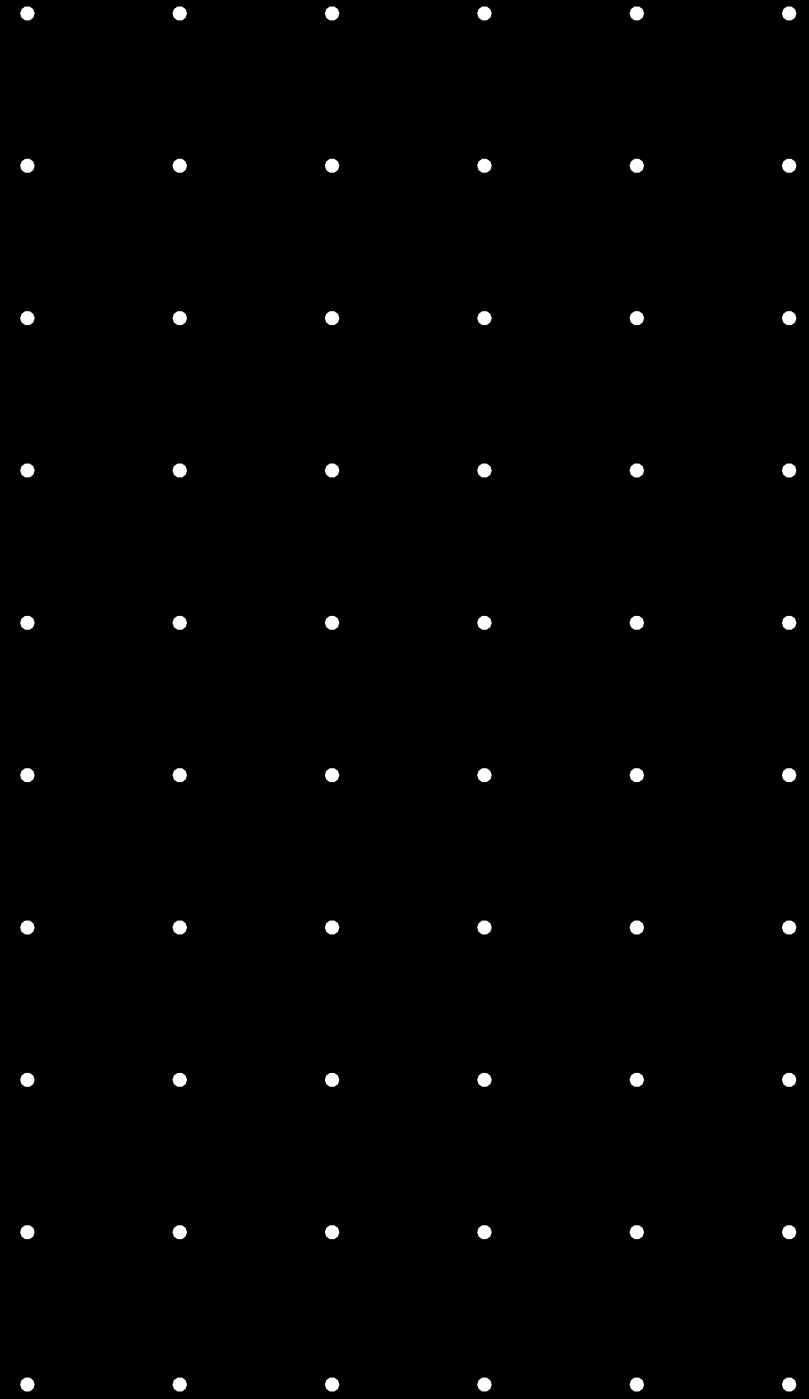


Remuneration report

**We are the partner
for positive change.**

2021



Metso Outotec's Annual report 2021 consists of five sections:
Business overview, Financial review, Corporate governance statement,
Remuneration report and GRI supplement.



