



2020

Corporate Governance Statement

**Partner for
positive
change**

Metso:Outotec

There's strength in partnerships.
A breadth of knowledge. A fresh
perspective. An opportunity to learn.

Our company is built on partnerships.

From empowering our clients today
to innovating for tomorrow.

From engineering advanced
technology to growing the
skills of our team.

From leading our industry
to learning from our history.

From transforming production lines
to inspiring people.

From maximizing precious natural
resources to minimizing our
combined environmental impact.

Together, we are the partner for positive change

Annual Report 2020

Metso Outotec's Annual Report 2020 consists of five sections: Business Overview, Financial Review, Corporate Governance Statement, Remuneration Report and GRI Supplement. All Annual Report sections are available in English and in Finnish. They are downloadable on our Annual Report website at mogroup.com/corporate/investors/annual-report-2020. In this Annual Report we apply integrated reporting elements.

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Business Overview
Strategy, value creation and sustainability



Financial Review
Board of Directors' Report, Financial Statements and investor information



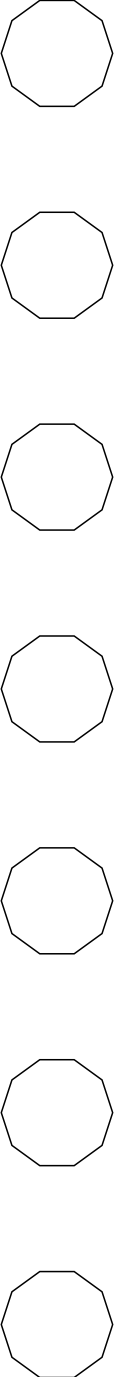
Corporate Governance Statement
Corporate Governance, Internal Control and Risk Management systems



Remuneration Report
Remuneration of the Board of Directors and the CEO



GRI Supplement
Externally assured sustainability information compliant with the GRI Standards



Metso Outotec Annual Report 2020 consists of five sections. This is the Corporate Governance Statement, including Internal Control and Risk Management systems.

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Metso Outotec Corporate Governance Statement 2020

Metso Outotec's Corporate Governance Statement has been prepared in accordance with the current regulation and is issued separately from the Board of Directors' report. This statement has been reviewed by the Board of Directors' Audit Committee.

Metso Outotec Corporation ("Metso Outotec") follows the Finnish Corporate Governance Code 2020 ("Code") issued by the Securities Market Association, available at www.cgfinland.fi, and complies with the Code in its entirety. Metso Outotec's financial reports, including consolidated financial statements, are prepared in accordance with the International Financial Reporting Standards (IFRS), IFRIC Interpretations as adopted by the European Union, as well as the regulations issued by the Financial Supervisory Authority and the rules of Nasdaq Helsinki.

Due to the combination of the business operations of Outotec Oyj and Metso Oyj's Minerals business on July 1, 2020, this report has been prepared with a focus on the corporate governance of Metso Outotec after the combination. However, where relevant, a description of Outotec's corporate governance before July 1, 2020, is either included in this report or referred to with a link to the company's website. A detailed description of Outotec's corporate governance is included in Outotec Corporate Governance Statement 2019, available on the [Metso Outotec website](#).

Important laws and policies that influence Metso Outotec's corporate governance

Significant external regulations taken into consideration in the preparation of this statement:

- Finnish Companies Act
- Finnish Accounting Act
- Finnish Securities Markets Act
- Market Abuse Regulation ((EU) N:o 596/2014)
- Finnish Corporate Governance Code 2020, rules, regulations and guidelines of Nasdaq Helsinki and the Finnish Financial Supervisory Authority

Significant internal rules and policies:

- Articles of Association
- Code of Conduct
- Corporate Governance principles
- Board charter and Board committee charters
- Internal Audit charter

More information about Metso Outotec governance is available on the [Metso Outotec website](#).

Metso Outotec's governance structure

In accordance with the Companies Act, the General Meeting of Shareholders is the highest decision-making body of Metso Outotec. The Board of Directors ("Board") oversees the company's management and operations and decides on significant matters, and the President and CEO, assisted by the Metso Outotec Executive Team, is responsible for the management of the company in accordance with the targets set by the Board of Directors and the applicable laws and regulations. Metso Outotec's Business Areas, together with the Market Areas, are responsible for the Company's business operations. The Business Areas each set their strategy and targets, which are implemented by the Market Areas. The Board is responsible for ensuring compliance with good corporate governance principles.

Governing bodies of Metso Outotec



General Meeting of Shareholders

The Board of Directors has the authority to convene the Annual General Meeting of Shareholders ("AGM"). The Board of Directors may decide to convene the AGM on its own initiative, and it has an obligation to convene an Extraordinary General Meeting ("EGM") at the request of the Company's auditor or shareholders holding at least ten (10) percent of all the shares in the Company. The AGM is held annually before the end of June. The AGM decides on the matters set out in the Finnish Companies Act and the Articles of Association, including the following:

- Approval of the financial statements
- Decision on the use of profit, such as dividends
- Election of the Chair, Vice Chair and other members of the Board and their remuneration
- Discharging the members of the Board and the President and CEO from liability
- Election of the Auditor and the decision on the Auditor's compensation
- Remuneration Policy of the Governing Bodies, and Remuneration Report (advisory resolution)
- Other proposals made by the Board or a shareholder, such as:
 - Amendments to the Articles of Association
 - Special authorizations to the Board (e.g. authorization to decide on payment of an additional dividend, on a share issue, or on the repurchase of the Company's own shares)

The decisions are primarily made by a simple majority vote at the AGM. According to the Code, the Chair of the Board, other Board members, the President and CEO, the Auditor, and the new members proposed to the Board are required to be present.

A notice of the AGM is published as a stock exchange release three weeks to three months before the AGM. Shareholders who are listed in Metso Outotec's shareholder register maintained by Euroclear Finland Ltd by the record date of the AGM have the right to participate in the meeting. Each share entitles its holder to one vote. Instructions for participation by nominee registered shareholders are available in the notice of the AGM.

Shareholders are entitled to have an issue put on the General Meeting's agenda, if it requires a decision by the General Meeting according to the Finnish Companies Act. The request must be submitted to the Board in writing and early enough to be included in the notice of the General Meeting. The latest possible date for submission is announced on the [Metso Outotec website](#).

Annual General Meeting in 2020

Outotec's AGM 2020 was held in Helsinki on March 11, 2020. A total of 346 shareholders representing 48.2% of the Company's votes participated either in person or by proxy.

Outotec's AGM 2020 elected, on the condition that the combination of Metso's Minerals business and Outotec through a partial demerger of Metso takes effect ("Completion"), ten members to the Board of Directors of Metso Outotec Corporation: Mikael Lilius, Matti Alahuhta, Klaus Cawén, Christer Gardell, Hanne de Mora, Antti Mäkinen, Ian W. Pearce, and Emanuela Speranza, Kari Stadigh, and Arja Talma to serve from the effective date of the Completion until the end of the AGM 2021. Outotec's AGM 2020 also approved the proposals of the Board of Directors to authorize the Board to decide on both the repurchase of Outotec shares as well as the issuance of shares and special rights entitling to shares.

More information of Outotec's AGM 2020 is available on the [Metso Outotec website](#).

