

Metso:Outotec

Modern slavery statement 2022



1. CEO's message

Sustainability is a key strategic priority for Metso Outotec. We aim to be a sustainability leader in our industry. We work together with our customers towards the decarbonization of our industries. We support our customers in their climate and other sustainability targets with our Planet Positive offering. We aim to reach net zero in our own operations by 2030.

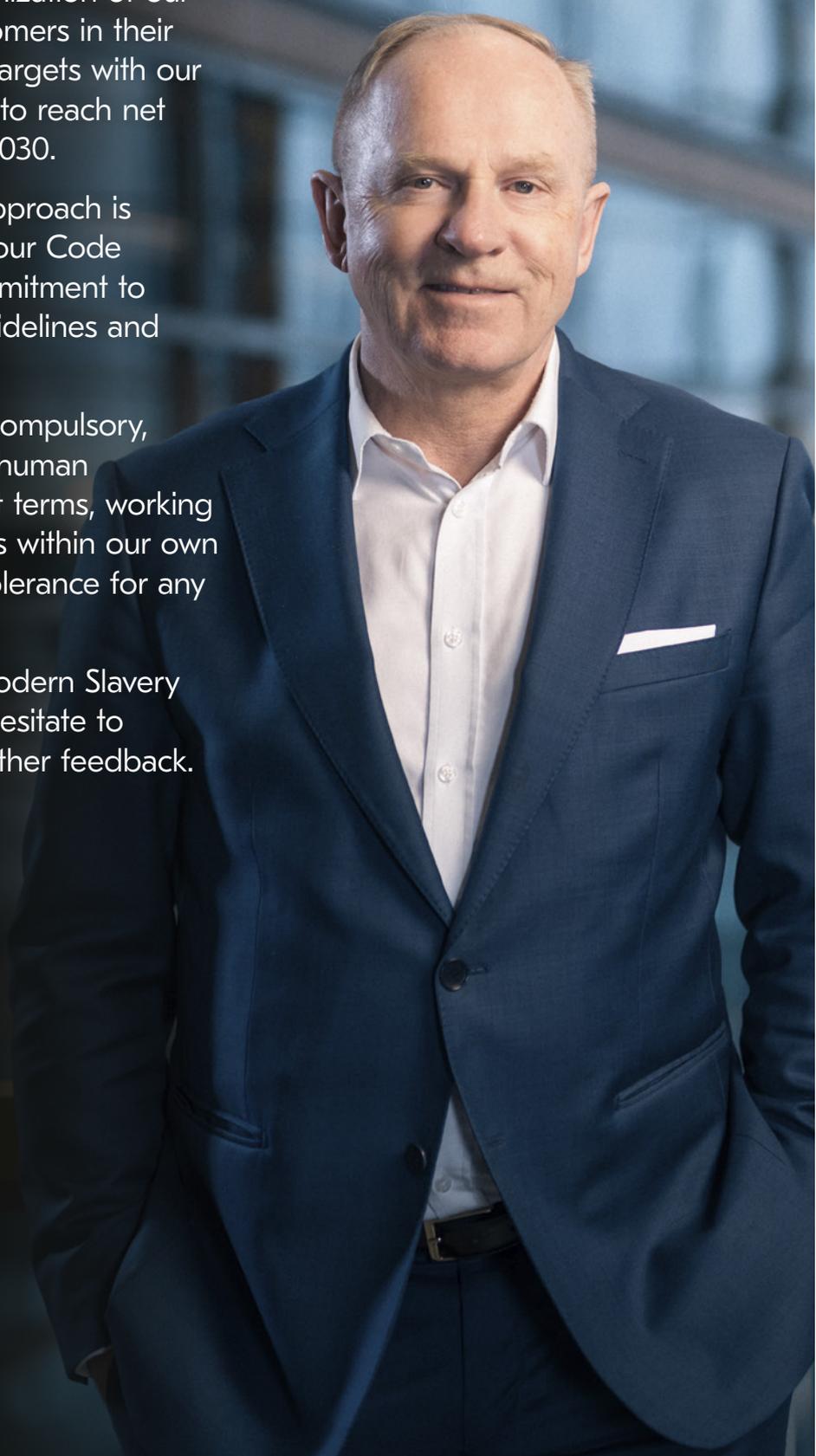
Metso Outotec's sustainability approach is embedded in our strategy and our Code of Conduct, and includes a commitment to selected globally recognized guidelines and disclosure frameworks.