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

All Annual report sections are available in English and in Finnish. They are
downloadable on our Annual report website at www.mogroup.com/annualreport.
In this Annual report, we apply integrated reporting elements.

METSO OUTOTEC CHANNELS

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Metso Outotec's Annual report 2021 consists of five sections. This is the Remuneration report, consisting of the Remuneration of the Board of Directors and the CEO.

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Letter from the Chair of the Remuneration and HR Committee



Dear Shareholders,

It is my pleasure to present Metso Outotec's 2021 Remuneration Report on behalf of the Board's Remuneration and HR Committee. This Remuneration Report for the Board of Directors and the President and CEO has been developed in line with the Finnish Corporate Governance Code 2020 issued by the Securities Market Association. The Remuneration Report, together with Remuneration Policy, creates a structure outlining the practices Metso Outotec utilizes in rewarding and illustrates the payments made to the Board of Directors and the President and CEO in 2021.

In 2021, Metso Outotec celebrated the 1-year anniversary of the merger. Through these unprecedented pandemic times, our employees and leaders have shown strong commitment and resilience in ensuring that the integration progresses according to our plans. President and CEO Pekka Vauramo, supported by the Metso Outotec Executive Team, will continue to develop and drive the organization towards our vision of being our customers' number one choice for sustainable use of the earth's natural resources.

Remuneration at Metso Outotec is aligned with the Company's strategy and aims to recognize our employees for excellent performance and a forward-looking growth attitude. Our commitment to be a sustainability leader in our industry continues, and we have been ensuring that our remuneration practices continue to be linked to the achievement of Metso Outotec's long-term sustainability targets. As an example, already starting in 2021 one of the targets in the Company's long-term incentive plan was the reduction of CO₂-equivalent emissions during the plan period. For 2022, the Board of Directors decided to continue this path and incentivize the long-term sales development of our Planet Positive offering. The Planet Positive offering is our way to help our customers with their sustainability targets and needs.

President and CEO Pekka Vauramo's remuneration is aligned with Metso Outotec's Remuneration Policy. Based on recommendation of the Remuneration and HR Committee, the Board is responsible for annually evaluating the President and CEO's remuneration as well as setting and reviewing targets for variable pay programs. The outcome of the 2021 short-term incentives yielded a result of 94% of the CEO's fixed annual salary (max. 100%). The first installment of the President and CEO's Matching Share Plan, introduced at Metso Corporation in 2018, was paid in 2021 upon reaching the set criterion level for adjusted EBITA. Participation in the Matching Share Plan required an initial investment from Pekka Vauramo into Company shares.

Metso Outotec continues to ensure that remuneration practices are linked to employee and Company performance and that the remuneration levels are aligned with market practices. I welcome any feedback or comments on Metso Outotec's 2021 Remuneration Report.