Outotec AGM 2020 decisions

In addition, Outotec's AGM 2020 elected eight members to Outotec's Board of Directors until Completion: Matti Alahuhta, Klaus Cawén, Anja Korhonen, Hanne de Mora, Patrik Nolåker, Ian W. Pearce, Anu Hämäläinen and Teija Sarajärvi.

The Nomination Board's proposal concerning the Board members' remuneration was also approved.

Shareholders' Nomination Board

The Shareholders' Nomination Board ("Nomination Board") is a permanent corporate body established by the Outotec Annual General Meeting in 2013. The Nomination Board is responsible for preparing and presenting the election of the members of the Board of Directors and proposals for their remuneration as well as successor planning of the members of the Board of Directors.

The Nomination Board consists of representatives appointed annually by Metso Outotec's four largest registered shareholders as of July 1, 2020. The Chair of the Board convenes the Nomination Board and serves as its member.

More information on the Nomination Board, e.g. the full Nomination Board Charter, is available on the [Metso Outotec website](#).

Nomination Board composition and competence

The Nomination Board composition was appointed as per share ownership on July 1, 2020, by the following four largest registered Metso Outotec shareholders as of July 3, 2020:

Shareholder	Share ownership on July 1, 2020	Representative	Position	Meeting attendance in 2020
Solidium Oy (Chair)	14.9%	Annareetta Lumme-Timonen	Chair	4/4
Cevian Capital Partners Ltd	8.5%	Niko Pakalén	Member	4/4
Ilmarinen Mutual Pension Insurance Company	2.7%	Mikko Mursula	Member	4/4
Varma Mutual Pension Insurance Company	2.6%	Risto Murto	Member	4/4

In addition, the Nomination Board included the Chair of the Metso Outotec Board of Directors, Mikael Lilius. The professional backgrounds of the shareholders' representatives are as follows:

Annareetta Lumme-Timonen

Investment Director at Solidium Oy

Education: M.Sc. (Eng.), D.Sc. (Tech.)

Investment Director at Solidium Oy since 2009.

Member of Metso Outotec's Nomination Board since 2020.

Niko Pakalén

Partner at Cevian Capital AB

Education: M.Sc. (Econ)

Partner at Cevian since 2017.

Member of Metso Outotec's Nomination Board since 2020.

Mikko Mursula

Deputy CEO of Ilmarinen Mutual Pension Insurance Company

Education: MA (Econ)

Deputy CEO of Ilmarinen since 2018. Chief Investment Officer at Ilmarinen 2015–2018.

Member of Metso Outotec's Nomination Board since 2020.

Risto Murto

President and CEO of Varma Mutual Pension Insurance Company

Education: Ph.D. (Econ)

President and CEO of Varma since 2014.

Member of Metso Outotec's Nomination Board since 2020.

Outotec Nomination Board

The composition of Outotec's Nomination Board appointed on October 4, 2019, is described in the **Outotec Corporate Governance Statement 2019**, p. 7–8. The meeting attendance of the Outotec Nomination Board during January 1 – June 30, 2020, was 100%.

Nomination Board proposals for the AGM 2021

On January 22, 2021, the Nomination Board provided Metso Outotec's Board with its proposal for the Annual General Meeting to be held on April 23, 2021.

Metso Outotec's Board composition and remuneration

The Board's term of office will commence at the end of the Annual General Meeting and will expire at the closure of the next Annual General Meeting. The Nomination Board proposes to the AGM that the Board of Directors should have seven members and that Klaus Cawén, Christer Gardell, Antti Mäkinen, Ian W. Pearce, Kari Stadigh, Emanuela Speranza and Arja Talma should be re-elected. The Nomination Board proposes that Kari Stadigh should be elected as Chair of the Board and Klaus Cawén as Vice Chair.

Mikael Lilius, Matti Alahuhta and Hanne de Mora had notified the Nomination Board that they will not be available for re-election. All the Board member candidates have given their consent to be elected and have been assessed as being independent of the company and its significant shareholders, except for Antti Mäkinen, who has been assessed to be independent of the company but not independent of a significant shareholder.

The Nomination Board proposes the same fixed annual remuneration to the Board members as in the previous term:

- Chair – EUR 150,000
- Vice Chair – EUR 80,000
- Other members – EUR 65,000 each

The same additional remuneration as in the previous term will be proposed for the Board members that are elected as members of the Audit Committee and the Remuneration and HR Committee:

- Chair of the Audit Committee – EUR 23,000
- Members of the Audit Committee – EUR 10,000
- Chair of the Remuneration and HR Committee – EUR 12,000
- Members of the Remuneration and HR Committee – EUR 5,000

The Nomination Board proposes that, as a condition for the annual remuneration, the Board members should be obliged, directly based on the Annual General Meeting's decision, to use 20% or 40% of their fixed total annual remuneration for purchasing Metso Outotec shares from the market at a price formed in public trading, and that the purchase will be carried out within two weeks from the publication of the interim report for January 1 – March 31, 2021.

The Nomination Board proposes the same meeting fees as in the previous term as follows: a fee of EUR 900 be paid to the members residing in the Nordic countries, a fee of EUR 1,800 be paid to the members residing in other European countries and a fee of EUR 2,700 be paid to the members residing outside Europe, and that Board members be compensated direct expenses arising from the Board work.

Organization of Board work

Board of Directors

5–10 members (including Chair)

Majority independent of the company

At least two independent of significant shareholders

Meets regularly, ten times a year on average, according to a schedule decided in advance.

Has quorum when more than half of the members are present and one of them is the Chair or the Vice Chair.

Decisions are carried by a simple majority of votes. In case of a tie, the Chair has the casting vote.

Key responsibilities:

To decide on:

- Targets and strategy
- Investments, acquisitions and divestments
- Organizational structure and approval of the appointment and dismissal of MOET members
- Financial guarantees
- Principles for incentive plans
- Key corporate policies

To ensure:

- Supervision of accounting and financial matters
- Proper preparation of financial reports
- Adequacy of bookkeeping and financial planning, information and control systems, and risk management

To appoint, dismiss and evaluate performance and remuneration of the President and CEO.

Follow-up and evaluation of insider transactions. Board monitors and assesses related party transactions and decides on transactions that do not fall within Metso Outotec's established business or are not fulfilled according to normal terms and conditions, and ensures that possible conflicts of interests are dealt with accordingly and taken into consideration in the decision-making.

Remuneration and HR Committee

3 members (including Chair)

Two members independent of the company

Key responsibilities:

To prepare and/or make proposals on:

- Remuneration policies for the governing bodies and related instructions for the Board, remuneration report, as well as being responsible for answering related questions in the General Meeting
- Appointments and succession planning of Metso Outotec's CEO and other senior management
- Development of personnel remuneration and talent management.

To review and monitor:

- Competitiveness of remuneration systems

Audit Committee

3 members (including Chair)

All members independent of the company

At least one member:

- Independent of significant shareholders
- With expertise specifically in accounting, bookkeeping or auditing

Key responsibilities:

To assess:

- Financial reporting and management estimates, draft financial reports
- Accounting, tax, treasury as well as risk management policies and procedures

To approve:

- Internal and external audit plans
- External auditors' fees
- Non-audit services provided by external auditor

Key responsibilities also include mandatory duties concerning auditing and related to the preparations for the selection of the auditor, follow-up on the services provided by the auditor, quality control of the auditing, evaluating the independence of the auditors and the auditing process.

