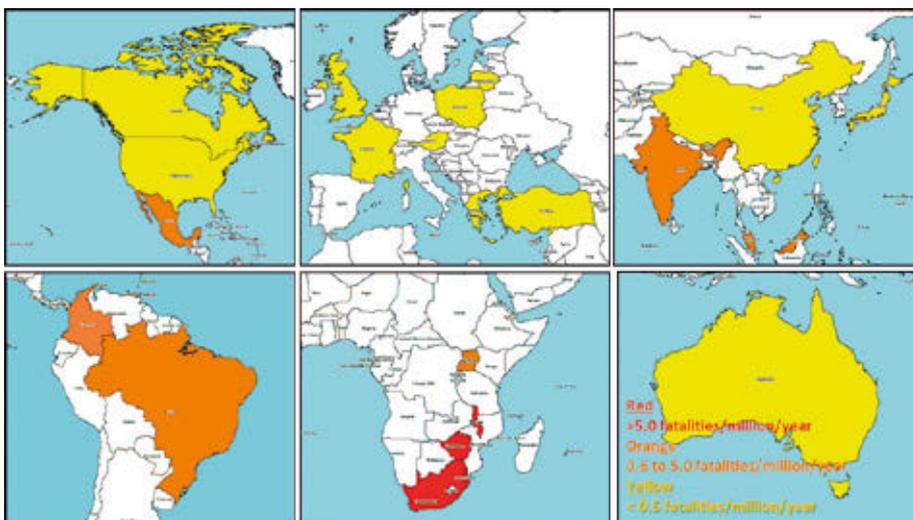
There is a major difference between lightning deaths and injuries in the developing world compared with more developed countries. In the U.S., Canada, Western Europe, Japan, and Australia, the lightning fatality rate has been decreasing steadily for nearly a century. However, in lesser-developed regions, lightning deaths and injuries are relatively unchanged, and the number may actually be increasing. The answer lies in socio-economic factors where people live and work. In the developed world, most people spend most of their time inside large substantial buildings that provide significant protection from lightning due to the buildings providing a Faraday Cage effect, where a direct strike is grounded through properly-installed power lines and plumbing connections, as well as through structural members of the buildings themselves. Similarly, fully-enclosed metal topped vehicles are very common and lightning safety is achieved inside them despite being a potentially frightening experience.

On the other hand, billions of people in lesser-developed countries live inside lightning-unsafe structures that lack plumbing and electrical infrastructure, and are made of materials such as mud bricks, straw, and wood. These structures often have no safe path for lightning to follow when struck and offer little to no protection to people inside them. In addition, much of the population in these regions continues to work in labor-intensive outdoor agriculture that takes place during the day, when most lightning

occurs. Lightning-safe buildings and vehicles are not available either day or night for a large number of people living in these conditions, and the number is likely to be increasing along with global population growth.

Lightning detection systems provide information on where, when, and how much lightning is occurring. Until recently such real-time data were confined to more developed countries of the world where the greater lightning interest is damage to infrastructure such as utilities and communications rather than human safety. With the development of Vaisala's Global Lightning Dataset GLD360, lightning is now reliably detected everywhere in the world. The time of year, time of day, and location where lightning historically occurs is now known much better than before, and warnings can be advanced with the use of such data.

However, the lack of safe places for people in lesser-developed countries poses a difficult challenge that cannot be solved with detection alone. Identifying high-risk lightning areas can help focus protection of schools and other gathering places to provide examples of how the lightning death total of 6 000 to 24 000 per year globally can be reduced; another ten times as many people are likely injured by lightning. As a result, this is one of the largest recurring natural disasters globally that has associated challenges to reducing lightning casualties.



Video: Year 2014 of Lightning by Vaisala Global Lightning Dataset GLD360

<https://www.youtube.com/watch?v=JzRTiqPOXdw>





Vaisala Celebrates 20 Years in China

Vaisala China celebrated its 20th anniversary on June 5, 2014 at the official residence of the Ambassador of Finland in the historical part of Beijing. Over one hundred and sixty guests joined the celebrations, including customers, partners, visitors from Vaisala Helsinki, and Vaisala China personnel.

The guests were welcomed by the host, Ambassador Mr. Jari Gustafsson. He underlined the long relationship between China and Finland, spanning more than 60 years. He also emphasized that among the European Union member states, Finland is, relative to its size, the biggest investor and trading partner in China. He referred to Vaisala as a company with a strong research background and a global leader in environmental and industrial measurement systems. He also mentioned Vaisala's growing portfolio of products and services for the renewable energy sector, which relies on accurate weather observations for wind forecasting, for example.

Raimo Voipio, Chairman of the Vaisala Board, conveyed the Board's greetings and compliments to the attending guests. In his speech he remarked on the incredible development of China over the last 20 years, making it now the second largest economy in the world. He recalled that Vaisala's debut in China was actually in the 1950s, when it provided radiosondes for research purposes. But only in the early '90s

was the demand for Vaisala equipment high enough for the company to open an office in Beijing, which it did in April 1994 to better serve its Chinese customers.

Raimo Voipio also reminded his audience of two principles introduced by his grandfather Professor Vilho Väisälä: that we should understand that customers need products that match their particular requirements, and that customers should not be left alone when they need our help. These are equally valid today and will help us achieve success in the next 20 years and beyond.

The opening ceremonies were closed by Veli Solehmainen who, in his toast speech, expressed his appreciation to the company's valued customers and partners and thanked the Vaisala China personnel for their successful work in building the company.

The rest of the evening was reserved for dining and enjoying the good company, with some delicious Finnish cuisine prepared by the residence chef and his staff.

Throughout the event, the visitors also had a chance to view the posters of Vaisala's achievements in China, and a video specially prepared for the anniversary was shown non-stop on a large screen.

Vaisala China personnel together with Ambassador Jari Gustafsson, Vaisala China President Veli Solehmainen and visitors from Vaisala Helsinki.





Sustainable Technologies





Extending the Lifetime of a Weather Radar

Extending the lifetime of existing mechanical hardware, rather than scrapping it prematurely, not only makes financial sense, it makes environmental sense too. For example, no new natural resources need to be used. Upgrading a single polar radar into a modern dual polarized Doppler radar brings completely new capabilities with half the investment and reduced maintenance costs.

Dual Polarization and Doppler Radar

For decades, Doppler weather radar has been one of the most important tools for meteorologists. The weather radar has always been used for nowcasting and related applications, such as aviation and severe weather monitoring. Today's weather radar employs dual polarization technology to produce clear, clutter-free high-resolution pictures of snow- and rainfall events. Today, dual polarization weather radar has become the standard for modern weather radar systems.

A dual polarized radar transmitter simultaneously transmits microwave pulses, both horizontally and vertically polarized. When these signals reflect off objects present in the air, such as rain or snow, the receiver must be able to accurately interpret the echo as it returns. This information can be used to identify the type of precipitation encountered by the signal. The system can also measure wind direction and speed. In addition, birds and insects can be separated from the data stream.

Go Dual Pol with Vaisala's Quick Upgrade

Thanks to Vaisala's new Antenna-Mounted Receiver for C-Band Weather Radar, customers can reap all the benefits of dual polarization for a fraction of the cost, and in a fraction of the time. Vaisala's new antenna-mounted receivers allow existing single-polarization radars to be upgraded, rather than completely replaced. Apart from the obvious data quality and availability benefits this brings, it will also greatly reduce maintenance costs.

Many organizations operating weather radars demand the capabilities of a modern radar, but may be constrained by limited public spending policies, which limit the possibility to invest in completely new infrastructure. Upgrading existing equipment, rather than carrying out a full replacement offers a lower initial investment in comparison to a full radar replacement. Furthermore, online calibration and maintenance functionalities reduce the need for site visits and associated costs. Finally, when onsite maintenance is needed, these can be completed quickly due to the easy accessibility of components.

An upgrade is a viable option for many organizations, provided that the installed antenna is good enough for dual polarization, with solid mechanical parts. For older systems, the mechanical hardware will likely fail before the lifetime of the upgrade is over, and so full replacement with dual polarization radar is recommended.

Upgrading existing single polar radar adds a receiver on the radar antenna, instead of replacing the whole antenna dish, pedestal and cabinet with new equipment.



Vaisala's Weather Radar has been delivered to locations around the world, with over 100 units sold since 2007.



Award Winning Solution for New Zealand Transport Agency

The New Zealand Transport Agency (NZTA) is a Government entity and has responsibility for a wide range of land transport issues including management of the 10,895 km of State Highway Network. Although forming only around 10% of the country's road network, the State Highway Network carries 50% of the road traffic.

New Zealand's climate varies from sub-tropical in the far north to cool temperate in the far south. The North Island's volcanic Central Plateau and the mountainous area of the South Island receive most of the snowfall, though frosts can occur anywhere in the country. This climate provides daily freeze-thaw cycles throughout the winter season, which can pose a challenge to road winter maintenance operations.

Due to environmental and public concerns, deicing using salt was discontinued in the early 1980s, leaving grit as the only treatment available for ice conditions. In 1995, a significant winter weather event caused a nine and a half day closure of the main north-south highway across the Central Plateau. This attracted enormous media attention and public discussion and initiated an investigation into improved winter maintenance operations. A key outcome of this investigation was the need to re-introduce an anti-icing strategy based on a deicing chemical.

Seeking out world best practice, the NZTA selected calcium magnesium acetate (CMA) as the deicer of choice. Its proven performance overseas as a deicer combined with minimal impact on the environment suited the requirements for New Zealand. However at 15 times the cost of standard road salt, an efficient application management system was required.

The NZTA selected Vaisala's Thermal Mapping and RWIS technology and commenced a trial on the Desert Road of the Central Plateau in North Island. This technology had the potential to provide the NZTA with 24 hour predictions of road surface temperature across the country's road network and to provide managers with an ability to focus resources in the areas required. After a number of trial seasons, the NZTA proceeded to thermally map approx. 4,300 km of the road network in the North and South Islands. In 2010 a contract was signed for the provision of road weather forecasting services. Vaisala and Metservice NZ combined to provide a solution involving Metservice atmospheric forecast products, Vaisala RWIS, Vaisala

IceBreak Road Pavement forecasts, and Vaisala Forecast Thermal Maps. The entire length of this 4,300 km network was covered by just 17 Vaisala Forecast RWIS units.

In 2012, the NZTA's Chemical Deicing Environmental Risk Management project was selected as the winner of the 2012 International Road Federation's (IRF) Global Road Achievement Award in the Environmental Mitigation category. Monitoring carried out over 12 years has determined that the chemical has had no long-term cumulative effect on the environment.