Antti Mäkinen
Chair of the Remuneration and HR Committee



**Our
commitment
to be a
sustainability
leader
continues**



Introduction

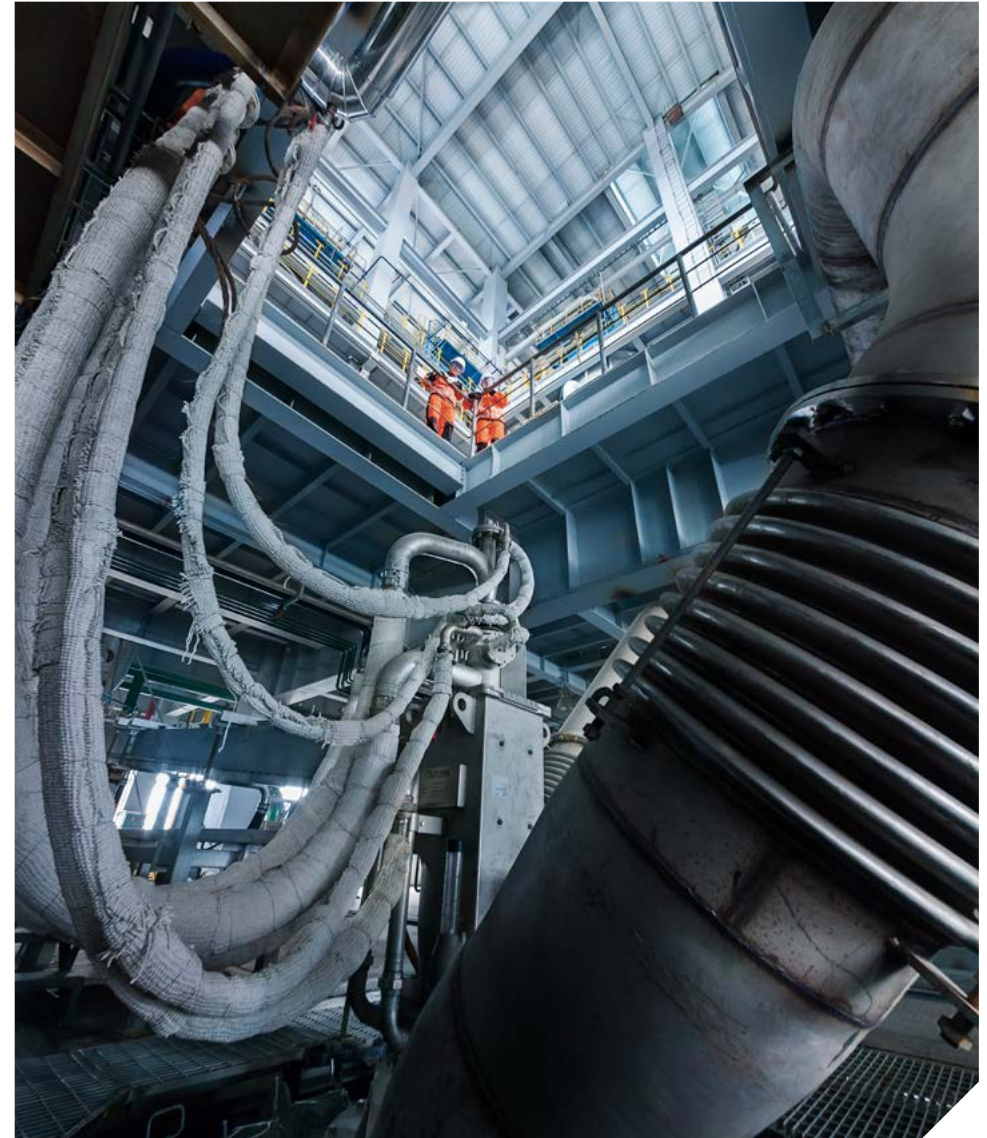
The Remuneration and HR Committee of Metso Outotec's Board of Directors has prepared this report in accordance with the requirements set forth by the amended EU Shareholders' Rights Directive and the Finnish Corporate Governance Code 2020. Reporting and remuneration practices are based on the Remuneration Policy presented at the 2020 Annual General Meeting (AGM). This Remuneration Report will be presented at Metso Outotec's 2022 AGM and the resolution on the matter will be advisory.

Metso Outotec's Remuneration and HR Committee regularly reviews the Remuneration Policy to ensure alignment with market practices, the Company strategy, and the long-term aspiration of the Company. The policy is valid for four years from its approval, with the next advisory resolution to be at the 2024 AGM. If any substantial changes are proposed to the Remuneration Policy, the Board of Directors may decide to bring the revised policy for AGM advisory resolution earlier.

The Remuneration Report presents the terms of the payments made during 2021 and illustrates the alignment of the remuneration with Company performance and strategy. The 2020 Remuneration Report was presented on April 23, 2021, at the Metso Outotec AGM and received support of the shareholders in the advisory resolution.

For 2021, the President and CEO's short-term incentive metrics were adjusted EBITA, sales, and achievement of integration activities. The metrics for the long-term incentive plan commencing in 2021 (PSP 2021–2023) were absolute total shareholder return (TSR), earnings per share (EPS), and reduction of CO₂-equivalent emissions of own operations (ESG). The set ESG metric supports the Company commitment to the 1.5-degree journey in line with the Paris Agreement.