Board of Directors and Board committees

The general objective of the Board of Directors is to direct Metso Outotec's business and strategies in a manner that secures a significant and sustained increase in the value of the Company for its shareholders. The Board of Directors acts within the remit of the powers and responsibilities provided under the Finnish Companies Act and other applicable legislation. According to the Companies Act, the Board of Directors has general authority to decide and act on all matters not reserved by law or under the Articles of Association to other corporate governing bodies.

The Board oversees the management and operations of Metso Outotec. It also decides on significant matters related to strategy, investments, organizational structure and finances. The Board's main responsibility is to evaluate the strategic direction of Metso Outotec, the effectiveness of Metso Outotec's operations and the performance of management. The Board must always act in good faith with the best interest of Metso Outotec and all of its shareholders in mind. The Board may not undertake actions that are likely to result in an unjust benefit to a shareholder at the cost of the company or another shareholder.

The Board has two permanent committees: the Audit Committee as well as the Remuneration and HR Committee. The Board elects the members of these committees from among its members at its annual assembly meeting and monitors the activities of these committees during the year. The committees have **charters approved by the Board**.

The Charter of the Board of Directors further specifies the duties of the Board of Directors and of the individual members, as well as the Board's working methods. For the full Charter of the Board of Directors, see the **Metso Outotec website**.

Diversity of the Board

According to the diversity principles defined by the Board of Directors, the factors to be taken into account when deciding the composition of the Board are: The Board of Directors as a whole shall possess the necessary knowledge and experience on the business, social and cultural conditions in the most significant markets to Metso Outotec's business; and the Board of Directors should have a fair and balanced combination of professional experience, skills, gender, nationalities, knowledge, and a variety of opinions and backgrounds considering Metso Outotec's current and future needs. Metso Outotec's long-term objective is to have a fair and balanced representation of genders in the Board.

In addition, the members of the Board shall jointly have sufficiently diverse professional and educational backgrounds; strong industry knowledge; strategy development and implementation skills; balanced geographical and nationality backgrounds; knowledge on macroeconomics and international economics; experience in company leadership in various development phases; sufficiently diverse age and gender distribution; an appropriate balance of decision-making capability, skills and experience; other personal capabilities, such as innovation and constructive questioning; and sufficient time available for Board work.

In line with the diversity objectives, the Nomination Board shall identify, evaluate, and recommend candidates for the Board. The Nomination Board's preparatory work aims to ensure that: the diversity principles are followed when nominating the Board of Directors; the Board functions well as a whole; and the competence profile of the Board of Directors supports Metso Outotec's existing and future businesses, and is consistent with Metso Outotec's strategic goals.

The Nomination Board prepares a proposal to the AGM regarding the Board composition, which shall always be ultimately decided based on the qualification and competence that each candidate would bring to the Board. The diversity objectives and progress in achieving the objectives shall be addressed as part of the Nomination Board's proposal to the AGM.

Out of the ten members of the Metso Outotec Board of Directors, three are female and seven are male, representing five different nationalities. The resumés of the Board of Directors are available on p. 20–22 of this report.

Board and Committee work in 2020

The Metso Outotec Board of Directors commenced its work on July 1, 2020.

In addition to the duties specified in the Board charter, the Board focused on the implementation of the Metso Outotec merger, reviewing the development of the integration and synergy savings, as well as approving the new strategy and financial targets of Metso Outotec.

The Remuneration and HR Committee focused on the duties specified in its charter and on preparatory topics related to the Metso Outotec merger and personnel.

The Audit Committee focused on the duties specified in its charter and on monitoring the Metso Outotec financial information, as well as on Metso Outotec accounting principles and the opening balance. Other agenda items in the second half of 2020 were: following up on the development initiatives in the finance, treasury, tax, compliance and risk management functions.

The meeting attendance of Metso Outotec Board members in Board and committee meetings during July 1 – December 31, 2020, is presented in the following table:

Member	Position	Board	Audit Committee	Remuneration and HR Committee
Mikael Lilius	Chair	5/5	-	-
Matti Alahuhta	Vice Chair	5/5	-	-
Klaus Cawén	Member	5/5	3/3	-
Christer Gardell	Member	5/5	-	3/3
Hanne de Mora	Member	5/5	-	3/3
Antti Mäkinen	Member	5/5	3/3	3/3
Ian W. Pearce	Member	5/5	-	-
Emanuela Speranza	Member	5/5	-	-
Kari Stadigh	Member	5/5	-	-
Arja Talma	Member	5/5	3/3	-

Outotec Board of Directors

The Outotec Board of Directors and committees are presented in the

Outotec Corporate Governance Statement 2019 on p. 4–7. In addition to the duties specified in the Board charter, the Outotec Board, Human Capital Committee, as well as Audit and Risk Committee focused on preparations of the closing of the Metso Outotec merger during January 1 – June 30, 2020.

The meeting attendance of Outotec Board members in Board and committee meetings in January 1 – June 30, 2020, is presented in the following table:

Member	Position	Board	Audit and Risk Committee	Human Capital Committee
Matti Alahuhta	Chairman	12/12	-	3/3
Ian W. Pearce	Vice Chairman	12/12	2/2	-
Klaus Cawén	Member	12/12	2/2	-
Anu Hämäläinen	Member	12/12	2/2	-
Anja Korhonen	Member	12/12	2/2	-
Hanne de Mora	Member	12/12	-	3/3
Patrik Nolåker	Member	11/12	-	3/3
Teija Sarajärvi	Member	11/12	-	3/3

Management structure

President and CEO, and Metso Outotec Executive Team

The main responsibility of Metso Outotec's President and CEO is to lead the daily operations of Metso Outotec with the assistance of the Metso Outotec Executive Team (MOET), with the aim of securing significant, sustained increase in the value of the company for its shareholders. The MOET consists of the President and CEO, Business Area Presidents, CFO, General Counsel, SVP Business Development and SVP Human Resources.

The CEO prepares matters for decision by the Board of Directors, develops Metso Outotec in line with the targets agreed upon with the Board of Directors and ensures proper implementation of the Board's decisions. It is further the duty of the CEO to ensure that Metso Outotec's operations are in compliance with the laws and regulations applicable at the time. The CEO may have a Deputy CEO(s) who will attend to the duties of the CEO in the event that the CEO is prevented from doing so.

Pekka Vauramo was appointed the President and Chief Executive Officer of Metso Outotec Corporation as of July 1, 2020. In addition, the Board appointed two Deputy CEOs, Eeva Sipilä and Markku Teräsvasara.

Outotec President and CEO

Markku Teräsvasara was appointed as the President and CEO of Outotec Oyj on June 22, 2016, and he assumed the duties of CEO as of October 1, 2016. The Company did not appoint a Deputy CEO. Markku Teräsvasara served as the CEO of Outotec until June 30, 2020.

The role of the MOET is to manage Metso Outotec's business as a whole. The MOET members have extensive authorities in their individual areas of responsibility and have the duty to develop Metso Outotec's operations in line with the targets set by the Board of Directors and the CEO. The MOET meetings are convened by the CEO on a regular basis and all decisions made are recorded in the meeting minutes. The MOET has no statutory role determined by law or by the Articles of Association; however, it has a significant role in Metso Outotec's management.

The MOET members are presented on pages 23–25 of this report.

In the second half of 2020, the MOET's special focus areas were implementing the Metso Outotec merger, implementing the integration and synergy saving plans, as well as preparing the new strategy and financial targets of Metso Outotec.