We do not accept any form of compulsory, forced or child labor, slavery or human trafficking, unlawful employment terms, working conditions or environmental risks within our own operations, and we have zero tolerance for any such activity in our supply chain.

We are proud to present our Modern Slavery Statement 2022. Please do not hesitate to contact us with any queries or other feedback.

Helsinki, February 16, 2023

Pekka Vauramo
President and CEO



2. Introduction

Metso Outotec's Modern Slavery Statement is published to reflect the requirements of the Australian Modern Slavery Act 2018, the United Kingdom's Modern Slavery Act 2015 and the Norwegian Transparency Act 2021. This statement covers the period from January 1, 2022, to December 31, 2022.

Metso Outotec Corporation is a publicly listed company with shares traded on the Nasdaq Helsinki. Metso Outotec operates in close to 50 different countries. This statement covers the Metso Outotec entities set out in section 4 of this statement.

Further information on Metso Outotec's business, strategy, offerings and approach to sustainability is available at www.mogroup.com.

Metso Outotec reports its economic, social and environmental performance annually in accordance with the Global Reporting Initiative (GRI) Standards. Our statement of non-financial information includes a description of the business model, as well as risks, key performance indicators, and other details for environmental responsibility, social responsibility and employees, human rights, anti-corruption and bribery, as required by the Finnish Accounting Act. The Annual Report 2022, including the GRI Supplement 2022, will be published in March 2023.

This statement has been approved by the Board of Directors of Metso Outotec Corporation and by the following responsible persons in their roles in the governing bodies Metso Outotec Corporation, Metso Outotec Australia Pty. Ltd, Metso Outotec UK Ltd. and Metso Outotec Norway AS, respectively, on February 16, 2023.

This statement has further been approved and signed as required by the Norwegian Transparency Act.

Pekka Vauramo
CEO
Metso Outotec Corporation

Stuart Sneyd
Director
Metso Outotec Australia Limited

Mathias Noll
Director
Metso Outotec UK Ltd.
Metso Outotec Norway AS

Minna Helppi
Director
Metso Outotec Norway AS

Tomas Strøm
Director, Managing Director
Metso Outotec Norway AS

Highlights of 2022

16,000+

employees

97.8%

employee Code of Conduct
training participation rate

92.7%

direct suppliers by the spend have
signed the Supplier Code of Conduct.

399

new onboarded suppliers
assessed on sustainability

19.6%

suppliers by spend committed
to science-based targets

131

supplier sustainability
audits

3. Summary

The table below summarizes how Metso Outotec approaches the requirements of the Australian Modern Slavery Act 2018, the United Kingdom's Modern Slavery Act 2015 and the Norwegian Transparency Act 2021. Further details are provided in this statement as indicated.