The remuneration of the Board of Directors in 2021 consisted of a fixed annual fee based on Board role and meeting fees. The fixed annual fee was paid partly in Metso Outotec shares and partly in cash.



Remuneration and Company performance

Metso Outotec's aim in remuneration is to create a clear link between Company performance and paid variable pay. This is achieved by utilizing key performance indicators and ensuring that targets are set on levels that support the achievement of Company strategy and financial targets. The main operational performance indicators at Metso Outotec are sales, adjusted EBITA and orders received. These indicators are also reported as part of Company's quarterly and annual reviews.

The remuneration of the Board of Directors is decided by the Annual General Meeting (AGM) based on the proposal by the Shareholders' Nomination Board. The Board of Director's remuneration for the 2021–2022 period was approved by the 2021 AGM, and the remuneration consists of a fixed annual fee based on the role in the Board (e.g. Chair or committee member) and additional compensation for participation in Board and committee meetings. At Metso Outotec, the fixed fee is used partly to purchase Company shares for the Board member and partly to compensate in cash. The members of the Board of Directors are not entitled to participate in the Company's variable pay programs.

The compensation of the President and CEO is decided by the Board based on the evaluation and proposal by the Board's Remuneration and HR Committee and guided by the Company's Remuneration Policy. The short-term incentive payments made in 2021 to the President and CEO were based on 2020 performance, which consists of the January–June period from Metso Corporation and the July–December period from Metso Outotec Corporation. The total compensation of the President and CEO generally includes base salary, benefits, supplementary pension, and short- and long-term incentives paid during the evaluation period.

The merger of Metso Corporation's Minerals business and Outotec Corporation took effect on July 1, 2020. Therefore, there is no comparable and meaningful prior history on business performance or a remuneration comparison. Average compensation is calculated from the financial reporting system and does not include other indirect employment costs.

Average compensation (in KEUR)	2021	2020 ¹⁾
Members of the Board	81	100
President and CEO	2,749	956
Average employee in Finland ²⁾	83	78
Average employee globally ²⁾	54	57

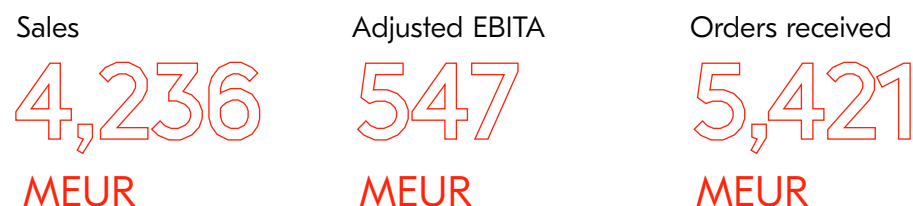
¹⁾ Average compensation for 2020 is illustrative from Outotec Corporation for January–June and from Metso Outotec Corporation for July–December

²⁾ Average personnel expenses excluding indirect employee costs divided by the average number of personnel during the evaluation period

Key Performance Indicators for Metso Outotec

(MEUR)	2021	2020 ¹⁾
Sales	4,236	3,897
Adjusted EBITA	547	448
Orders received	5,421	4,150

¹⁾ Performance indicators for 2020 are based on IFRS for July–December 2020 and illustrative combined for January–June 2020



Summary of the Remuneration Policy

The Remuneration Policy, adopted at the 2020 Annual General Meeting, outlines a remuneration structure for the members of the Board of Directors and for the President and CEO. Remuneration of the Board of Directors is decided by the Annual General Meeting based on the proposal by the Shareholders' Nomination Committee, and the President and CEO's remuneration is decided by the Board based on the proposal by the Remuneration and HR Committee.