Metso Outotec Executive Team in 2020

MOET composition in 2020

Pekka Vauramo	President and CEO	July 1 – December 31, 2020
Markku Simula	President, Aggregates	July 1 – December 31, 2020
Stephan Kirsch	President, Minerals	July 1 – December 31, 2020
Jari Älgars	President, Metals	July 1 – December 31, 2020
Uffe Hansen	President, Recycling	July 1 – December 31, 2020
Markku Teräsvasara	President, Services; Deputy CEO	July 1 – December 31, 2020
Sami Takaluoma	President, Consumables	July 1 – December 31, 2020
Eeva Sipilä	Chief Financial Officer; Deputy CEO	July 1 – December 31, 2020
Nina Kiviranta	General Counsel	July 1 – December 31, 2020
Piia Karhu	Senior Vice President, Business Development	July 1 – December 31, 2020
Carita Himberg	Senior Vice President, Human Resources	October 1 – December 31, 2020

Changes in the Metso Outotec Executive Team

Hannele Järvisistö acted as interim SVP, Human Resources until Carita Himberg joined the company as SVP, Human Resources on October 1, 2020. Hannele Järvisistö was not a member of the MOET but participated in the MOET work.

Outotec Management structure

Information about Outotec's CEO as well as the Outotec Executive Board and their duties during January 1 – June 30, 2020, is available in the **Outotec Corporate Governance Statement 2019, p. 7–8.**

Compliance management and Code of Conduct

Metso Outotec's Code of Conduct is the key corporate standard setting out the basic principles that are substantiated in the Company's policies and guidelines. With the Code of Conduct, Metso Outotec commits to responsibility, sustainability and compliance in all its operations. The Code of Conduct is a globally applicable set of rules for all Metso Outotec's employees and business associates, ensuring consistent decision making in the everyday working environment and making Metso Outotec a responsible and trusted business partner. Metso Outotec's Code of Conduct summarizes in a single document the topics that are important in terms of compliance and integrity, anti-corruption, human rights, safety and information disclosure.

In addition, Metso Outotec is committed to the following global initiatives that guide compliance management:

Global initiatives:

- UN Global Compact
- UN Sustainable Development Goals
- OECD Guidelines for Multinational Enterprises
- ILO Declaration on Fundamental Principles and Rights at Work
- International Chamber of Commerce Business Charter for Sustainable Development
- UN Declaration of Human Rights
- UN Guiding Principles for Business and Human Rights

Metso Outotec respects and is committed to operating in a manner consistent with internationally proclaimed human rights, including the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the Ten Principles of the UN Global Compact, and the ILO's Declaration on Fundamental Principles and Rights at Work. All employees are entitled to be treated fairly and with respect, and discrimination or harassment is not tolerated in any form. Metso Outotec does not accept or use any form of compulsory, forced or child labor, and respects all applicable laws and regulations regarding working hours and employee compensation. Metso Outotec's Anti-Corruption Policy underlines zero-tolerance towards bribery and corruption. Compliance is everyone's responsibility at Metso Outotec and a range of internal controls are in place to ensure compliance, as described in this report on pages 15–16. Third-party agreements in place require that suppliers, business partners and other stakeholders also follow similar standards.

Compliance management and the related policies are also discussed in the Financial Statements 2020 under Statement of Non-financial Information, pages 16–17. More information about Metso Outotec's Code of Conduct can be found at [Metso Outotec website](#).

Compliance management at Outotec

Compliance management at Outotec during January 1 – June 30, 2020 is described in [Outotec Corporate Governance Statement 2019, p. 1–2](#).

Compliance management in 2020

All Metso Outotec employees are required to complete Code of Conduct trainings annually. In the second half of 2020, 96.1% of all Metso Outotec employees had completed the training within the given time frame. Code of Conduct training is a mandatory part of onboarding for all new employees. In addition, the Compliance team organized several trainings on Metso Outotec's third-party due diligence process.

Risk management

Risk management is an integral part of Metso Outotec's management system and internal control framework. It aims at assessing risks in a systematic way to facilitate planning and decision-making. Risk management covers all parts of the organization and captures risks from strategic and financial to operational risks, including project-specific risk management processes.

Risk management supports the achievement of Metso Outotec's strategic goals and business objectives. It ensures the continuity of operations and secures Metso Outotec's assets also in changing circumstances. Key risks and opportunities are identified and proportioned against business targets and are an integral part of the businesses' long- and short-term planning. As a principle, business areas are responsible for their own risk management. The risk management function has the ultimate oversight throughout the company to ensure visibility of risks and risk management activities.

To monitor Metso Outotec's risk management performance overseen by the Board, several auditing processes – both internal and external – are in place. In the second half of 2020, the focus area for risk management was Metso Outotec's first Group-wide risk assessment.

Risk management at Outotec

Risk management at Outotec during January 1 – June 30, 2020, is described in **Outotec Corporate Governance Statement 2019**, p. 9–10.

Most significant threats and opportunities

Metso Outotec systematically assesses the significance and development of various risks in its annual risk assessment. For the strategy period 2021–2023, certain significant risks creating threats and opportunities for Metso Outotec are described in more detail below. The list is indicative only and should not be considered exhaustive.

Business environment risks

Uncertainty in the global or regional economic and political operating environment may impact the demand for Metso Outotec's products and services, as well as Metso Outotec's ability to achieve its strategic goals. The Covid-19 pandemic may continue to affect Metso Outotec's end markets and customer operations, developing in a way that is difficult to predict. Concerns of escalating global protectionism and trade barriers may have a negative impact on economic activity in general.

Metso Outotec's business cycles follow those of its customer industries. Economic cycles affect the demand and price of commodities that in turn have an impact on Metso Outotec's minerals and metals business. Investments in infrastructure and construction affect aggregates customers' businesses.

Due to the cyclical nature of customer industries, a business model of outsourcing a significant part of manufacturing plays an important role.

Metso Outotec's service business represents around half of Metso Outotec's sales, which reduces volatility, as the service business is generally more stable than the equipment business.

Metso Outotec's extensive geographical presence makes it less vulnerable to economic cycles or to customer or supply chain disruptions.

Competitiveness

Changes in demand in Metso Outotec's customer industries could negatively affect Metso Outotec's operations and competitive position in the market. Metso Outotec may not be capable of adapting to and meeting future customer needs in terms of price, quality, technology and delivery requirements, which may weaken its competitive position.

In order to meet customer needs, Metso Outotec follows market trends closely. Following the merger, Metso Outotec has a unique product and service offering and is investing significantly in R&D to meet customers' needs. Moreover, Metso Outotec aims at continuously improving its customer satisfaction and customer relationship management.

Project-related risks

A part of Metso Outotec's sales is derived from orders related to projects that typically take several months or even years to complete. Project-specific risks may relate to, for example, size and complexity of projects undertaken, project management, production capacity, volatility in the raw material prices and general cost inflation, failures to meet warranted performance criteria and potential delays in project timetables. In some projects, risks may also arise from new technology or applications included in the deliveries. In addition, Metso Outotec's projects and other business operations may also be subject to delays, suspension or termination of contracts, or rejection of deliveries, and, if realized, may increase project costs, and result in damages and contractual penalties.

Metso Outotec identifies and assesses major project risks in an end-to-end process, from the early sales phase until the end of project delivery, with the objective to manage risks and opportunities in a systematic and transparent manner.

Metso Outotec's strategic emphasis on service and product standardization is expected to reduce its dependency on projects.