| MODERN SLAVERY ACT 2018 AUSTRALIA | MODERN SLAVERY ACT 2015 UNITED KINGDOM | TRANSPARENCY ACT 2021, NORWAY | METSO OUTOTEC 2022 STATEMENT |
|--|---|---|--|
| ✓ Identify reporting entities | | | ✓ Refer to Section 4 |
| ✓ Describe structure, operations and supply chains | ✓ Describe structure, business and supply chains | ✓ Describe the structure of the enterprise and area of operations | <ul style="list-style-type: none"> ✓ Metso Outotec operates through 5 business areas and in 8 market areas ✓ Metso Outotec has a global base of direct and indirect suppliers ✓ Refer to Sections 4 and 5 |
| ✓ Describe risks of modern slavery in operations and supply chains | ✓ Describe parts of business and supply chains with risk of slavery and human trafficking, and steps to assess and manage risks | ✓ Describe information regarding actual adverse impacts and significant risks of adverse impacts that the enterprise has identified through its due diligence | <ul style="list-style-type: none"> ✓ Metso Outotec acknowledges the risk of modern slavery in its industry and conducts regular risk assessments ✓ Metso Outotec has not identified any modern slavery in its or its suppliers' operations ✓ Refer to Section 6 |
| ✓ Describe actions taken to assess and address such risks, including due diligence and remediation processes | ✓ Describe policies and due diligence processes | <ul style="list-style-type: none"> ✓ Describe guidelines and procedures for handling actual and potential adverse impacts on fundamental human rights and decent working conditions ✓ Describe information regarding measures the enterprise has implemented or plans to implement to cease actual adverse impacts or mitigate significant risks of adverse impacts | <ul style="list-style-type: none"> ✓ Metso Outotec maintains specific policies and conducts specific due diligence measures ✓ Refer to Sections 6, 7 and 8 |
| | ✓ Describe available training | | <ul style="list-style-type: none"> ✓ Metso Outotec provides training to its employees and suppliers ✓ Refer to Section 9 |
| ✓ Describe assessment of effectiveness of actions | ✓ Describe effectiveness against performance indicators considered appropriate | ✓ Describe the results and expected results of these measures. | <ul style="list-style-type: none"> ✓ Metso Outotec regularly reviews its modern slavery approach and transparently reports its goals and achievements ✓ Refer to Section 9 |
| ✓ Describe the consultation process | | | <ul style="list-style-type: none"> ✓ Various functions and executive management have been involved in the preparation of this statement ✓ Refer to Section 10 |
| ✓ Include other information considered relevant | | | <ul style="list-style-type: none"> ✓ Areas of development for 2023 ✓ Refer to Section 11 |

4. Organization

Metso Outotec is a frontrunner in sustainable technologies, end-to-end solutions and services for the aggregates, minerals processing and metals refining industries globally. Metso Outotec employs more than 16,000 employees operating in close to 50 countries.

Metso Outotec, headquartered in Helsinki, Finland operates through three customer segments: Aggregates, Minerals and Metals. It is organizationally divided into five business areas that are accountable for their own performance, and they align with the company strategy through their business-specific initiatives.

In addition, Services provides spare parts, refurbishments and professional services, and Consumables provides a comprehensive offering of wear parts for aggregates, metals and mining processes.

In addition to these business areas, Metso Outotec has eight market areas that are responsible for managing customer relationships, sales and service operations in their own geographical area. The market area organization enables effective local-global cooperation based on clear roles and governance. The market areas are North and Central America, South America, Europe, Africa, Central Asia, Middle East and India, Greater China and Asia Pacific (including Australia). Metso Outotec has been winding down its business operations and customer contracts in Russia since February 2022 and has not taken new orders for deliveries in Russia. The new market area Central Asia has replaced the previous market area Russia and CIS.

Distribution management of the Aggregates business area is run by a separate dedicated distribution management organization that is responsible for developing and managing the distributor channel globally. A considerable share of the sales in the Aggregates business area goes through the global distributor network.

Metso Outotec Corporation's shares are listed on the Nasdaq Helsinki.

This statement covers the following Metso Outotec legal entities in Australia, the United Kingdom and Norway:

Australia

- Metso Outotec Australia Limited
- Brian Investments Pty Ltd
- Outotec Pty Ltd
- Outotec Ausmelt Pty Ltd

United Kingdom

- Metso Outotec UK Ltd
- McCloskey International Ltd
- Metso Outotec Captive Insurance Limited
- Outotec (UK) Ltd
- Outotec (USA) Inc. UK Branch

Norway

- Metso Outotec Norway AS

Aggregates:
Provides crushing and screening equipment for the production of aggregates needed in construction and infrastructure projects

Minerals:
Provides equipment, process islands, and plants for minerals processing and hydrometallurgical solutions for the recovery of metals

Metals:
Provides processing solutions and equipment for metals refining and chemical processes





Approximately 72% of Metso Outotec's spend consisted of purchases from suppliers registered in five countries: Brazil, China, Finland, India and the USA.