Based on four years of operation since 2010, the NZTA have been able to compile performance statistics showing greater than 90% accuracy in their treatment decision making and less than 3% wastage. The staff and maintenance contractors have confidence in the prediction system and use of CMA to the extent that they are able to use reduced deicer spread rates, further enhancing environmental and economic benefits.

New Zealand's climate varies from sub-tropical in the far north to cool temperate in the far south.





ASECNA Leading the Way in Africa

According to the 2014 report published by the Intergovernmental Panel on Climate Change (IPCC), Africa is one of the most vulnerable continents facing climate change and climate variability. The report found that changes in a variety of ecosystems are already being detected. One of the great concerns alongside water stress is agricultural production and food security in many African countries. In fact, many nations and regions are likely to face severe conditions as result of the changing climate. According to the report, “The climate of the [African] continent is controlled by complex maritime and terrestrial interactions that produce a variety of climates across a range of regions, e.g., from the humid tropics to the hyper-arid Sahara (see Christensen et al., 2007). Climate exerts a significant control on the day-to-day economic development of Africa, particularly for the agricultural and water-resources sectors, at regional, local and household scales”.

The Agency for Aerial Navigation Safety in Africa (ASECNA) is an air traffic control agency based in Dakar, Senegal. It manages 16.1 million square kilometers of airspace (1.5 times the size of Europe) covering six Flight Information Regions (FIRs). ASECNA Air Traffic Control centers are based at international airports in each of these regions. To manage this demanding task, ASECNA has been working together with Vaisala to implement the 4th Generation Sounding System with Vaisala’s new Radiosonde RS41.

Upgrading to Vaisala’s RS41

With customer feedback as the driving force behind the development of the new sounding system, Vaisala has been able to create an easy to use and reliable sounding solution that is second to none. At the heart of the 4th Generation Sounding System, the Vaisala Radiosonde RS41 features upgraded data consistency and improved usability, applying the best metrological practices and error prevention solutions. The new RS41 features upgrades to the humidity and temperature sensors which ensure greater data reliability, and accuracy, that customers expect from Vaisala. The streamlined radiosonde launch process with the new maintenance-free ground check device, clear and logical use of MW41 soundings system as well as remote use of MW41 are examples of new features that were added based on customer cooperation.

The new compact radiosonde design is easier to handle and 60% lighter, allowing 20% more launches for the same quantity of gas needed with the RS92.

ASECNA began negotiations with Vaisala in 2012 and was looking to upgrade 20 sounding stations in all. Vaisala arranged a workshop in Dakar to demonstrate the benefits of Vaisala’s DigiCORA Sounding System MW41. In the spring of 2014, Vaisala introduced the new Vaisala Radiosonde RS41 and 4th Generation Sounding System and provided live sounding demonstrations for ASECNA operators. Delivery of the ground systems to ASECNA started in May 2014 and the customer began to perform the upgrades at individual stations. Vaisala organized further operator training in Douala, Cameroon. During the training both RS92 and RS41 radiosondes were used, with ASECNA operators clearly preferring the RS41 and over the RS92, due to its ease of use and improved accuracy.

Following testing by the customer, ASECNA was convinced that the next generation soundings platform would bring the efficiency and quality of its sounding operations to a new level. Operators emphasized that the ease of use and automated procedures added clear value for the operator, and also allowed BUFR messages, easier installation and configuration of the new system, and improved radiosonde signal reception. ASECNA also suggested further improvements to the system, for example the creation of a French-language user interface, which has now been implemented in the system.

Partnering for Success

ASECNA has been a Vaisala sounding customer for nearly 30 years, using Vaisala sounding systems for approximately half of their soundings. The cooperation with ASECNA is set to continue with a formalized 5-year partnership agreement covering both radiosounding and airport weather observations. With the agreement, Vaisala and ASECNA aim to mutually streamline processes for equipment lifecycle support, helping to make ASECNA’s operations even better in the future. At Vaisala, we take pride in being part of the solution, providing world-class sounding equipment and solutions to measure the African skies.



Improving Wind Forecasting in Complex Terrain

Vaisala was selected by the U.S. Department of Energy (DOE) to coordinate a \$2.5 million project to improve wind energy forecasting in complex landscapes and terrain. The 3-year project starting in 2015 is set to address the impact of wind variability in challenging topographies worldwide.

As the wind energy industry expands globally, it continues a steady migration into increasingly remote and challenging territories. While mature markets have proven that weather data and modeling greatly enhance the predictability of wind production, particularly in flatter, more simple areas, atmospheric phenomena encountered in more complex geographies worldwide have an impact on wind variability, the reliability of short-term forecasting, and the overall performance of wind energy projects.

This increased variability generates uncertainty that may not only affect grid integration and the ability of developers and operators to fully exploit abundant wind resources in mountainous areas, but also deters international investors from promising, emerging markets like Latin America, Asia Pacific, and Africa, where complex terrain poses a consistent challenge.

Improving the Science Behind Wind Forecasts

The Wind Forecasting Improvement Project 2 (WFIP2) is a DOE initiative targeted at enhancing the reliability of wind forecasting around the world, but specifically in challenging areas. By doing so it seeks to reduce the cost of grid integration and help operators optimize performance through more effective short-term modeling of wind variability. As part of this project, Vaisala and its partners have been tasked with conducting a comprehensive 3-phase study of atmospheric phenomena in complex terrain, with the end goal of enhancing the widely used Weather Research and Forecasting (WRF) model and the National Oceanic and Atmospheric Administration's (NOAA) Rapid Refresh (RAP) and High Resolution Rapid Refresh (HRRR) models.

Following a design and planning phase, Vaisala and the wider WFIP2 team will deploy extensive measurement equipment for an 18-month period, starting in mid-2015, to first analyze the specific environmental characteristics affecting wind flow patterns, ranging from soil moisture and surface temperatures to the unique topographical

features of mountain-valley regions. These observations will then be used to update and improve the computational and atmospheric physics that underpin current forecasting models. Enhanced model predictions produced during the third phase of the project will then be compared with baseline forecasts produced by existing models to evaluate the success of the initiative.

The work carried out in this study will further improve the accuracy of short-term 0-15 hour wind power forecasts in mountainous areas across North America and worldwide. Furthermore, Vaisala will lead a team tasked with developing decision support tools to enable wind energy operators to quantify wind variability and performance uncertainty on an unprecedented level.

As the U.S. Department of Energy recently stated, "With access to better forecasts, wind energy plant operators and industry professionals can ensure wind turbines operate closer to maximum capacity, leading to lower energy costs for consumers."

Read more about the range of services offered by Vaisala to the renewable energy sector at www.vaisala.com/energy



Without further research, complex terrain will continue to limit the number of areas where wind projects can be sited and operated both effectively and profitably.



Safeguarding Life-enhancing Research

Founded in 1976, Associated Gastroenterology Medical Group (AGMG) in Anaheim, California and its research affiliate, Anaheim Clinical Trials (ACT), have conducted clinical research trials in all fields of medicine. Sponsored by pharmaceutical and biotechnology manufacturers around the globe, ACT develops new treatments for various gastroenterological diseases and conditions, conducting over a hundred clinical trials per year. The AGMG/ACT team, including doctors, researchers, nurses and staff, proudly provide cutting-edge treatment to patients at no cost in a state-of-the-art facility equipped with the finest available endoscopic equipment and staffed by expert personnel. The center is one of the few GI research and treatment centers in the nation to have a fulltime anesthesiologist.

Pharmaceutical manufacturers that sponsor the research conducted at the center continuously monitor the facilities, its processes, and adherence to FDA/EMA and other stringent regulations. The center receives five to fifteen visits a month from sponsor-company monitors who audit all facets of GxP compliance. During these visits, monitors request temperature records to ensure that all refrigerated

and frozen drugs and samples are maintained within specifications. In addition, the ambient conditions of controlled environments must also be shown to have been continuously monitored for appropriate temperature and humidity levels.

Even One Failed Freezer Can Lead to Catastrophe

The facility was at risk of losing critical temperature data to monitoring equipment failure or lost records. If a recording device lost power during a power outage, or the battery died, the data in the device would be lost forever. Not only must environmental data be complete and free of gaps, Current Good Manufacturing Practice (cGMP) requires that the data be accurate. Additionally, according to the FDA Code of Federal Regulations Title 21, sensing equipment used to measure and record parameters in controlled areas must be calibrated regularly and have accompanying documents available for inspection.

Director of Information Systems Jonathan Olesh was tasked with finding a new solution to monitor the facility's controlled areas, including laboratories, freezers, fridges, pharmacies, and storage areas. "We needed a full-time monitoring system that could alert us if a chamber or room was going out of specification", said Olesh. The facility installed the Vaisala Continuous Monitoring System, comprising viewLinc software and multiple kinds of sensors for all monitored environments. Olesh says that since the system was installed, the two top benefits have been the easy, pre-configured reports and the redundant data recording. However, there was another, unanticipated benefit to installing the Vaisala monitoring system. "We learned that a few of our freezers were either inaccurate or close to failing catastrophically," said Olesh.

"After deploying viewLinc, we noticed that the readings from a freezer's built-in monitor were off by a couple degrees. The readings from the Vaisala sensors clearly established that one of the freezers needed repair. We recalibrated the freezer monitors that needed it, and repaired the freezer condenser before it failed completely." Estimating conservatively, a clinical study can be worth over a million dollars. This preemptive identification of an equipment failure likely saved this facility over \$100,000.00 worth of research investment.

Environmental data reports are now easy to generate, inspection-ready, and satisfy auditors who visit the center regularly.





Vaisala CheckTime – Aircraft Deicing Innovation for Safety and Efficiency

Vaisala's CheckTime solution uses precision weather measurement equipment at each airport to measure the atmospheric conditions. With the help of real-time environmental data, Vaisala is able to provide dynamic decision support information to the pilot. Using the onboard ACARS computer, CheckTime provides pilots with automated information on how weather impacts de- and anti-icing fluids on an aircraft. This information improves airline efficiency and reduces costs and environmental impacts from excess use of anti-icing fluids during winter weather events.

During winter precipitation airlines deice and anti-ice the aircraft to ensure safe operation. The deicing step removes any contaminants from the surfaces of the aircraft. Thereafter, the anti-icing process covers these surfaces once again, especially the aircraft's wings, with a protective fluid that absorbs precipitation, thus keeping the surfaces of the aircraft free of contaminants.

Currently, pilots use Holdover time tables to provide an estimated amount of time the aircraft can be exposed to the present environmental conditions to ensure a safe departure. These time tables are based on prevailing visibility as a function of precipitation intensity, precipitation type and air temperature, and assume the conditions remain constant. The time tables are cumbersome for pilots and cause added distraction among other departure procedures. The tables are also at times inaccurate as they do not factor in the changing weather.