Key remuneration elements for the President and CEO from Remuneration Policy:

Remuneration element <i>Purpose and link to long-term strategy</i>	Key features of the policy
Fixed salary <i>To recruit and retain key talent</i>	Fixed salary is typically reviewed annually. The Board may consider various factors when determining fixed salary changes, including the level of salary increases for the Company's employees globally, external market benchmark data, business performance, scope of role, and individual performance.
Short-term incentives (STI) <i>To reward and encourage achievement of the Company's performance</i>	Performance measures, weightings, and targets for the selected measures are set annually by the Board to ensure they continue to support the Company's short-term business strategy. These can vary from year to year to reflect business priorities and typically include a set of the Group's financial performance measures (for example, profitability and growth) and non-financial measures (for example, key operational, strategic, environmental, social, governance, or other sustainability related measures). Following the end of the year, the Board reviews the performance and evaluates the extent to which each of the targets has been achieved in order to determine the final pay-out level.
Long-term incentives (LTI) <i>To commit and reward for targets supporting the Company's long-term strategy and to offer a competitive, ownership-based reward scheme</i>	Performance measures, weightings, and targets for the selected measures, for each annually commencing plan, are set by the Board of Directors to ensure they continue to support the Company's long-term strategy. Following the end of the performance period, the Board of Directors reviews the performance and evaluates the extent to which each of the targets has been achieved in order to determine the final pay-out level.
Pension <i>To provide a retirement benefit in line with the prevailing market practice</i>	The President and CEO may participate in a supplementary pension program.
Other benefits and programs <i>To provide a competitive level of benefits</i>	Benefits are aligned with the prevailing market practice and may evolve year on year. Other benefits may include but are not limited to phone, company car, health insurance, private accident, life and disability insurance, business travel, and director's and officers' liability insurance. The President and CEO is eligible to participate in programs that may be offered to the Company's other employees at any given point.
Shareholding recommendation	The President and CEO is required to own Company shares either by retaining the shares earned as long-term incentive awards or by acquiring shares as determined by the Board at its discretion.

Remuneration of the Board of Directors

The Annual General Meeting decides on the remuneration to the members of the Board, based on the proposal of the Shareholders' Nomination Board, for one term of office at a time until the closure of the next Annual General Meeting.

The 2021 AGM resolved that the members of the Board of Directors will be paid as follows (in EUR)

	2021
Chair	150,000
Vice Chair	80,000
Other members	65,000
Committee membership (additional fee)	
Chair of the Audit Committee	23,000
Member of the Audit Committee	10,000
Chair of the Remuneration and HR Committee	12,000
Member of the Remuneration and HR Committee	5,000
Meeting fees (including Committee meetings)	
Member residing in Nordic countries	900
Member residing in other European countries	1,800
Member residing outside Europe	2,700

As a condition for the annual remuneration, the Board members are obliged, directly based on the AGM's decision, to use 20 or 40 percent of their annual fixed fee for the purchase of Metso Outotec shares from the market at a price formed in public trading; the purchase must be carried out within two weeks from the April 23, 2021, publication of the interim report for January 1 – March 31, 2021.

Details of Board and Committee memberships and meeting participation is reported in Metso Outotec's Corporate Governance Statement.

Metso Outotec Board of Directors' compensation 2021 (in EUR)

Board member	Fixed annual fee ¹⁾	Number of shares acquired ²⁾	Meeting fees	Total
Kari Stadigh, Chair	155,000	6,036	27,000	182,000
Klaus Cawén, Vice Chair	90,000	3,504	17,100	107,100
Christer Gardell	70,000	2,725	14,400	84,400
Antti Mäkinen	77,000	2,998	16,200	93,200
Ian W. Pearce	75,000	2,920	43,200	118,200
Emanuela Speranza	75,000	1,460	28,800	103,800
Arja Talma	88,000	3,426	17,100	105,100
Mikael Lilius ³⁾	–	–	2,700	2,700
Matti Alahuhta ⁴⁾	–	–	2,700	2,700
Hanne de Mora ⁵⁾	–	–	7,200	7,200
Total	630,000	23,069	176,400	806,400