Metso Outotec integration risks

There are risks and uncertainties related to the Metso Outotec integration performance, e.g., Metso Outotec may not be able to realize some of the estimated benefits, or it may not be successful in combining the business operations, or executing divestments in the manner or within the time frame currently estimated. This could postpone or reduce realization of the intended synergies and weaken profitability and competitiveness.

Metso Outotec mitigates these risks with continuous follow-up and management oversight. At year-end, Metso Outotec had reached EUR 65 million in cost synergies and is proceeding with its integration and synergy delivery according to plan.

Internal controls

The internal control mechanism ensures Metso Outotec's compliance with laws and regulations, the operating principles, as well as the reliability of financial and operational reporting. In addition, it safeguards Metso Outotec's assets and ensures effective and efficient operations to meet the strategic, operational and financial targets.

Main features of the internal control and risk management systems of the financial reporting process

Metso Outotec's internal control and risk management operating model related to financial reporting is designed to provide sufficient assurance regarding the reliability of the reporting and the preparation of financial statements in accordance with applicable laws and regulations, generally accepted accounting principles (IFRS) and other requirements for listed companies.

Metso Outotec's control standards are regularly updated to be in line with the Committee of Sponsoring Organizations (COSO) framework and Metso Outotec's business control environment.

Control environment

The Board of Directors bears the overall responsibility for the internal control over financial reporting. The Audit Committee's task is to ensure that established principles for financial reporting, risk management and internal control are followed. The President and CEO, with assistance from Internal Audit, is responsible for maintaining an effective control environment and for the ongoing work on internal control regarding financial reporting. The Internal Audit function reports all relevant issues to the Audit Committee, the President and CEO, and the responsible MOET members.

The internal steering instruments for the internal control of financial reporting at Metso Outotec primarily consist of:

- Metso Outotec's Code of Conduct
- Internal Control Policy and standards
- Treasury Policy
- Accounting policies and reporting instructions

The Audit Committee is regularly informed about the financial reporting control environment, including:

- Information on the development of fundamental risk areas,
- Activities planned and executed for these risk areas, and
- Other measures to mitigate risks.



Risk assessment

A risk assessment related to financial reporting aims to identify and evaluate the most significant threats at the Group, business area, Group companies, functions and process levels.

The assessment of risks includes, e.g., risks related to fraud and unlawful activities, as well as the risk of loss or misappropriation of assets. Risk assessments result in control targets through which Metso Outotec seeks to ensure that the fundamental requirements placed on financial reporting are fulfilled.

Control environment

Metso Outotec's control activities are based on corporate standards, policies, guidelines, instructions and Metso Outotec's responsible leadership model to ensure that management directives are carried out and that necessary action is taken to address risks related to the achievement of financial reporting objectives. The Metso Outotec Compliance Program seeks to ensure compliance with our governance principles and Code of Conduct in all our units as well as the correctness of our financial reporting. The program is designed to create a coherent control environment by implementing proper internal control principles for different business processes and by sharing internal control-related best practices.

Compliance framework (Metso Outotec Compliance Program)



The internal control standards define the minimum level for internal controls that all units must achieve. All units are required to perform an annual self-assessment to ensure they are compliant with the minimum control standards. In addition, the Internal Audit function is responsible for evaluating the operating effectiveness of these controls according to the annual audit plan.

Information and communication

To secure an effective and efficient internal control environment, Metso Outotec's internal and external communication must be open, transparent, accurate and timely. Accounting policies, financial reporting instructions and the disclosure policy are available on the intranet, and regular trainings regarding internal control issues and the related tools are arranged for employees. The Head of Internal Audit reports the results of the evaluation of internal controls regularly to the Audit Committee. The results of the Audit Committee's work in the form of observations, recommendations, as well as proposed decisions and measures are reported to the Board after every Audit Committee meeting.

Monitoring

The effectiveness of internal control related to financial reporting is monitored by the Board of Directors and the Audit Committee. The President and CEO, Group management, Internal Audit, and the management of the Business Areas and Group companies are responsible for compliance and maintaining an effective and efficient control environment. This includes follow-up of monthly financial reports, review of rolling estimates and plans, as well as reports from Internal and External Audit.

Internal Audit assesses the effectiveness of Metso Outotec's operations and the adequacy of risk management annually and reports the risks and weaknesses related to the internal control processes to the management and to the Audit Committee.

Audit

Reporting of suspected financial misconduct

Metso Outotec's guidelines on the prevention of financial and other misconduct define how suspected misconduct should be reported, how it is investigated and how it is handled thereafter. All employees are encouraged to report suspected misconduct to their own supervisors, to other management, or, if necessary, directly to Compliance or Internal Audit. Additionally, Metso Outotec employees or any external party can report suspicions of financial and other misconduct confidentially via the anonymous Whistleblower channel, which is maintained by an independent party. The report can be submitted in several languages via the Internet, by phone or by email, and anonymously, if necessary. Suspected misconduct is investigated thoroughly and confidentially without undue delay. Compliance decides how the matter will be investigated and reports the alleged misconduct to the Audit Committee. The Legal & Compliance and Human Resources functions together implement any measures consequential to possible misconduct.

In the second half of 2020, 15 reports of suspected financial misconduct and 12 reports of suspected non-financial misconduct were received by Internal Audit and Compliance. The cases of misconduct were reviewed by the Audit Committee in line with Metso Outotec's guidelines on reporting misconduct. None of the cases had a significant impact on Metso Outotec's financial results.

Outotec Internal Control framework and Financial reporting controls

The Internal Control framework and Financial reporting controls at Outotec in January 1 – June 30, 2020 are described in **Outotec Corporate Governance Statement 2019**, p. 11–12.

Internal Audit

Internal Audit is a fundamental part of Metso Outotec's corporate governance and management systems. Internal Audit assists the Board of Directors in supervising the Company. The role of Metso Outotec's Internal Audit function is to provide independent, objective assurance and consulting services that add value by contributing to the improvement of operations. Internal Audit offers a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's governance, risk management and internal control.

The operating principles of Internal Audit have been defined in the Internal Audit Charter approved by the Board's Audit Committee. The Audit Committee also approves the dynamic Internal Audit plan, which is developed taking into consideration the corporate risk assessment, business area plans, and input from senior management and the Audit Committee. The plan is reviewed and revised when necessary. Audit findings, recommendations and management corrective actions are reported regularly to the Audit Committee. The Head of Internal Audit reports functionally to the Audit Committee and administratively to the CFO.

In the second half of 2020, 19 internal audits and 27 Whistleblower and other investigations were conducted. The internal audits focused, for example, on the following areas: Metso Outotec integration, other M&A integration activities, implementation of the principal business model, inventory management, and usage of sales third parties.

Internal Audit at Outotec

The role and principles of Internal Audit at Outotec during January 1 – June 30, 2020 are described in **Outotec Corporate Governance Statement 2019**, p. 9–10.

External Audit

According to the Articles of Association, Metso Outotec has one auditor, which must be a firm of authorized public accountants. The aggregate duration of the consecutive terms of a principal auditor may not exceed seven years. This means that Metso Outotec's principal auditor Mikko Järventausta (Ernst & Young) can act in that capacity until the end of the audit of the 2026 financial period.

According to the EU Statutory Audit Directive, the same audit firm can be engaged as the company's auditor for a maximum period of 10 consecutive years, after which the company must put its auditing out to tender. If the same audit firm is reselected through tendering, it can be re-engaged as the auditor for up to a further 10 consecutive years, after which the audit firm must be changed.