Reliable, Up-to-the-Minute Information

Vaisala's CheckTime solution has made that all easier for the pilot. CheckTime uses precision weather measurement equipment to measure the Liquid Water Equivalent, the amount of water in the precipitation, and calculates the fluid saturation point using this information. With the help of real-time environmental data, Vaisala is able to provide dynamic decision support information to the pilot via the airline ACARS computer in the cockpit. No more guesswork or complicated extrapolation tables. Instead, the pilot receives a CheckTime message that is updated once a minute and the pilot is able to maintain awareness of the state of the fluids on the aircraft.

Industry-leading, Sustainable Alternative

As a thought leader in the aviation industry, Vaisala has installed weather monitoring systems at some of the largest winter weather airports around the world. As a member of the SAE International Committee of Deicing Standards, Vaisala has been in an influential role to set the deicing standards for airlines worldwide.

In 2014, Vaisala and Finnair have signed an agreement which brings CheckTime into operative use. By making optimized decisions on deicing and anti-icing fluids, Finnair can further improve their operational efficiency with regards to cost savings as well as help further reduce their environmental footprint.

"A significant environmental target for us is to reduce the consumption of glycol in anti-icing operations by 40% by 2016 from a 2006 baseline. Glycol is the second largest source of indirect greenhouse gas emissions for us after fuel manufacturing. We believe that CheckTime will help us to reach our target in a controlled and safe manner", says Saija Stenbacka, Finnair's Vice President, Quality and Environment.





Performance





Economic Responsibility

Sound financial development and performance is the foundation of a sustainable company. Together with prudent risk management, we can leverage our opportunities and risks for maximum benefit. For us, economic responsibility means creating added value to the company's stakeholders, managing finances and resources efficiently, and securing long-term profitable growth and financial stability.

Market situation in 2014

Macroeconomic conditions started to improve in the second half of 2013, and this was gradually reflected in weather observation, industrial measurement and life science solution markets during 2014. Both Vaisala's business areas increased their net sales in all geographic areas during 2014.

In EMEA weather observation market conditions were solid, especially the European market performed well. Economic weakness and currency depreciation in Russia as well as conflicts in the Middle East had an unfavorable impact on weather observation market activity in these regions. Demand for industrial measurement and life science solutions improved towards the end of the year.

In Americas the weather observation market was still suffering from repercussions of U.S. government budget sequestration measures during the first half of 2014. However, market activity improved significantly during the second half of the year. Also the industrial measurement and life science solutions markets started to pick up in the end of first half of the year and the business environment of the second half was favorable.

In APAC weather observation market remained active, although signs of cooling off were registered in China in the second half of 2014. Demand for industrial measurement and life science solutions improved towards the end of the year.

Market Outlook for 2015

In October-December 2014 several economic indicators trended slightly downwards. However, supported by well-performing U.S. economy 2015 growth forecasts still refer to moderate development and Vaisala is expecting demand for weather observation, industrial measurement and life science solutions to remain at current level. Differences in demand and business conditions between customer groups and geographical areas are significant. Renewable energy and

life science markets and weather radars have the most promising outlook. In weather observations market forecasting customers' timing for decision making and acceptance of larger customer projects continues to be challenging and competition is intensifying.

In EMEA demand for weather observation solutions is expected to be constrained by economic weakness and currency depreciation in Russia and its neighboring countries as well as conflicts in the Middle East. Weather observation market outlook in Europe is solid. Market environment for industrial measurement and life science solutions is expected to remain stable.

In Americas weather observation market outlook is stable. Market environment for industrial measurement and life science solutions is expected to remain favorable.

In APAC demand for weather observation solutions is expected to cool off slightly in 2015, driven by the Chinese market. Market outlook for industrial measurement and life science solutions in APAC is solid.

Business Outlook for 2015

Vaisala estimates its full year 2015 net sales to be in the range of EUR 285-315 million and the operating result (EBIT) in the range of EUR 20-30 million.

In January-December 2014, Vaisala's net sales were EUR 299.7 million and operating result (EBIT) was EUR 26.4 million.

Vaisala's Shares

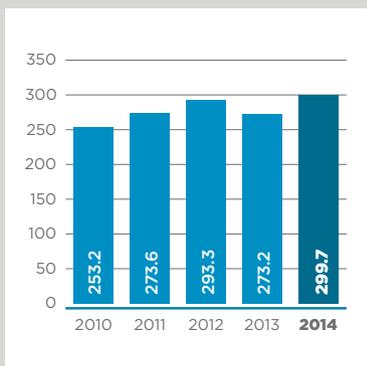
Vaisala has two series of shares, K shares and A shares. Vaisala's A-shares are listed on the Mid Cap list of the NASDAQ OMX Helsinki stock exchange under Industrial Goods & Services sector. The K shares and A shares are differentiated by the fact that each K share entitles its owner to 20 votes at a General Meeting of Shareholders while each A share entitles its owner

to 1 vote. On December 31, 2014 the A shares represented 81.4% of the total number of shares and 17.9% of the total votes. The K shares represented 18.6% of the total number of shares and 82.1% of the total votes.

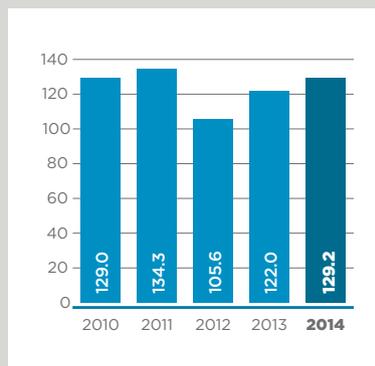
Vaisala is included in the OMX GES Sustainability Finland index. The index is a benchmark index comprising of Finnish listed companies, all leaders in terms of sustainability. The index criteria are based upon international guidelines for environmental, social and governance (ESG) issues and support investor considerations to the UN Principles for Responsible Investment (PRI).

In 2014, research and development expenses amounted to EUR 34.0 million, representing 11.3% of net sales. The increase was mainly due to R&D expenses of the acquired companies, as well as investments in new offering development and renewing our instrument portfolio.

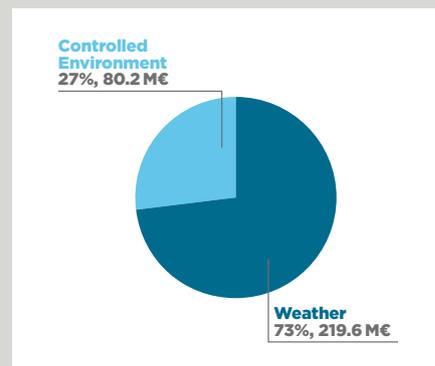
Development of Net Sales



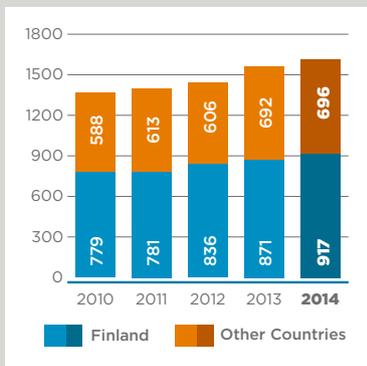
Order Book



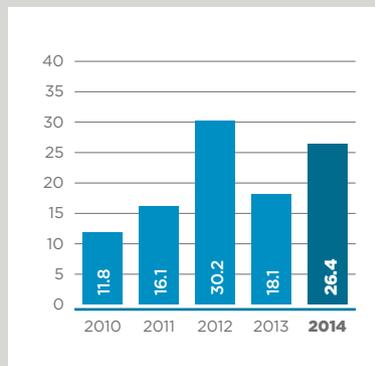
Net Sales by Business Area



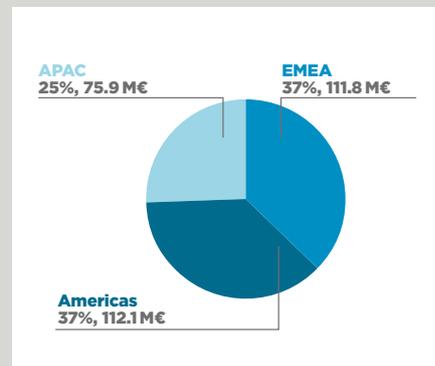
Personnel



Operating Result



Net Sales by Region





Key figures

EUR million	2010	2011	2012	2013	2014
Net sales	253.2	273.6	293.3	273.2	299.7
Operating profit	11.8	16.1	30.2	18.1	26.4
R&D expenditure % of net sales	12.4%	10.2%	9.5%	10.6%	11.3%
Income taxes*	4.2	4.2	6.4	6.6	6.1

* Deferred taxes not included



Personnel expenses

EUR million	2010	2011	2012	2013	2014
Total payroll & benefits	68.8	77.8	87.0	84.7	94.9
Share-based remunerations			0.4	0.6	1.0
Social costs	8.0	8.1	7.6	8.8	9.8
Pension expenses, net	8.1	8.2	9.4	10.6	10.6
Total	84.9	94.1	104.5	104.7	116.3



Gross taxes by geographical area

EUR 1,000	2010	2011	2012	2013	2014
EMEA	4,698	3,683	4,430	4,397	5,472
of which Finland	4,245	3,341	4,067	4,089	5,199
Americas	-1,539	-185	1,523	1,563	82
of which United States	-1,475	-97	1,526	1,319	69
APAC	1,020	722	416	684	539
Total	4,179	4,220	6,369	6,644	6,093



Financial ratios

	2010	2011	2012	2013	2014
Return on equity (ROE)	5.6%	5.7%	11.7%	6.3%	14.3%
Solvency ratio	76%	74%	75%	72%	71%
Earnings per share (EUR)	0.56	0.57	1.20	0.60	1.30
Dividends per share (EUR)	0.65	0.65	0.90	0.90	0.90*