¹⁾ Annual fixed fee paid partly in cash, partly in shares

²⁾ Part of the annual fixed fee was used to purchase Metso Outotec shares on behalf of the Board member

³⁾ Chair of the Board during January 1 – April 23, 2021

⁴⁾ Vice Chair of the Board during January 1 – April 23, 2021

⁵⁾ Board member during January 1 – April 23, 2021

Remuneration of the President and CEO

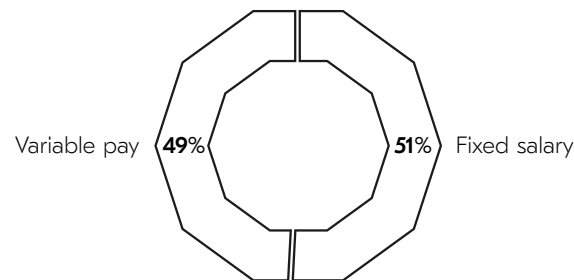
Metso Outotec's Board of Directors decides on the remuneration of the President and CEO based on the proposal by the Board's Remuneration and HR Committee. The available remuneration elements are defined in the Company's Remuneration Policy and aligned with market practices. During 2021, Metso Outotec did not exercise any rights to reclaim or cancel any paid or unpaid incentives of the President and CEO.

During 2021, the President and CEO was paid an STI payment for performance in 2020 and an LTI payment from the Matching Share Plan. In addition, as reported already in the 2020 Remuneration Report, an exceptional one-time payment related to Metso Outotec integration was made to the President and CEO in February 2021. The supplementary pension is a defined contribution plan with a 25% contribution of the President and CEO's fixed annual salary.

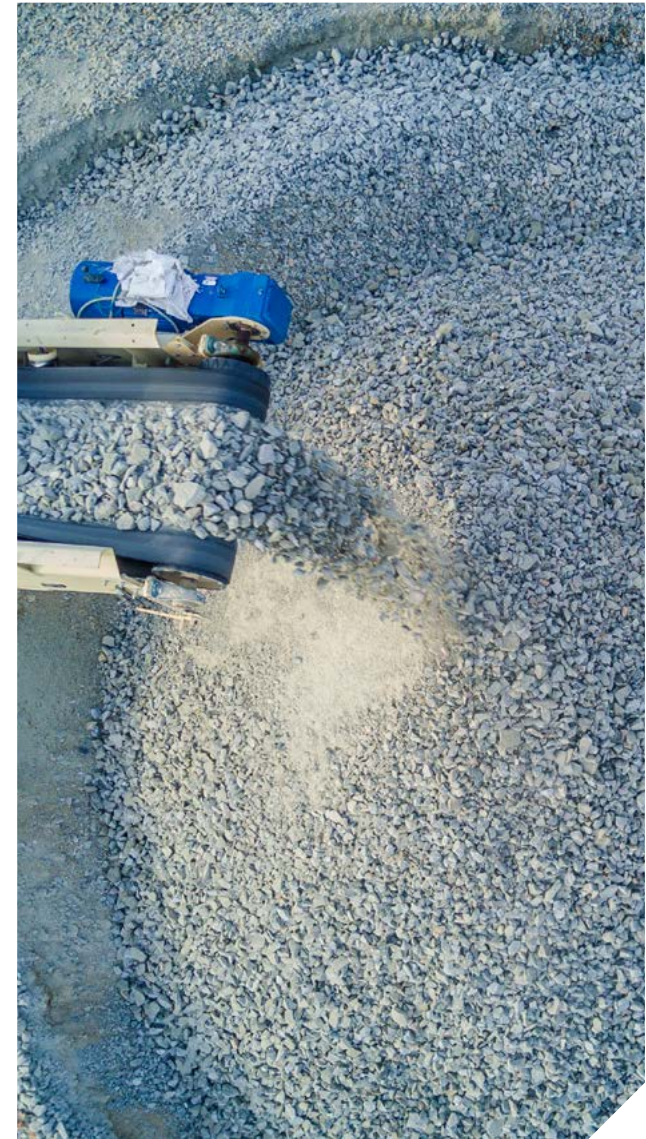
President and CEO's compensation in 2021 (in EUR)