The auditor's statutory obligation is to audit the company's accounting, financial statements and administration for the financial year. The parent company's auditor must also audit the consolidated financial statements and other mutual relationships between Group companies.

In conjunction with our annual financial statements, the auditor submits the statutory Auditor's Report to Metso Outotec's shareholders, which is available in the Financial Review on pages 103-106.

The auditor reports regularly to the Audit Committee and at least once a year to the Board. The Audit Committee evaluates the performance and services of the auditors each year and prepares annually a proposal on the auditor selection to the Annual General Meeting.

Metso Outotec's pre-approval policy ensures that the Audit Committee monitors and approves all non-audit related services provided by the external auditor, including the scope and estimated fees for these services.

Audits in 2020

In the Outotec Annual General Meeting on March 11, 2020, conditional upon the Completion, Authorized Public Accountant Ernst & Young Oy was elected as the auditor of Metso Outotec as of the Completion, with Mikko Järventausta as principal auditor.

The fees related to auditing work of Metso Outotec's auditor EY* after the Completion, during July 1 – December 31, 2020, amounted to EUR 1.9 million and for tax and other non-audit services EUR 0.6 million. The combination of Metso Outotec created significant additional work for the external auditor in 2020.

Metso Outotec

Auditors' fees, MEUR	2020
Audit services	1.9
Tax services	0.3
Other services	0.3
Total	2.6

* Information on the combined fees paid to the auditor by Metso Oyj and Metso Outotec Oyj during 2020 is available on Financial Review, p. 90.

In addition to Internal and External Audit, there are several other auditing measures in place to secure efficient risk management.

External Audit at Outotec

In the Outotec Annual General Meeting on March 11, 2020, PricewaterhouseCoopers Oy, a firm of authorized public accountants, was elected as Outotec's auditor until the effective date of the Metso Outotec combination, with Pasi Karppinen as the principal auditor.

The fees related to auditing work of Outotec's auditor PriceWaterhouseCoopers* before the Completion, during January 1 – June 30, 2020, amounted to EUR 0.4 million and for tax and other non-audit related services EUR 0.6 million.

The role and principles of External Audit at Outotec in January 1 – July 30, 2020, have been described in **Outotec Corporate Governance Statement 2019, p. 12.**

Outotec

Auditors' fees, MEUR	H1/2020	2019
Audit services	0.4	0.9
Tax services	0.3	0.2
Other services	0.3	1.3
Total	1.0	2.4

Insider management

The Board of Directors shall ensure that the company has proper policies governing the management of insider issues in place at all times. Such rules shall be in conformity with the European Union and Finnish laws and regulations and the Corporate Governance principles as well as the rules and guidelines of Nasdaq Helsinki Ltd and the Finnish Financial Supervisory Authority (the FIN-FSA).

Metso Outotec has determined in accordance with Market Abuse Regulation (MAR) that the members of the Board of Directors and the President and CEO are the persons with the duty to publicly notify. In addition, Metso Outotec maintains project-specific insider lists in accordance with the MAR. An insider list is drawn up for all projects containing inside information. Insiders are given written notification of their status as insiders and instructions on the obligations that apply to insiders.

Metso Outotec observes a 30-day closed window period prior to the publication of financial reports. During this period, the members of the Board of Directors and MOET, as well as pre-defined Metso Outotec employees who participate in preparing financial reports, are not permitted to buy or sell Metso Outotec-issued securities. In addition, trading with Metso Outotec financial instruments is prohibited if a person is in possession of inside information or is considered a project-specific insider, for the duration of the project until it is published or terminated.

A list of employees who have regular access to Metso Outotec's unpublished financial information based on their position, access rights, duties or a service agreement is maintained by Legal & Compliance function.

Metso Outotec's Legal & Compliance function is responsible for controlling insider compliance and, among others, for the duties regarding insider management as follows:

- Controlling insider matters and keeping track of regulatory changes
- Sharing information on insider matters and notifying management of their obligations, e.g. Market Abuse Regulation (MAR)
- Organizing trainings on insider compliance topics to make sure insiders understand their responsibilities and restrictions related to inside information in their possession
- Drawing up and maintaining the insider list and a list of managers and their closely associated persons for use by both the Company, e.g. in managerial transaction notifications, and by the Financial Supervisory Authority, when required so by MAR or other regulations.

Insider transactions

Metso Outotec's insiders with a duty to publicly notify include the members of the Board of Directors as well as the President and CEO. Their related parties include their spouse and other family members, as well as companies in which the insiders or their closely associated persons exercise control. Metso Outotec maintains a register of insiders as well as of their related parties. Insiders and their related parties are required to notify both the Company and the Finnish Financial Supervisory Authority of their transactions with the securities of Metso Outotec. Metso Outotec publishes a stock exchange release on these transactions when the transactions reach a threshold of EUR 5,000 (without netting) on an annual level. Published management transactions are available on the [Metso Outotec website](#).

Metso Outotec's disclosure practices

Metso Outotec's communications are based on facts, communicating equally positive and negative issues simultaneously to all stakeholders with an aim to give correct, sufficient and relevant information about Metso Outotec's operations. Metso Outotec does not comment on market rumors, the development of our own or competitors' share price, the actions of specific competitors or customers, or analyst estimates.

Regulated disclosures include information about financial performance, which is released according to a schedule announced in advance. Metso Outotec discloses all information that may have a significant effect on the price of Metso Outotec's financial instruments without undue delay and simultaneously to all stakeholders. However, if the conditions for delayed disclosure of the inside information are met in accordance with the applicable laws and regulations, disclosure may be delayed. More information about disclosure practices and Metso Outotec's Disclosure Policy is available on the [Metso Outotec website](#).

Silent period

Metso Outotec observes a 21-day silent period prior to the publication of its financial results. During this time, Metso Outotec does not comment on the financial performance, markets or outlook, nor does it meet with capital markets representatives or the financial media.

Metso Outotec's transactions with its management or their related parties

To ensure that possible conflicts of interest are appropriately taken into consideration in all decision making, the Company has Group-wide procedures in place to identify and define its related parties. The Audit Committee monitors and assesses how agreements and other legal acts between the Company and its related parties meet the requirements of ordinary activities and arm's-length terms in accordance with applicable laws and regulations.

Metso Outotec has published instructions regarding transactions between Metso Outotec and its management. Metso Outotec assesses and monitors these transactions to ensure that potential conflicts of interest are identified and adequately considered in the Company's decision making. Metso Outotec's Board of Directors evaluates and follows these transactions and ensures that possible conflicts of interest are adequately taken into account in the decision making.

The Group Finance and Internal Audit monitor related-party transactions as part of the Company's normal reporting and monitoring procedures and reports to the Audit Committee on a regular basis. The decision-making processes have been structured in order to avoid conflicts of interest. If the Company were to have related-party transactions that are not part of the Company's ordinary course of business or are not implemented under arm's-length terms, such transactions are to be handled by the Audit Committee and approved by the Board of Directors. Internal Audit is responsible for maintaining and updating the list of related parties. The principles and process concerning the monitoring and evaluating of related-party transactions have been established by the Audit Committee. Further information regarding related-party transactions is provided in the Annual Report and in the notes to the Financial Statements.