5. Supply chain

Suppliers are valuable partners for Metso Outotec. Metso Outotec works closely with its suppliers to ensure a socially, environmentally and economically responsible value chain.

Metso Outotec purchases various materials, goods and services globally, and has a supply base of more than 7,000 direct suppliers (purchases for goods and services offered by Metso Outotec) as well as more than 5,000 indirect suppliers (purchases for the operation of Metso Outotec's business).

Purchases include materials and services for Metso Outotec's own manufacturing operations as well as goods and services for Metso Outotec's project deliveries. Metso Outotec acknowledges that many suppliers themselves rely on their own supply chain.

Metso Outotec's total spend in 2022 was approximately EUR 4.1 billion. We have over 12,000 suppliers in around 80 countries. About 10% of Metso Outotec's spend with direct suppliers in 2022 consisted of purchases from its 10 largest suppliers.

Approximately 72% of Metso Outotec's spend consisted of purchases from suppliers registered in five countries: Brazil, China, Finland, India and the USA; we acknowledge that materials, goods or services may have been sourced from other countries by such suppliers.

The main spend categories in 2022 were components, castings and forgings, metal fabrications, raw materials and equipment and systems.

Metso Outotec is committed to supporting the local communities where we operate through local sourcing, where economically and technically feasible, through training and recruitment of local people, and by supporting local economic development.



Metso Outotec has not identified any modern slavery cases in its own operations and is not aware of any modern slavery cases in its supply chain during 2022.

6. Risk assessment

Risk management is an integral part of Metso Outotec's management system and internal control framework. It aims to assess 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.

Potential risks related to modern slavery and human rights are assessed for Metso Outotec's own operations and project deliveries and for its supply chain. These risks are classified by country based on recognized organizations and publications and by category, with more detailed due diligence required for higher risk segments. Facility and construction site services, raw materials, electronics and labor hire and temporary contract employment have been identified as potential high-risk categories.

Metso Outotec has not identified any modern slavery cases in its own operations and is not aware of any modern slavery cases in its supply chain during 2022. The risk classification system was revised and the supplier onboarding process streamlined to address all suppliers.

Metso Outotec plans to further develop the above risk-classification process in 2023 to define a more supplier-specific due diligence approach.

7. Policies

Metso Outotec's approach to modern slavery is guided by the Metso Outotec Code of Conduct, Human Rights Policy, and Supplier Code of Conduct, as well as by Metso Outotec's commitment to the Ten Principles of the United Nations Global Compact Initiative and the United Nations Guiding Principles on Business and Human Rights.

Metso Outotec does not accept any form of compulsory, forced or child labor, slavery or human trafficking, unlawful employment terms, working conditions or environmental risks within its own operations, and has zero tolerance for any such activity in its supply chain.

The Metso Outotec Human Rights Policy sets out in more detail Metso Outotec's commitment and approach to human rights. The Policy was approved by the Board of Directors in 2022.

Our Supplier Code of Conduct sets the standards that we expect our suppliers to follow. The Supplier Code of Conduct is the starting point for any new or existing supplier relationship and includes a strict requirement to comply with Metso Outotec's approach to modern slavery as set out above.

Metso Outotec plans to further assess its policy framework related to human rights in 2023.

The Metso Outotec Human Rights Policy sets out in more detail Metso Outotec's commitment and approach to human rights.



8. Due diligence

Metso Outotec applies various due diligence and risk identification, avoidance or mitigation measures related to modern slavery, in addition to managing and enforcing the policies set out in section 7 above, through a range of internal controls and Metso Outotec's whistleblower line.

Risk mapping within the existing supplier base enables a focus on suppliers with the highest potential risks in their operations. Supplier sustainability audits are conducted in higher risk countries.

New supplier assessments form part of Metso Outotec's procurement function's ongoing processes, with a target to evaluate all new direct suppliers in high-risk countries against Metso Outotec's sustainability criteria.