* Board's proposal to the Annual General Meeting

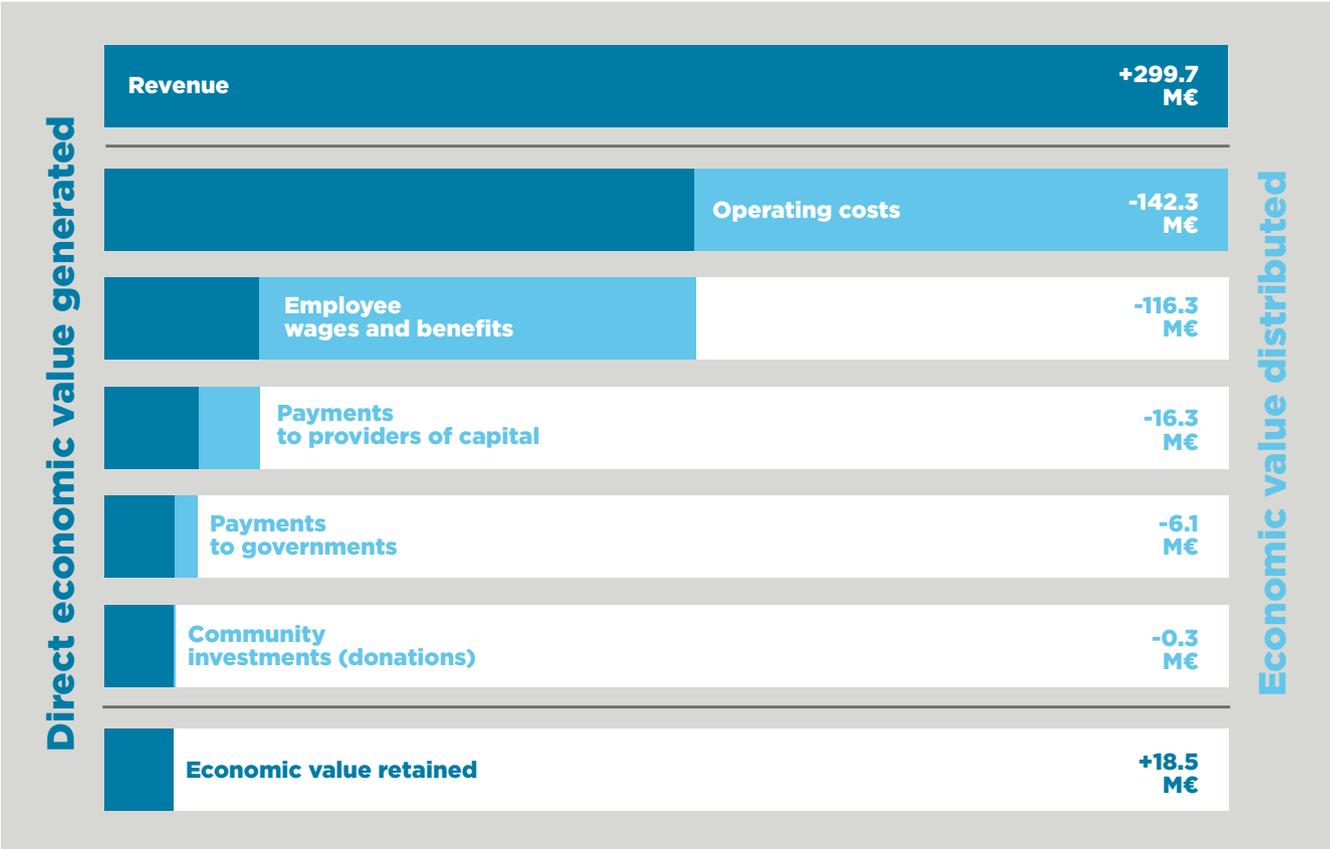
Financial assistance from governments by country

EUR 1,000	2010	2011	2012	2013	2014
Finland	691	689	873	568	355
Canada	-	-	-	48	-

Direct economic value generated*

EUR million	2010	2011	2012	2013	2014
Revenues	253.2	273.6	293.3	273.2	299.7
Economic value distributed					
Operating costs	-180.1	-150.9	-143.5	-133.1	-142.3
Employee wages and benefits	-48.9	-94.1	-104.5	-104.7	-116.3
Payments to providers of capital	-11.8	-11.8	-11.8	-16.2	-16.3
Payments to government	-4.2	-4.2	-6.4	-6.6	-6.1
Community investments (donations)	-0.4	-0.7	-0.3	-0.1	-0.3
Economic value retained	7.8	11.9	26.8	12.5	18.5

* As defined in GRI G4 EC1 indicator, please see <http://bit.ly/1AanTEv> for reference





Risk Management

The objective of Vaisala's risk management is to identify and manage material risks related to strategy implementation and business operations. Vaisala has a risk management policy which has been approved by the Board of Directors, and which covers the company's business, operational, hazard, and financial risks. The policy aims at ensuring the safety of personnel, operations and products, as well as the continuity and compliance of business operations.

The Board of Directors defines and approves risk management principles and policies, and assesses the effectiveness of risk management. The Audit Committee reviews compliance with risk management policy and processes.

Vaisala's Risk Management Steering Group comprises key internal stakeholders, and the Group is responsible for the operational oversight of the risk management process and assuring that all significant risks are identified and reported, and risks are acted upon on all necessary organizational levels and geographical locations.

Risk management is integrated into key business processes and operations. This is accomplished by incorporating applicable risk identification, assessment, management and risk reporting actions into the core processes. The most significant risks are reported to the Vaisala Management Group, and to the Audit Committee.

Significant Risks and Uncertainties

Vaisala's business is exposed to changes in the global economy, politics, conflicts, policies, regulations, Vaisala's supply chain and distribution channels, and accidents as well as natural disasters and epidemics, which may affect business e.g. through order cancellations, disturbance in logistics, travel restrictions, and loss of market potential. Vaisala's capability to successfully complete investments, acquisitions, divestments and restructurings on a timely basis and to achieve related financial and operational targets represent a risk which may impact revenue and profitability.

The most significant near-term risks and uncertainties that may affect both revenue and profitability relate to the company's ability to maintain its delivery capability, availability of critical components, interruptions in manufacturing or IT systems, changes in the global economy, western sanctions against Russia, spreading of epidemics, continuing conflicts in the Middle East and Africa, currency exchange rates, customers' financing capability, changes in customers' purchasing or investment behavior, and delays or cancellations of orders. Changes in the competition may affect the volume and profitability of business through introduction of new competitors and price erosion in areas which traditionally have been strong for Vaisala. Changes in subcontractor relations, their operations or operating environment as well as the quality of the deliverables may have a negative impact on Vaisala's business.

The importance of information services and decision support systems is increasing in Vaisala's weather business. These Internet-based online services are potential subjects to a variety of cyber risks.

Read more about our risk management, corporate governance and investor relations on our website www.vaisala.com/investors

Environment

Vaisala wants to be involved in establishing a sound foundation for a better quality of life, environmental measurement, safety, and productivity. Accordingly, the main purpose of many of our products is to contribute to the quality of the environment and the safety of people and property. Our industrial products and solutions provide our customers with the means to improve their operational performance, and our weather measurement systems increase safety and predictability in weather critical operations.

Environmental Management

Vaisala's environmental management system (EMS) is an integral part of the company's global management system structure. The ISO 14001 standard has been the foundation of our certified EMS for more than 10 years. The certification covers not only all manufacturing sites but many of our offices as well. In fact, as many as 92% of all Vaisala employees work in our ISO 14001 certified premises.

Our goal is to minimize all negative impacts that we have or may have on the environment, but we are also aiming to amplify positive impacts that we have on the environment. We minimize the negative impacts by improving the efficiency of our products, business operations and supply chain in a systematic way. Managing our own operations and activities is

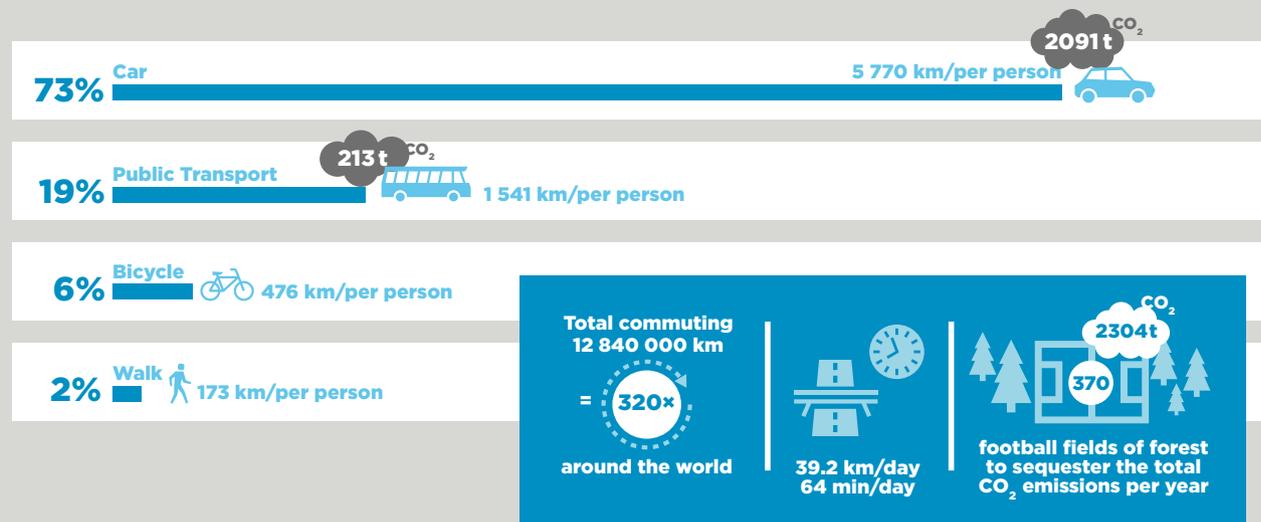
the cornerstone of our commitment to environmental sustainability.

Another key element in our environmental sustainability is the range and nature of the product and service solutions that we provide to customers. Vaisala has taken great strides in developing its technology and offering to improve customers' operational performance and reduce their costs and environmental impacts. Moreover, progress in serving the utilities sector with decision support and optimization services for renewable energy assets is creating significant efficiency improvements in energy production.

Employee Engagement

Our environmental management system would be ineffective without the individual commitment

Commuting in Vaisala





of our employees across the company. We use a range of channels to raise awareness among our employees. In 2014, our personnel around the world held various internal sustainability events and participated in our first green commuting survey. One of the events, held at our Head Office, involved presentations by application experts on various aspects of sustainable technology in Vaisala's existing business. Staff were also familiarized with recent developments in responsible supply chain management and the growing customer requirement for environmental and ethical indicators. We also built a new environment, health & safety reporting tool where any Vaisala employee can report accidents, incidents, and near misses, or suggest improvement actions.

Currently five offices, housing 79% of our staff, have committed to take environmental aspects to the next level and formed green teams of voluntary employees to champion improvement actions. One of the offices that met our Green Office criteria last year was our second largest site, in Boulder, Colorado. Although the focus of this internal program has been on conserving energy and minimizing waste, the offices have also come up with numerous actions including cell phone recycling, green commuting events, and supporting wildlife on company premises.

Suppliers and Supply Chain

Our commitment to environmental sustainability extends to our supply chain, and we expect suppliers to adhere to the environmental requirements laid out in Vaisala's Supplier Code of Conduct. We aim to raise sustainability standards throughout the supply chain by working with our suppliers, encouraging them to improve their management system and to implement similar processes with their own suppliers.