Pekka Vauramo	2021
Fixed annual salary (including fringe benefits)	844,654
STI (from 2020 performance period)	519,255
LTI (CEO's Matching Share Plan installment 1)	349,387
One-time payment	825,000
Supplementary Pension	210,500
Total compensation	2,748,796

Fixed and variable pay for the President and CEO in 2021



Variable pay includes STI and LTI payments (supplementary pension contributions or one-time payments excluded)



Our Remuneration policy guides CEO remuneration decisions



Short-term incentives (STI)

The President and CEO's short-term variable pay programs, including the terms and conditions for these plans, are determined by Metso Outotec's Board of Directors. The Board annually sets and evaluates targets for the President and CEO. Based on the Company's Remuneration Policy, the maximum STI reward is limited to 100% of the fixed annual salary.

STI performance period 2020 (paid in 2021)

The STI payment made in 2021 was based on performance and targets from 2020, which was an exceptional year of the merger between Metso Corporation's Minerals business and Outotec Corporation. Therefore, President and CEO Pekka Vauramo's bonus achievement was based on two periods. The maximum STI earning for STI 2020 was defined as 100% of the fixed salary, and the earned payment amounted to 63% of fixed annual salary. The STI was paid in accordance with Company practices in March 2020.

Performance metrics for period January – June 2020	Weight	Result
Metso Group Orders received Q1/2020	20%	Above target level
Metso Minerals Orders received Q2/2020	20%	Below target level
Metso Minerals Adjusted EBITA H1/2020	40%	Below target level
Metso Minerals Free cash flow H1/2020	20%	Reached maximum level

Performance metrics for period July – December 2020	Weight	Result
Metso Outotec Orders received H2/2020	30%	Below target level
Metso Outotec Adjusted EBITA H2/2020	30%	Below threshold level
Metso Outotec Integration initiatives H2/2020	40%	Reached maximum level

STI Performance period 2021 (payable in 2022)

The STI payment to be made in 2022 is based on performance and targets from 2021. The targets were set for the full year, and the Board defined the maximum STI earning for 2021 to be 100% of the fixed annual salary. The Board evaluated the President and CEO's performance against the target set, and the earned 2021 STI payment is 94% of the fixed annual salary and is payable in April 2022 as per Company practices.

Performance metrics for 2021	Weight	Result
Metso Outotec Adjusted EBITA	40%	Above target level
Metso Outotec Sales	20%	Reached maximum level
Metso Outotec Integration initiatives	40%	Reached maximum level



Long-term incentives

The Board decides on and implements Metso Outotec's long-term incentive plans and the earning opportunity for the President and CEO. The purpose of these plans is to align the interests of the President and CEO and shareholders in driving the Company's long-term performance and success.

The Company applies a share ownership recommendation policy for the President and CEO. In accordance with this policy, at least 50 percent of the share rewards (net shares after deduction of the applicable payroll tax) received under the performance-based share plans shall be retained until the share ownership is equal to the annual fixed salary.

President and CEO Vauramo is eligible to participate in Metso Outotec's Performance Share Plan for the 2020–2022, 2021–2023, and 2022–2024 plan periods. Vauramo is also eligible to participate in LTI plans which started at Metso Corporation: Metso Performance Share Plan 2018–2020 and 2019–2021 and a Matching Share Plan.