During the financial period 2020, Metso Outotec or Outotec did not have material related-party transactions, transactions deviating from the Company's ordinary course of business, or transactions that were not made on customary commercial terms taking into account the market practices generally complied with and accepted in the field in which Metso Outotec operates.

The members of the Metso Outotec Board of Directors, the President and CEO, and the Metso Outotec Executive Team members have confirmed that neither they nor their related parties have engaged in business transactions with Metso Outotec during July 1 – December 31, 2020.

Outotec's transactions with its management or their related parties

The process and principles regarding related-party transactions at Outotec in January 1 – July 30, 2020, have been described in [Outotec Corporate Governance Statement 2019](#), p. 12–13.

The members of the Outotec Board of Directors, the President and CEO, the Outotec Executive Board members and their related parties have not engaged in business transactions with Outotec during January 1 – June 30, 2020.

Metso Outotec Board of Directors



Mikael Lilius

Chair of the Board since 2020

Nationality: Finnish

Born: 1949

Education: B.Sc. (Econ.)
Independent of the company
Independent of significant shareholders

Main occupation: Several positions of trust

Other positions of trust:

Member of the Board: Evli Bank Oy

Meeting attendance in 2020

5/5 Board meetings

Shareholding on December 31, 2020*

162,527 Metso Outotec shares



Matti Alahuhta

Vice-Chair of the Board since 2020

Nationality: Finnish

Born: 1952

Education: D.Sc. (Tech.)
Independent of the company
Independent of significant shareholders

Main occupation: Several positions of trust

Other positions of trust:

Chair of the Board: DevCo Partners Oy

Member of the Board: KONE Oyj

Member of the Board: ABB Group

Member of the Board: AB Volvo

Meeting attendance in 2020

5/5 Board meetings

Shareholding on December 31, 2020*

173,456 Metso Outotec shares



Klaus Cawén

Member of the Board since 2020

Member of the Audit Committee

Nationality: Finnish

Born: 1957

Education: LL.M. Columbia University, LL.M.
University of Helsinki
Independent of the company
Independent of significant shareholders

Main occupation: Executive Vice President,
member of the Executive Board, KONE
Corporation (Finland)

Other positions of trust:

Member of the Supervisory Board: Ilmarinen
Mutual Pension Insurance Company

Member of the Board: Oy Karl Fazer Ab

Member of the Board: Toshiba Elevator and
Building Systems Corporation

Member of the Board: East Office of Finnish
Industries Ltd

Meeting attendance in 2020

5/5 Board meetings

3/3 Audit Committee meetings

Shareholding on December 31, 2020*

29,709 Metso Outotec shares



Christer Gardell

Member of the Board since 2020

Member of the Remuneration and HR
Committee

Nationality: Swedish

Born: 1960

Education: MBA
Independent of the company
Independent of significant shareholders

Main occupation: Managing Partner and
co-founder, Cevian Capital

Other positions of trust:

Member of the Board: Vesuvius Plc

Meeting attendance in 2020

5/5 Board meetings

3/3 Remuneration and HR Committee
meetings

Shareholding on December 31, 2020*

37,861 Metso Outotec shares

* No Metso Outotec shares or share-based rights were held by controlled companies.



Hanne de Mora

Member of the Board since 2020
Member of the Remuneration and HR Committee

Nationality: Swiss

Born: 1960

Education: Lic.oec, MBA
Independent of the company
Independent of significant shareholders

Main occupation: Co-founder and Chairperson, a-connect (group) ag, Switzerland

Other positions of trust:
Vice Chair of the Supervisory Board: IMD Business School
Member of the Board: Nestlé SA
Member of the Board and Chair of Audit Committee: AB Volvo
Chair of the Board: Microcaps AG

Meeting attendance in 2020
5/5 Board meetings
3/3 Remuneration and HR Committee meetings

Shareholding on December 31, 2020*
10,023 Metso Outotec shares



Antti Mäkinen

Member of the Board since 2020
Chair of the Remuneration and HR Committee, Member of the Audit Committee

Nationality: Finnish

Born: 1961

Education: Master of Laws
Independent of the company
Not independent of significant shareholders

Main occupation: CEO of Solidium

Other positions of trust:
Member of the Board: Rake Oy
Member of the Board: Rake Real Estate Oy
Member of the Board: Sampo plc
Member of the Board: Stora Enso

Meeting attendance in 2020
5/5 Board meetings
3/3 Audit Committee meetings
3/3 Remuneration and HR Committee meetings

Shareholding on December 31, 2020*
11,982 Metso Outotec shares



Ian W. Pearce

Member of the Board since 2020

Nationality: Canadian

Born: 1957

Education: B.Sc.
Independent of the company
Independent of significant shareholders

Main occupation: Several positions of trust

Other positions of trust:
Member of the Board: Nexa Resources
Director: KoBold Metals
Chair of the Board: Newgold (Canada)
Chair of the Board: MineSense Technologies Ltd (Canada)
Advisor to the Board: MineSense Technologies Ltd (Canada)
Member of the Board: Northland Power Inc

Meeting attendance in 2020
5/5 Board meetings

Shareholding on December 31, 2020*
19,855 Metso Outotec shares



Emanuela Speranza

Member of the Board since 2020

Nationality: Italian

Born: 1968

Education: M.Sc. (Tech.), B.Sc., Business Administration
Independent of the company
Independent of significant shareholders

Main occupation: General Manager and Vice President, Ametek International

Other positions of trust: –

Meeting attendance in 2020
5/5 Board meetings

Shareholding on December 31, 2020*
1,878 Metso Outotec shares

* No Metso Outotec shares or share-based rights were held by controlled companies.



Kari Stadigh

Member of the Board since 2020

Nationality: Finnish

Born: 1955

Education: Master of Science (Eng.), BBA
Independent of the company
Independent of significant shareholders

Main occupation: Several positions of trust

Other positions of trust:

Vice Chair of the Board, Chair of Corporate Governance and Nomination Committee, and Member of Personnel Committee, Nokia Corporation

Member of the Board, Waypoint Capital Group Holdings SA

Meeting attendance in 2020

5/5 Board meetings

Shareholding on December 31, 2020*

50,123 Metso Outotec shares



Arja Talma

Member of the Board since 2020

Chair of the Audit Committee

Nationality: Finnish

Born: 1962

Education: M.Sc., eMBA
Independent of the company
Independent of significant shareholders

Main occupation: Several positions of trust

Other positions of trust:

Chair of the Board: Serena Properties AB
Member of the Board: Aktia Bank Plc, and Verkkokauppa.com

Meeting attendance in 2020

5/5 Board meetings

3/3 Audit Committee meetings

Shareholding on December 31, 2020*

22,624 Metso Outotec shares

* No Metso Outotec shares or share-based rights were held by controlled companies.