We have worked hard to increase transparency in our supply chain and maintain compliance with ever more rigorous legal requirements. Last year we continued surveying suppliers to identify the smelters used in our supply chain, in order to comply with the regulations affecting many of our customers. We also rate our suppliers on the basis of environmental, social, and governance related topics. A low score indicates that a supplier's performance is not meeting our requirements and therefore a corrective action plan must be put in place at once.

Our Products and the Environment

Vaisala's products are built to last and withstand everything extreme weather conditions have



Vaisala Head Office is part of the WWF Finland Green Office Network.

to offer year after year. From field services to calibrations, our professional service staff help customers to keep their products working as they were designed to. The upgradability and modular design of many of our products help the customer to keep up with the fast developing technology without necessarily having to invest as often in totally new equipment. This is also important from an environmental standpoint.

Our studies have demonstrated that when an electronic product has a long operational life cycle, energy consumption becomes one of the most significant factors in the total environmental footprint. Knowing this, we pay particular attention to the energy efficiency of our products from the very start, at the design phase. Some of our products are even capable of using small photovoltaic panels as their sole source for energy in the field.

The principal themes shaping the foundation for Vaisala's environmental management are climate change and scarcity of resources.

Climate Change

Climate change is already beginning to transform life on Earth. This is a critical development for us all as individuals and it also affects Vaisala as a company. We believe it is our duty to provide means for accurate measurement of the environment. Our industrial products and solutions provide customers with the means to improve their operational performance and lower their environmental impacts, while our weather measurement systems increase safety and predictability in weather critical operations.

In 2014, Vaisala was recognized for its performance and transparency in regards to reducing carbon emissions and mitigating the risks of climate change. Vaisala is now included in the Nordic Climate Disclosure Leadership Index (CDLI) and on the A List of the Global Climate Performance Leadership Index (Global CPLI), a global index of companies demonstrating a commendable approach to climate change mitigation.

There are two themes that shape the foundation for Vaisala's environmental management; climate change and scarcity of resources.

Energy Consumption

Consumption of energy, including electricity and heat, for the Group in 2014 amounted to 16.7 GWh (60,120 GJ), a rise of 0.2% from the previous year. Weather corrected district heating at Vaisala's Head Office totaled 4.92 GWh, an increase of 2.5%. The main building's geothermal power system produced all the required heating in the winter and cooling in the summer, without the need to purchase any additional district heating. Solar panels at our Vantaa and Boulder sites generated a total of 0.21 GWh of solar energy.

Electricity and heat for the Head Office are procured from Vantaan Energia, a local Finnish energy company which co-produces and purchases energy generated from a mix of sources. In their most recent report from 2013, Vantaan Energia stated that 47% of the electricity they provide comes from fossil fuels, 32% from nuclear and 21% from renewable sources. The Boulder site purchases energy from Xcel Energy, which also obtains its energy from a mix of sources. Based on their latest Corporate Responsibility Report (2013), approximately 22.3% of the generated or purchased energy was from renewable sources, 56.0% from coal, and 21.6% from natural gas.



The Green Team at the Boulder Office in Colorado celebrates becoming a Vaisala Green Office.





Reduction of Energy Consumption and Emissions

Although Vaisala is not part of an energy-intensive industry, we continuously strive to do better in terms of energy efficiency, both for electricity and heat, in our offices and production facilities. In 2013 we achieved and exceeded our 9% energy efficiency target three years ahead of schedule, which resulted in a 10% efficiency gain at our Head Office. However, we did not stop at this, as we were able to squeeze an additional 1% improvement in energy efficiency last year by investing in our production facilities. Altogether energy efficiency has improved by 1,770 MWh (6,372 GJ) from the 2008 base year in the Head Office. This has cumulatively reduced our Scope 2 emissions by 2,145 tonnes CO₂e since 2008. In 2014, energy efficiency was improved by 150 MWh (540 GJ), this reduced our Scope 2 emissions by 38.85 tons CO₂e.

All savings from energy efficiency actions have been, measured from the source or modeled by using equipment manufacturer information. We are committed to continue carrying out actions to optimize our energy consumption in everything we do, although this may become a little more challenging each year as we make positive progress.

Even though our business has been growing and the headcount has increased steadily over the past five years, we have been able to maintain a flat energy consumption trend. This is due to the successful energy efficiency actions and improved utilization of existing building space. Last year, for example, one of our factories increased production capacity simply by switching to two working shifts.

All investments in our facilities should also have an environmental dimension. Our Head Office has LEED gold level certification and utilizes

Greenhouse Gas Emissions, tonnes CO₂ equivalents (CO₂e)

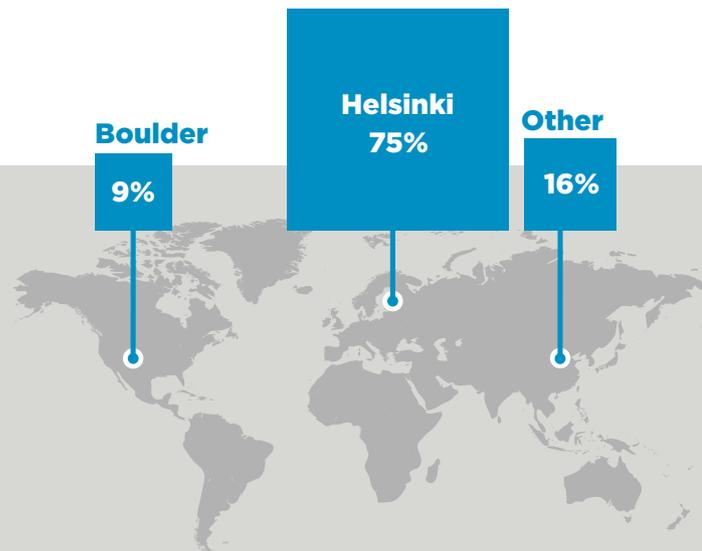
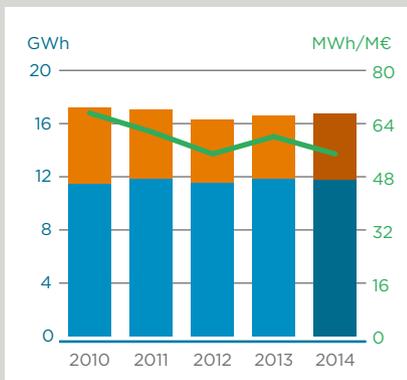
	2010	2011	2012	2013	2014
Scope 1 Service fleet	1,377	1,685	792	601	626
Scope 2 Purchased electricity and heat	4,814	4,630	5,318	6,462	6,536
Scope 3* Business travel, commuting, products*, shipped goods and inbound logistics Finland, waste	8,239	8,964	8,617	9,164	10,531
Total	14,430	15,279	14,727	16,227	17,693
CO ₂ e tonnes / M€***	57.0	55.8	50.2	59.4	59.0

* Data for Scope 3 has been supplemented for previous years to make the years comparable with each other. Business travel data has been restated for 2012–2013

** Footprint is calculated for the installed base of one product family, the C-band weather radar.

*** Intensity ratio includes Scopes 1–3

Energy (Group)



Approximate distribution of Vaisala offices' energy consumption; our main environmental impact.

geothermal energy extensively for heating and cooling as well as solar power to generate carbon free electricity. Vaisala's second largest site, at Boulder, Colorado, also uses solar power, with its own array of solar panels on site providing roughly 7% of the energy consumed.

Methodologies and Assumptions

Electricity and district heating bills are used for the reference documents for energy consumption. Solar energy generation is measured with on-site meters. DEFRA conversion factors for purchased electricity in specific country are used for the carbon footprint calculations unless more specific conversion factors are available. Energy intensity is calculated by comparing total energy consumption to company revenue. Water consumption is monitored from on-site meters or if not available, from water utility bills. All energy efficiency improvement actions have been calculated individually using the best available information and by applying the financial control method outlined in "The GHG Protocol: A Corporate Accounting and Reporting Standard". Greenhouse gas emissions are calculated by using conversion factors provided by the energy utility companies from whom Vaisala purchases energy.

The baseline year 2008 was determined when Vaisala joined the energy efficiency program of The Federation of Finnish Technology Industries. Emissions in the base year were 3,834 tonnes CO₂e.

The carbon footprint includes all greenhouse gases converted into CO₂ using Global Warming Potential GWP-100. Vaisala's sites do not have combustion processes, biogenic emissions or consume fuels.

Carbon Footprint

Vaisala's actions and transparency in mitigating climate change impacts and risks were recognized last year in the CDP (formerly Carbon Disclosure Project) climate change survey. Our performance was awarded the highest A rating and our transparency was among the best in the world, scoring us 99/100 points.

Our carbon footprint contains a range of upstream and downstream components, of which purchased energy, business travel, and logistics appear to be the most significant. In 2014 we also turned our attention to greener employee commuting and started to look at indirect emissions from energy used in products, starting with our weather radars, consuming 4,238 GJ per year.

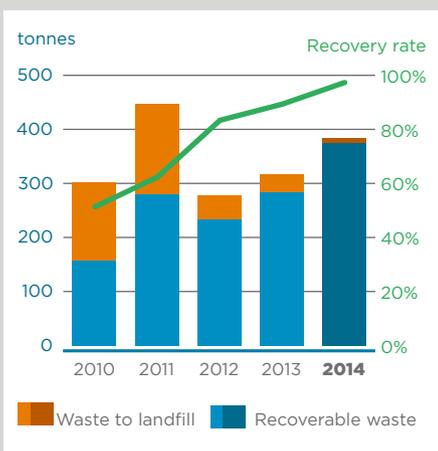
Over the years we have continually improved our greenhouse gas accounting. Accuracy has also improved and the scope of calculations is now more comprehensive than ever before. Vaisala calculates the carbon footprint of its operations using well-known methods such as the Greenhouse Gas Protocol. The components of the footprint include direct

emissions from facilities and the service fleet, purchased electricity and heat, shipping of finished goods, and business travel. Emissions accounting covers all offices with more than 15 members of staff. Shipped goods, inbound logistics and waste, however, are only included in the accounting for Finland. We have calculated the carbon footprint retroactively in order to maintain comparability over the reporting periods, but comparability from year to year is still imperfect. Since 2013 our carbon footprint figures have been assured by a third party assurance provider.

Water (Group)



Waste (Group)





Resource Efficiency

One of the major environmental issues is the depletion of natural resources. As the world becomes more populated and prosperous, demand for the planet's finite natural resources is rising. Our goal is to enable smarter use of natural resources in our customers' operations. It is our job to build durable and long lasting products with material efficiency always in mind. For Vaisala, the responsible use of natural resources also means managing waste streams in our offices and production processes in order to minimize environmental impacts.