Based on supplier assessments of existing and new suppliers, the need for third-party or internal supplier sustainability audits as well as any further actions are defined.

Human and labor rights, environmental and safety practices, compliance with laws and regulations, and anti-bribery are covered by third-party supplier audits, supplier self-assessments, as well as Metso Outotec's internal supplier sustainability audits.

After an audit has been performed, the supplier is provided with the audit findings. The supplier must set an action plan to rectify the findings and report the progress to Metso Outotec, and is further subject to possible re-audits. In 2022, the findings of supplier audits mainly related to improvements in the field of health, safety and environment.

Metso Outotec also conducts compliance assessments of its suppliers and other business partners through third-party screening tools and portals that are linked to Metso Outotec's supplier data management systems. Following such screenings, any specific corrective action plans required are agreed on with the supplier and are followed up within the agreed time schedule; significant aspects that could not be rectified will lead to a potential supplier not being considered by Metso Outotec.

Metso Outotec's general conditions of purchasing include specific compliance requirements, including requirements related to modern slavery, with any breach of such requirements by the supplier entitling Metso Outotec to terminate the relevant contractual relationship with immediate effect.

New supplier assessments form part of Metso Outotec's procurement function's ongoing processes, with a target to evaluate all new direct suppliers in high-risk countries against Metso Outotec's sustainability criteria.



9. Effectiveness assessment

Metso Outotec regularly reviews and constantly aims to improve the effectiveness of its modern slavery approach. Such reviews include the investigation, assessment and actioning of reports and information received through the Metso Outotec whistleblower line, the review and assessment of legislative developments in Australia, the United Kingdom, Norway and other jurisdictions as relates to modern slavery and the performance, assessment and acting on supplier sustainability audits and compliance reviews, depending on the assessment of the risk for specific suppliers and/or countries.

Metso Outotec Code of Conduct training, which includes aspects related to human rights and modern slavery, is carried out every year. Our latest training was launched in early November 2022; by the end of the year, 97.8% of employees had completed the training. The completion rate of the previous year's training was 96.9%. The Code of Conduct is a mandatory part of onboarding for all new employees.

Metso Outotec also offers supplier training related to its supplier sustainability expectations, including on human rights and modern slavery, and organizes regular supplier sustainability days to create awareness and to train its suppliers in the requirements of the Metso Outotec Supplier Code of Conduct.

Metso Outotec is transparent in communicating its approach, goals and actions related to sustainability. Achievements, including performance against key performance indicators, are reported in Metso Outotec's annual reports and extracts are provided on the Metso Outotec website.

In 2022, 131 supplier sustainability audits that included human rights topics were conducted. In addition, an e-learning module highlighting the importance of human rights in conducting business with Metso Outotec was launched for suppliers.

At the end of 2022, 92.7 % of Metso Outotec's direct suppliers by the spend had signed the Metso Outotec Supplier Code of Conduct.

10. Consultation

This statement has been prepared by an internal work group with representatives from various functions, including Legal, Sustainability, Compliance, Risk Management, Procurement and Communications, and with management representatives from the Australian, United Kingdom and Norwegian operations, all under the guidance of the Metso Outotec General Counsel and Chief Financial Officer.

This statement has been approved by the Board of Directors of Metso Outotec Corporation and has been signed by the President and CEO of Metso Outotec Corporation.

11. Looking forward

Sustainability is and will remain a strategic priority for Metso Outotec. Our Planet Positive offering for our customers, and minimizing harmful environmental impacts in our own operations, logistics and supply chain demonstrates our purpose to enable sustainable modern life.

Metso Outotec acknowledges modern slavery as an ongoing challenge for our industry and is committed to reducing and ultimately eliminating such practices. Metso Outotec will continue to further develop and improve its approach to modern slavery in its own operations and in cooperation with our suppliers, as noted in this statement and as otherwise required or considered appropriate by Metso Outotec.

There is a clear trend towards legislating human rights due diligence requirements in various jurisdictions. Metso Outotec will closely follow such developments and will regularly review its due diligence practices and human rights policies and procedures.