Metso Outotec Executive Team



Pekka Vauramo

President and CEO

Nationality: Finnish

Born: 1957

Education: M.Sc. (Tech.) Mining Engineering
Chair of Metso Outotec Executive Team since 2020

Key Experience

President and CEO, Chair of Metso Executive Team, Metso Corporation, 2018–2020
President and CEO, Finnair Corporation, 2013–2018

Several leading positions, Cargotec Corporation, 2007–2013

Several leading positions, Sandvik AB, 1995–2007

Several leading positions, Tamrock Corporation, 1985–1995

Mine Design Engineer, Outokumpu Corporation, 1982–1985

Key positions of trust:

Vice Chair of the Board: Technology Industries of Finland, 2019–

Member of the Board: Nokian Tyres plc, 2018–

Shareholding on December 31, 2020*

70,900 Metso Outotec shares



Markku Simula

President, Aggregates

Nationality: Finnish

Born: 1966

Education: M.Sc. in Engineering
Member of Metso Outotec Executive Team since 2020

Key Experience

President, Aggregates Equipment business area, Member of Metso Executive Team, 2017–2020

Senior Vice President, Aggregates business line, Metso, 2016–2017

Senior Vice President, Oil and Gas business line, Metso, 2014–2015

President, Flow Control business unit, Metso, 2008–2014

Various international management positions, Metso Automation, Neles Automation, Neles Controls and Neles-Jamesbury, 1991–2008

Key positions of trust:

Member of the Board: Vexve Armatyry Group Oy 2020–

Shareholding on December 31, 2020*

40,474 Metso Outotec shares



Stephan Kirsch

President, Minerals

Nationality: German and Australian

Born: 1962

Education: MSc (Eng) Mining/Minerals Processing
Member of Metso Outotec Executive Team since 2020

Key Experience

President Mining Equipment, Member of Metso Executive Team, 2019–2020

SVP Business and product management, Metso Mining Equipment, 2019

VP Metso Minerals Services, Australia, 2018–2019

CEO, Hofmann Engineering Group, Australia, 2014–2018

Managing Director, ThyssenKrupp Polysius Australia, 2006–2014

Previous managerial positions in KHD Humboldt Wedag, Germany

Key positions of trust:

Member of the Board: West Australian-German Business Association, 2006–

Shareholding on December 31, 2020*

4,150 Metso Outotec shares



Jari Älgars

President, Metals

Nationality: Finnish

Born: 1964

Education: M.Sc. (Econ.)
Member of Metso Outotec Executive Team since 2020

Key Experience

Chief Financial Officer, Member of Outotec Executive Board, Outotec Oyj 2015–2020

President, Andritz Feed & Biofuel A/S 2009–2015

EVP, Division Manager Wood processing, Andritz Oy 2007–2009

EVP, Director, Global Operations, Andritz Oy 2007–2007

CFO, Andritz Oy 2001–2007

VP, Director Projects, Andritz-Ahlstrom Oy 2000–2001

Various positions prior to 2001

Key positions of trust: –

Shareholding on December 31, 2020*

44,401 Metso Outotec shares

* No Metso Outotec shares or share-based rights were held by controlled companies.

**Uffe Hansen**

President, Recycling

Nationality: Danish**Born:** 1969**Education:** Master Sc. B.A.
Member of Metso Outotec Executive Team since 2020**Key Experience**President, Recycling, Member of Metso Executive Team 2018–2020
Senior Vice President, Recycling business line, Metso, 2016–2017
Chief Commercial Officer, Triax A/S, 2013–2016
Vice President, Global Sales and Service, Metso Recycling, 2011–2013
Various management positions, Stibo Group, 1996–2011**Key positions of trust:** –**Shareholding on December 31, 2020***

4,209 Metso Outotec shares

**Markku Teräsvasara**

President, Services; Deputy CEO

Nationality: Finnish**Born:** 1965**Education:** B.Sc. Civil Engineering
Member of Metso Outotec Executive Team since 2020**Key Experience**President and CEO, Chair of Outotec Executive Board, Outotec Oyj, 2016–2020
President, Atlas Copco Mining and Rock Excavation Service Division, 2014–2016
President, Atlas Copco Surface Drilling Equipment Division, 2011–2013
General Manager, Atlas Copco CMT Sweden AB, 2008–2011
Vice President, Marketing Atlas Copco, Surface Drilling Equipment (SDE) division, 2004–2008**Key positions of trust:** –**Shareholding on December 31, 2020***

37,774 Metso Outotec shares

**Sami Takaluoma**

President, Consumables

Nationality: Finnish**Born:** 1973**Education:** M.Sc. in Engineering
Member of Metso Outotec Executive Team since 2020**Key Experience**Member of Metso Executive Team 2018–2020
President, Minerals Consumables business area, Metso, 2017–2020
Vice President, Market area Nordics, Metso, 2014–2017
General Manager, Market Area UK & Ireland, Metso, 2010–2014
Various management positions, Wears Business line, Metso, 2003–2010**Key positions of trust:** –**Shareholding on December 31, 2020***

8,259 Metso Outotec shares

**Eeva Sipilä**

Chief Financial Officer; Deputy CEO

Nationality: Finnish**Born:** 1973**Education:** M.Sc. (Econ.), CEFA
Member of Metso Outotec Executive Team since 2020**Key Experience**Member of Metso Executive Team 2016–2020
CFO and Deputy to the CEO, Metso, 2016–2020
CFO, Cargotec Corporation, 2008–2016
Senior Vice President, Investor Relations and Communications, Cargotec Corporation, 2005–2008
Vice President, Investor Relations, Metso Corporation, 2002–2005
Equity Analyst, Mandatum, Sampo-Leonia and Leonia Bank, 1999–2002**Key positions of trust:**

Member of the Board, 2017–; Chairman of the Audit Committee, 2019– and Vice Chair of the Board, 2020–, Outokumpu Corporation

Shareholding on December 31, 2020*

81,798 Metso Outotec shares

* No Metso Outotec shares or share-based rights were held by controlled companies.



Nina Kiviranta

General Counsel

Nationality: Finnish

Born: 1964

Education: Master of Laws, trained on the bench
Member of Metso Outotec Executive Team since 2020

Key Experience

General Counsel, Member of Outotec Executive Board, Outotec Oyj 2013–2020
Head of Corporate Legal and Chief Compliance Officer, Nokia Networks 2006–2013
General Counsel; Vice President, Legal; Legal Counsel, Metsä Group 1996–2006
Associate, Attorney at Law Ahola, Pentzin, Rantasila & Sokka Oy 1994–1996
Finnish Attorney, Attorneys at Law Smith, Gambrell & Russell Ltd 1992–1994

Key positions of trust:

Member of the Board and Audit Committee 2016–, Finavia Corporation

Shareholding on December 31, 2020*

21,825 Metso Outotec shares



Piia Karhu

Senior Vice President, Business Development

Nationality: Finnish

Born: 1976

Education: Doctor in Business Administration
Member of Metso Outotec Executive Team since 2020

Key Experience

Senior Vice President, Customer Experience and Member of the Executive Board 2016–2020, Finnair
Various leadership positions at Finnair 2013–2016
Management consultant for 12 years

Key positions of trust:

Member of the Board, member of the Audit Committee: Kesko 2018–

Shareholding on December 31, 2020*

675 Metso Outotec shares



Carita Himberg

Senior Vice President, Human Resources

Nationality: Finnish

Born: 1972

Education: M.S. (Tech), MBA
Member of Metso Outotec Executive Team since 2020

Key Experience

SVP, HR, Packaging Materials Division, Stora Enso, 2019–2020
Global HR Director roles, Microsoft, 2014–2019
Global HR Director roles, Nokia, 2008–2014
VP, HR Development, Outokumpu, 2007–2008
HR Director roles, Microsoft, 2004–2007
HR Management roles, Novartis, 1999–2004

Key positions of trust: –

Shareholding on December 31, 2020*

0 Metso Outotec shares

* No Metso Outotec shares or share-based rights were held by controlled companies.

Metso Outotec Corporation

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