Responsible Waste Management

We have been improving our waste management practices to minimize the environmental impacts of the waste we produce in our facilities. In 2014, only 2% of the total waste from our production sites ended up in landfills. Besides our main operations in Finland, some of our other offices, such as the Tokyo office, also achieved the goal of zero waste to landfill. Our North American head office in Boulder, Colorado has also made great strides in improving its waste recovery rate by introducing new composting and recycling practices in the past year.

Despite our efforts to improve waste recovery, the total amount of waste is on an upward trend and we need to address this. One contributory factor was the introduction last year of some significant layout changes at the Helsinki site warehouse and factory, as this had a negative though temporary effect on the total amount of waste. Reducing the amount of waste still requires us to look deeper into our material flows. All waste management data is provided by waste disposal contractors.

The vast majority of our production processes are not water intensive, which is why factors like the weather and employee headcount also affect our annual water consumption. In 2014 water use remained roughly flat in comparison to the previous year's consumption. All water used by Vaisala is municipal tap water and is discharged to waste water systems according to local regulations.

Waste (Group)	2010	2011	2012	2013	2014
Recoverable waste*					
Hazardous waste (tons)	13.9	17.5	18.1	20.3	19.6
WEEE (tons)	5.5	15.1	3.6	5.4	11.0
Biowaste (tons)		10.7	42.7	33.9	41.3
Energy Waste (tons)		10.1	38.1	43.7	45.4
Other (tons) (wood, paper, combustible waste, metal)	138.5	227.0	131.5	181.1	255.9
Total recoverable waste (tons)	157.9	280.4	234.1	284.4	373.1
Waste to landfill					
Waste to landfill (tons)	143.9	165.6	43.0	31.7	9.1
Total waste (tons)	301.8	446.0	277.0	316.1	382.2
Waste recovery rate, %	52%	63%	84%	90%	98%
Total waste tons/€M sales, Group	1.19	1.63	0.94	1.16	1.28

*All recoverable waste is utilized as material or energy

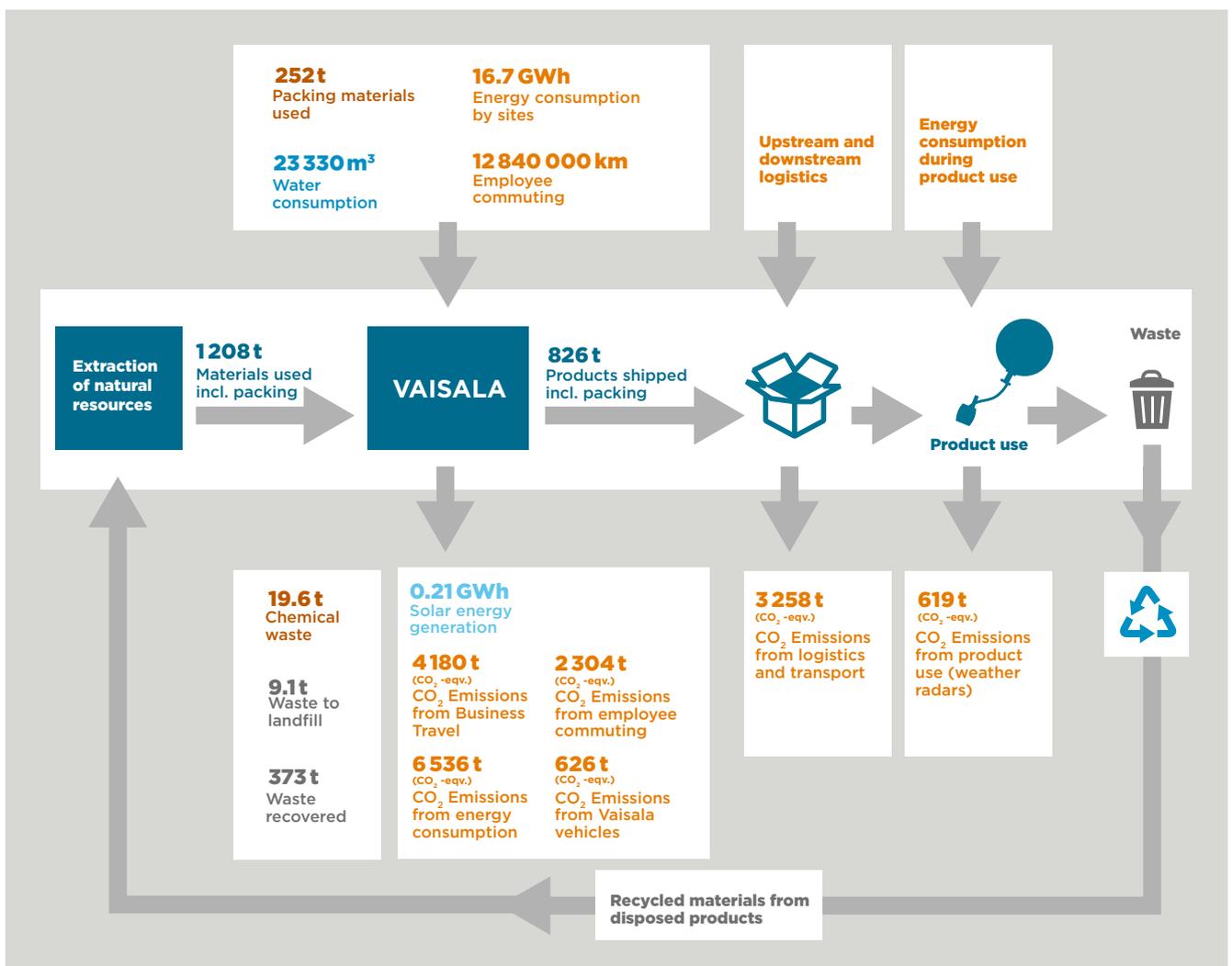
Environmental Impacts

Vaisala's Head Office in Finland houses 57% of the company's employees and is responsible for most of our manufacturing activities. Vaisala's other manufacturing site is located in Boulder, Colorado. These two sites can be considered the primary contributors to all direct environmental impacts. We have estimated that Helsinki and Boulder sites together account for approximately 84% of our total energy consumption, 84% of our total water consumption and 90% of the total waste volume. The impact map below describes the figures for Helsinki and Boulder.

The most significant environmental aspects are related to energy consumption and waste. Despite the fact that our operations consist

predominantly of product assembly and calibration processes, we still consider energy consumption to be one of our most significant environmental aspects. Vaisala uses a number of service vehicles around the world; this also adds to our total carbon footprint. Having customers in more than 150 countries and offices around the world means we travel extensively even though online meetings are a common practice among Vaisala employees.

Although we are able to measure our own activities effectively, it is safe to say that we still have work to do when looking at the entire value chain and impacts on a larger scale. We are working to improve the visibility of the environmental impacts that are beyond our own direct control, suppliers and products being the most important areas.





About This Report



Reporting Principles

This report is Vaisala Group's seventh annual Corporate Responsibility Report. Since the first report was issued in 2009, it has become apparent time and time again that sustainability reporting is appreciated among many stakeholder groups. Naturally, the positive response encourages us to try harder and ensure our reporting includes as much relevant information as possible and is transparent.

Increasingly, those who are interested in our work seek us out not only in reports, but also on our website, in social media, at trade fairs and exhibitions and by directly contacting us. At the same time, we look for new ways of interacting with our audience and getting the Vaisala message out. We are also increasingly substituting the term corporate responsibility with the more encompassing concept of sustainability. This may be just a technical detail for many, but for us both terms have their place, though they have often been used almost interchangeably.

We have relied on the Global Reporting Initiative's (GRI) guidelines since we first started these reports, and the guidelines are still of significant value. This report is Vaisala's first using the fourth generation GRI G4 guidelines. We have self-declared this report is in accordance with the core option of the guidelines. A content index is provided at the end of the report for cross-reference. For some indicators, we refer to Vaisala's Financial Statements and the Corporate Governance Statement on our website.

You can also find further information on our website that is not incorporated in this report. In particular, we encourage you to have a look at the sustainability section of the website. (www.vaisala.com/sustainability).

This is the third time we have sought assurance for the report from a third party assurance provider. Standard disclosures for 2014 with a reference to external assurance in the GRI content index have been externally assured by an independent third party, PricewaterhouseCoopers Oy.

The fundamental purpose of sustainability reporting is, we believe, to communicate non-financial information, as well as financial information to all parties that may be affected by our actions. This is why, we choose to voluntarily report on our corporate responsibility and familiarize our stakeholders with Vaisala. Public reporting offers not only examples of sustainable business behavior, but also allows us to improve our internal processes and achieve our business objectives. We also feel that the report reaches different stakeholders than those we normally attract with corporate publications such as financial

reporting. We welcome feedback on our reporting and sustainability efforts. You are kindly invited to contact us at responsibility@vaisala.com.

Information Gathering and Data Management

Vaisala is committed to continuous sustainability reporting. Reports are published annually at the end of the first quarter, and the reporting covers the previous calendar year in full. Following the GRI boundary guidelines, our financial and human resource data is reported for the entire Group, but our environmental data is limited to our main manufacturing sites, as these make up the majority of Vaisala's combined environmental footprint. To be specific, 84% of the consumed energy, 84.5% of water and 90.3% of generated waste come from these sites. Therefore, when we refer to the Group's environmental figures we mean the combined figures of our two main manufacturing sites.

The materiality of reported key performance indicators has been determined according to guidelines given by the GRI G4. The materiality index in the beginning of this report together with the content index at the end of the report lists all material aspects and indicators that we have determined to be material in our sustainability reporting. In 2014, our materiality aspects which steers our prioritization of topics to be covered in both sustainability management and reporting, was updated. The material aspects should be reviewed periodically and after reassessing the Group's priorities, we now have a much better alignment with what developments we are driving and stakeholders' expectations. The updated materiality matrix is presented on the second page in this report under the heading Material Aspects.

Data gathering is a substantial part of reporting and we have internal processes and practices in place to ensure the validity of our figures. Vaisala uses the Oracle e-Business Suite for its personnel figures and Hyperion Financial Management for its financial figures. Vaisala's environment figures are managed in spreadsheets.