Plan	Payout year	Performance metrics	Weight	Result
PSP 2018–2020	2021	Total shareholder return (TSR)	100%	No payout
PSP 2019–2021	2022	Total shareholder return (TSR)	100%	Above target level
PSP 2020–2022	2023	Total shareholder return (TSR)	50%	
		Synergy improvements	50%	
PSP 2021–2023	2024	Total shareholder return (TSR)	50%	
		Earnings per share (EPS)	40%	
		ESG: CO ₂ equivalent emission improvement	10%	
PSP 2022–2024	2025	Total shareholder return (TSR)	40%	
		Earnings per share (EPS)	40%	
		ESG: Sales growth of Planet Positive offering	20%	
Matching Share Plan	2021: Installment 1	Adjusted EBITA	100%	Criterion was met
	2022: Installment 2	Adjusted EBITA	100%	
	2022: Installment 3	Adjusted EBITA	100%	

2018	2019	2020	2021	2022	2023	2024
	PSP 2018–2020		No payout			
	PSP 2019–2021			Above target level		
	PSP 2020–2022					
	PSP 2021–2023					
	PSP 2022–2024					
	Matching Share Plan	Installment 1 Criterion was met	Installment 2 Installment 3			

Metso Performance Share Plans 2018–2020 and 2019–2021

On June 10, 2020, Metso announced that Metso’s Board of Directors resolved on the performance measurement of the Metso Performance Share Plans due to the merger of Metso Corporation’s Minerals business and Outotec Corporation.

The 2018–2020 plan, payable in 2021, did not yield any result and no payout will be made.

The 2019–2021 plan’s total shareholder return target was achieved above target level which results in 244,369 gross shares for the President and CEO. The possible reward is payable in 2022 in alignment with the terms of the plan.

Performance Share Plan 2020–2022

PSP 2020–2022 commenced in 2020 and the potential share rewards will be paid in 2023, provided that the plan’s performance targets set by the Board of Directors are achieved.

The President and CEO may earn a maximum of 330,700 gross shares (target 50% of maximum) based on achievement of two targets, including total shareholder return, to reward for the positive development of Company’s share price and successful completion of the merger’s synergy improvements during the plan period.

Performance Share Plan 2021–2023

PSP 2021–2023 commenced in 2021 and the potential share rewards will be paid in 2024, provided that the plan’s performance targets set by the Board of Directors are achieved.

The President and CEO may earn a maximum of 280,700 gross shares (target 50% of maximum) based on achievement of three targets supporting Company performance and strategic targets. In addition to total shareholder return and EPS, an ESG metric was set to reward for the Company’s CO₂-equivalent emissions improvement in our own operations. This metric supports Metso Outotec’s commitment to the 1.5 degree journey.

Performance Share Plan 2022–2024

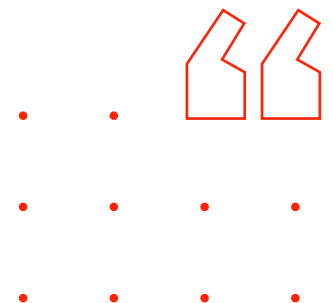
PSP 2022–2024 commenced in 2022 and the potential share rewards will be paid in 2025, provided that the performance targets set for the plan by the Board of Directors are achieved.

The President and CEO may earn a maximum of 177,000 gross shares (target 50% of maximum) based on achievement of three targets supporting Company performance and strategic targets. These targets include total shareholder return (TSR), earnings per share (EPS), and development in sustainability, which is linked to sales growth of the Company’s Planet Positive products. Metso Outotec’s Planet Positive product portfolio consists of products and technologies which have the most significant impact on customers’ targets related to the reduction of emissions or the improvement of energy and water efficiency.

CEO’s Matching Share Plan

The President and CEO is entitled to participate in a Matching Share Plan, which requires a personal investment into Company shares. According to the terms of the Matching Share Plan, the President and CEO is entitled to receive a total of 117,075 gross Metso Outotec shares in three equal installments of 39,025 shares. Each installment is subject to achievement of the performance criterion measured as adjusted EBITA.

The first installment was paid in February 2021 as the performance criterion was met. The second and third installments are payable in 2022, subject to the achievement of the set targets.



Share ownership policy is applied to the President and CEO

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