GRI Content Index

The Global Reporting Initiative content index is provided to assist the reader in navigating through the report and to compare it to the GRI G4 Guidelines. The report is in accordance with the core criteria of the guidelines. Standard disclosures for 2014, with a reference to external assurance in the GRI content index, have been externally assured by an independent third party, PricewaterhouseCoopers Oy. The independent assurance report is on page 89 of this report. For more information about the guidelines or the application levels, please see www.globalreporting.org

Description	Reference	Reasons for omission	Vaisala Material Aspect	Assurance	Global Compact Principle
General Standard Disclosures					
G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	9			

Organizational Profile

G4-3	Name of the organization	2			
G4-4	Primary brands, products, and services	5-7, 18-19			
G4-5	Location of the organization's headquarters	86			
G4-6	Number of countries where the organization operates	86			
G4-7	Nature of ownership and legal form	2			
G4-8	Markets served	6-7			
G4-9	Scale of the organization	25,67,86			
G4-10	Workforce information	25-27		●	Principle 6
G4-11	Report the percentage of total employees covered by collective bargaining agreements	29		●	Principle 3
G4-12	Describe the organization's supply chain	48			
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	28			
G4-14	Approach to the precautionary principle	42-43			
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	52			
G4-16	List memberships of associations and national or international advocacy organizations	24			

Identified Material Aspects and Boundaries

G4-17	Entities included in the organization's consolidated financial statements or equivalent documents. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	The report's scope include all affiliates and wholly owned companies of the parent company Vaisala Oyj.			
G4-18	Process for defining the report content and the Aspect Boundaries	2			
G4-19	List all the material Aspects identified in the process for defining report content	2			
G4-20	Reporting of Aspect Boundaries within the organization	2			
G4-21	Reporting of Aspect Boundaries outside the organization	2			
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	78, Re-statements are explained within the text were applicable.			
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	80			

Stakeholder Engagement

G4-24	List of stakeholder groups engaged by the organization	22			
G4-25	Basis for identification and selection of stakeholders with whom to engage	22			
G4-26	Organization's approach to stakeholder engagement	22			
G4-27	Key topics and concerns that have been raised through stakeholder engagement	22-24			

Report Profile

G4-28	Reporting period for information provided	Calendar year 2014				
G4-29	Date of most recent previous report	5 March 2014				
G4-30	Reporting cycle	Annual				
G4-31	Contact point for questions regarding the report or its contents	91				
G4-32	The 'in accordance' option the organization has chosen.	In accordance with the GRI G4 Core option..				
G4-33	Organization's policy and current practice with regard to seeking external assurance for the report.	80				

Governance

G4-34	Governance structure of the organization	15, Corporate Governance Statement				
	Ethics and Integrity					
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	40, 42-43				All principles
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines	30				All principles
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	30				All principles

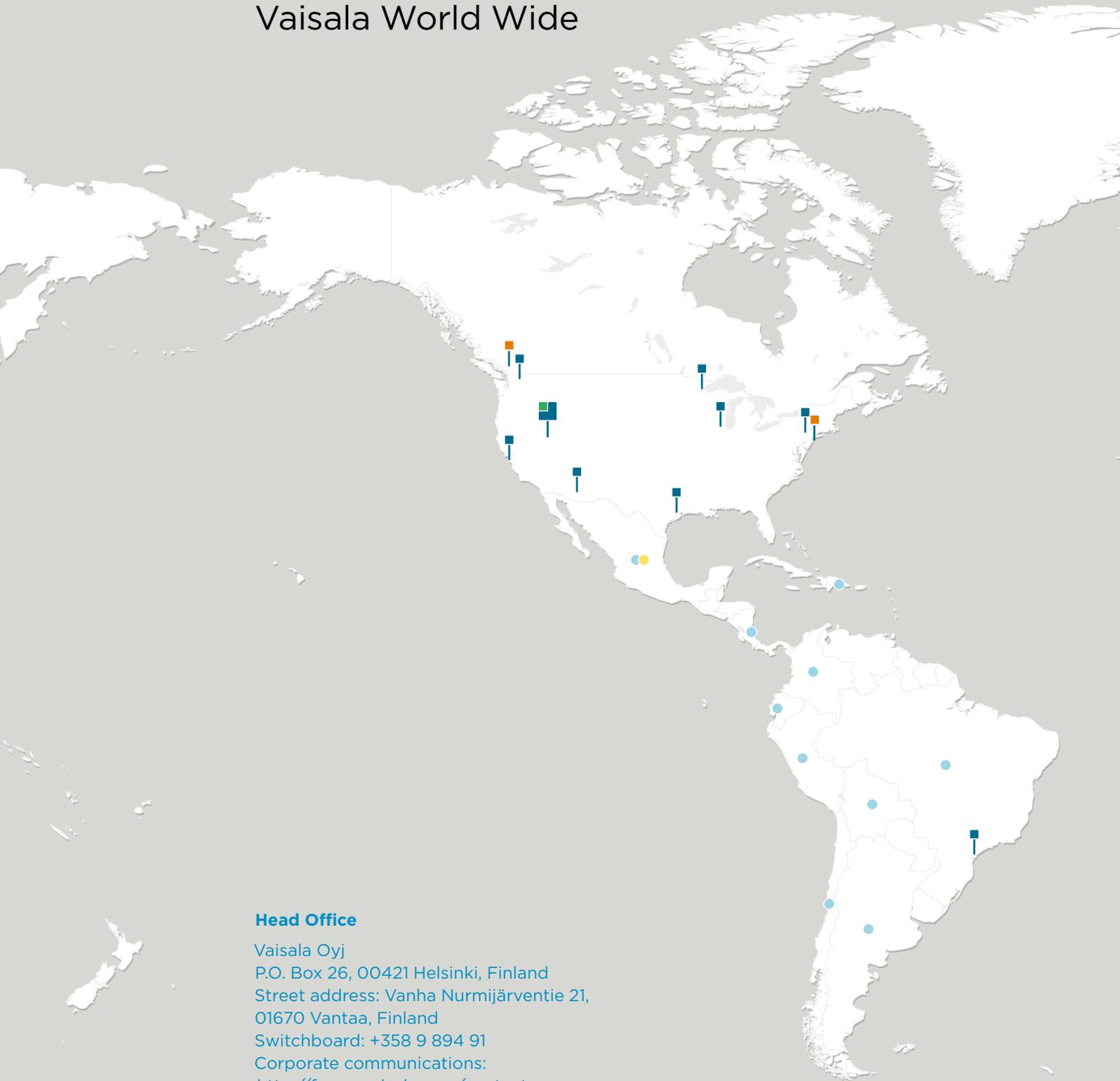
Description			Reference	Reasons for omission	Vaisala Material Aspect	Assurance	Global Compact Principle
Disclosures on Management Approach (DMA)							
G4-DMA	Materiality and impacts	2, 13,14,16					
	Indicators						
	Category: economic						
	Aspect: Economic Performance				Performance		
G4-EC1	Direct economic value generated and distributed	69		Figures reported on Group level. We consider the regional level reporting of these figures trade secrets.		●	
G4-EC3	Coverage of the organization's defined benefit plan obligations	Financial Statements, p. 31-32, 43, 52		There is no single Group policy, as practices differ between countries. Percentage of salary and participation level not reported. More accurate reporting will be reviewed during next reporting period.		●	
G4-EC4	Financial assistance received from government	68. Financial statements, p. 16				●	
	Category: environmental						
	Aspect: Energy				Performance		
G4-EN3	Energy consumption within the organization	73-75		Vaisala does not consume fuels or sell electricity in any significant quantities, therefore these are not considered material.		●	Principles 7, 8
G4-EN4	Energy consumption outside of the organization	75		The scope is the installed base of Vaisala's C-band Weather Radar. We will aim to broaden the scope continually from the next reporting period onwards, with more products when additional installed base data is gathered.	Technology	●	Principles 7, 8, 9
G4-EN5	Energy intensity	74				●	Principle 8
G4-EN6	Reduction of energy consumption	74				●	Principle 8
	Aspect: Water				Performance		
G4-EN8	Total water withdrawal by source	75-76				●	Principles 7, 8
	Aspect: Emissions				Performance		
G4-EN15	Direct greenhouse gas (ghg) emissions (scope 1)	74-75				●	Principles 7, 8
G4-EN16	Energy indirect greenhouse gas (ghg) emissions (scope 2)	74-75				●	Principles 7, 8
G4-EN17	Other indirect greenhouse gas (ghg) emissions (scope 3)	74-75		The data includes business travel and commuting for the Group; logistics and waste for Finland; and installed base of one product group, the C-band weather radar. Scope of reporting will be reviewed annually.		●	Principles 7, 8
G4-EN18	Greenhouse gas (ghg) emissions intensity	74-75				●	Principles 7, 8
G4-EN19	Reduction of greenhouse gas (ghg) emissions	74-75				●	Principle 8

	Description	Reference	Reasons for omission	Vaisala Material Aspect	Assurance	Global Compact Principle
	Aspect: Effluents and Waste			Performance		
G4-EN23	Total weight of waste by type and disposal methods	76			●	Principles 7, 8
	Aspect: Compliance			Integrity		
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	43			●	Principle 7
	Aspect: Supplier Environmental Assessment			Integrity		
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	No new suppliers in 2014			●	Principle 7
	Aspect: Environmental Grievance Mechanisms			Integrity		
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	43			●	Principle 7
	Category: social					
	Sub-category: labor practices and decent work					
	Aspect: Employment			People		
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	26-27	More accurate reporting will be reviewed during next reporting period for the rate of recruitments and turnover.		●	Principle 6
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or parttime employees, by significant locations of operation	30.			●	Principle 6
	Aspect: Labor/Management Relations			People		
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	29			●	Principle 3
	Aspect: Occupational Health and Safety			People		
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	36			●	Principle 3
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	37	Occupational disease rate, absentee rates, and lost day rate have been determined not to be material in Vaisala due to low frequency. Data for contractors is too limited for reporting.		●	
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	36				
G4-LA8	Health and safety topics covered in formal agreements with trade unions	29	According to local trade union agreements. Group level information not available. More accurate reporting will be reviewed during next reporting period.		●	Principle 3
	Aspect: Training and Education			People		
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	28			●	Principle 6
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	27	Performance reviews are a key indicator for Vaisala's human resources development. As 98% of staff had had a development discussion in the past 12 months, we determine region and gender not material in this case.		●	
	Aspect: Diversity and Equal Opportunity			People		
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	25-26	Vaisala does not register ethnicity or minority group status in most of its operating countries, except where it is a regulatory requirement. Minority status has also been determined as not material. Age information was unavailable at the time of reporting..		●	
	Aspect: Supplier Assessment for Labor Practices			Integrity		
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	No new suppliers in 2014.			●	Principles 3, 4, 5
	Aspect: Labor Practices Grievance Mechanisms			Integrity		
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through	43			●	Principles 3, 4, 5
	Sub-category: human rights					
	Aspect: Investment			Integrity		
G4-HR2	Total hours of employee training on human rights policies or procedures	42	The e-learning platform does not account for hours spent on training, but instead registered completion of the course.		●	Principles 1, 2

	Description	Reference	Reasons for omission	Vaisala Material Aspect	Assurance	Global Compact Principle
	Aspect: Non-discrimination			Integrity		
G4-HR3	Total number of incidents of discrimination and corrective actions taken	43			●	Principle 2
	Aspect: Freedom of Association and Collective Bargaining			Integrity		
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	48-49	Aspect was determined not material in Vaisala's own operations, only in the supply chain.		●	Principles, 1, 2, 3
	Aspect: Child Labor			Integrity		
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	48-49	Aspect was determined not material in Vaisala's own operations, only in the supply chain.		●	Principle 5
	Aspect: Forced or Compulsory Labor			Integrity		
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	48-49	Aspect was determined not material in Vaisala's own operations, only in the supply chain.		●	Principle 4
	Aspect: Supplier Human Rights Assessment			Integrity		
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	No new suppliers in 2014.			●	Principles 1, 2
	Aspect: Human Rights Grievance Mechanisms			Integrity		
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	43			●	Principles 1, 2
	Sub-category: society					
	Aspect: Anti-corruption			Integrity		
G4-SO4	Communication and training on anti-corruption policies and procedures	42	Every employee is in the scope for these policies and procedures. Therefore, the breakdown of staff has been deemed not material.		●	Principle 10
G4-SO5	Confirmed incidents of corruption and actions taken	43			●	Principle 10
	Aspect: Public Policy			Integrity		
G4-SO6	Total value of political contributions by country and recipient/beneficiary	50			●	Principle 10
	Aspect: Anti-competitive Behavior			Integrity		
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	43			●	Principle 10
	Aspect: Compliance			Integrity		
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	43			●	Principle 10
	Aspect: Supplier Assessment for Impacts on Society			Integrity		
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	No new suppliers in 2014.			●	Principle 10
	Aspect: Grievance Mechanisms for Impacts on Society			Integrity		
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	43			●	Principle 10
	Sub-category: product responsibility					
	Aspect: Customer Health and Safety			Integrity		
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	43			●	
	Aspect: Product and Service Labeling			Integrity		
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	43			●	
	Aspect: Compliance			Integrity		
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	43			●	

References: Vaisala Financial Statements 2014 and Corporate Governance Statement
<http://www.vaisala.com/en/investors/reports/annualandinterimreports/2014/Financial%20Statements%202014.pdf>

Vaisala World Wide

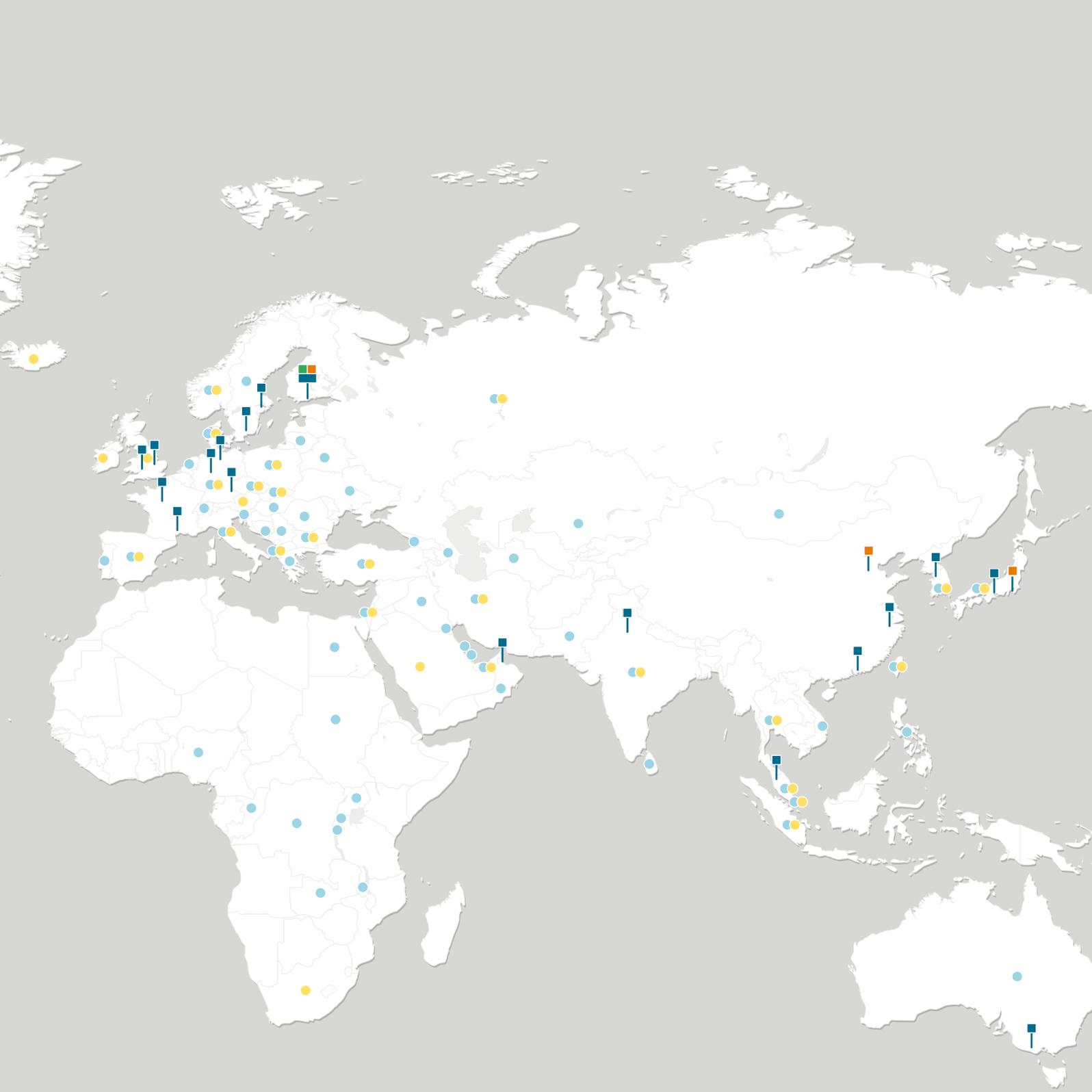


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Offices contact details:
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-  Office
-  Manufacturing
-  Service Center
-  Representative (Weather)
-  Representative (Controlled Environment)

VAISALA



Independent Assurance Report

To the Management of Vaisala Oyj

We have been engaged by the Management of Vaisala Oyj (hereinafter also the Company) to perform a limited assurance engagement on selected information on economic, social and environmental responsibility for the reporting period 1 January 2014 to 31 December 2014, disclosed in Vaisala Oyj's Corporate Responsibility Report 2014 (hereinafter "CR Reporting"). The assured information is indicated in the Company's GRI content index 2014.

Management's Responsibility

The Management of Vaisala Oyj is responsible for preparing the CR Reporting in accordance with the Reporting criteria as set out in the Company's reporting instructions and the G4 Sustainability Reporting Guidelines of the Global Reporting Initiative.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the CR Reporting based on our work performed. Our assurance report has been prepared in accordance with the terms of our engagement. We do not accept, or assume responsibility to anyone else, except to Vaisala Oyj for our work, for this report, or for the conclusions that we have reached.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information". This Standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance whether any matters come to our attention that cause us to believe that the CR Reporting has not been prepared, in all material respects, in accordance with the Reporting criteria.

In a limited assurance engagement the evidence-gathering procedures are more limited than for a reasonable assurance engagement, and therefore less assurance is obtained than in a reasonable assurance engagement. An assurance engagement involves performing procedures to obtain evidence about the amounts and other disclosures in the CR Reporting. The procedures selected depend on the practitioner's judgement, including an assessment of the risks of material misstatement of the CR Reporting. Our work consisted of, amongst others, the following procedures:

- Interviewing senior management of the Company.
- Visiting two sites in Finland and in the United States.
- Interviewing employees responsible for collecting and reporting the information presented in the CR Reporting at the Group level and at the different sites where our visits took place.
- Assessing how Group employees apply the Company's reporting instructions and procedures.
- Testing the accuracy and completeness of the information from original documents and systems on a sample basis.
- Testing the consolidation of information and performing recalculations on a sample basis.

Conclusion

Based on our work described in this report, nothing has come to our attention that causes us to believe that Vaisala Oyj's CR Reporting has not been prepared, in all material respects, in accordance with the Reporting criteria. When reading our assurance report, the inherent limitations to the accuracy and completeness of corporate responsibility information should be taken into consideration.

Helsinki, 16 March 2015

PricewaterhouseCoopers Oy

Sirpa Juutinen
Partner
Sustainability &
Climate Change

Maj-Lis Steiner
Director,
Authorised Public Accountant
Assurance Services

Vaisala in Numbers



Vaisala developed **oil moisture measurement technology**, which has become world-wide standard and has been used for over

15 years

by leading power industry customers in more than

30 countries

worldwide.

Our southernmost installed system is a Vaisala **AUTOSONDE** at the Jang Bogo station on Antarctica.



1900+

installed **Airport Weather Observation Systems** in

100+

countries

CO₂ instruments proven for over



15 years

in hundreds of applications and dozens of industries worldwide

Forecasting for

130,000+ MW

of wind generation capacity worldwide

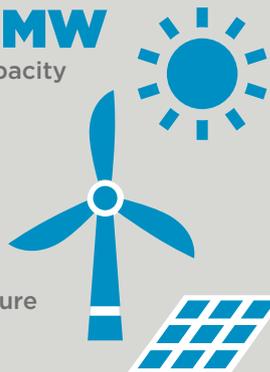
1000+

wind and solar project assessment reports

Vaisala has helped secure

US\$5.5B

in solar project financing globally



4 411 m

Daocheng Yading Airport located in China, the highest airport in the world, has a comprehensive Vaisala system installed

10+ years



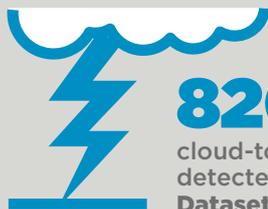
of **SF6 gas moisture measurements**. Proven track record with thousands of dew point measurement installations.



According to the **World Meteorological Organization**

2014 was the hottest year on record

globally and 14 of the 15 hottest years on record have occurred since 2000.



820,344,675

cloud-to-ground lightnings in 2014 as detected by **Vaisala Global Lightning Dataset GLD360**.



2500+

deployments of **Triton Wind Profiler**

Vaisala **HUMICAP Humidity and Temperature Transmitter Series HMT330** - Close to

80,000

installations world-wide



12,800,000 hours

of **wind measurement data** collected worldwide with the **Triton Wind Profiler**

Sustainability Contacts in Vaisala

If you have questions or comments regarding the report or Vaisala's corporate responsibility activities, please feel free to contact us.

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