

Metso:Outotec

Modern slavery statement 2021



1. CEO's message

Sustainability is one of Metso Outotec's key strategic priorities. Planet Positive is our all-encompassing approach to sustainability covering the environmental, social and financial aspects of sustainability. Planet Positive efforts reinforce our purpose to enable sustainable modern life.

We aim to be a sustainability leader in our industry. Sustainability at Metso Outotec is founded on our strategy, our Code of Conduct, as well as on selected globally acknowledged guidelines and principles.

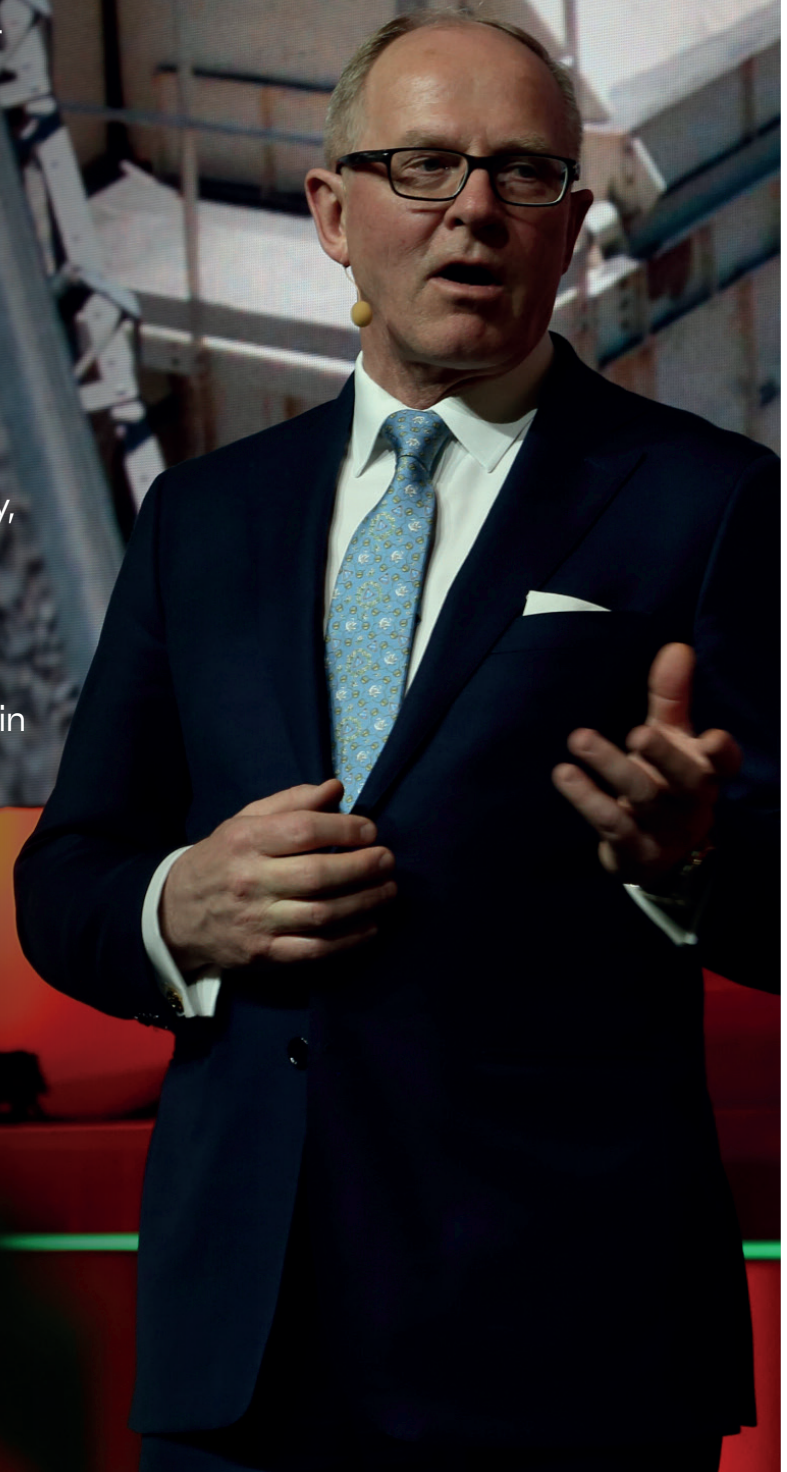
We were once again included on the 2022 Global 100 list of the world's most sustainable companies.

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 maintain zero tolerance for any such activity in our supply chain.

We are proud to present our Modern Slavery Statement 2021. Please do not hesitate to contact us with any queries or other feedback.

Helsinki, February 9, 2022

Pekka Vauramo
President and CEO



2. Introduction

This statement is published to reflect the requirements of the Australian Modern Slavery Act 2018 (Cth) and the United Kingdom's Modern Slavery Act 2015. This statement covers the period from January 1, 2021 to December 31, 2021.

Metso Outotec was created through the combination of Metso Corporation's minerals business and Outotec Oyj on June 30, 2020. Metso Outotec Corporation's shares are listed on the Nasdaq Helsinki. 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 also reports its economic, social and environmental performance annually in accordance with the Global Reporting Initiative (GRI) Standards: Core option and statement of non-financial information including 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 2021, including the GRI Supplement 2021, will be published in March, 2022.

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, and Metso Outotec UK Ltd. respectively, on February 9, 2022.

Pekka Vauramo
CEO
Metso Outotec Corporation

Stuart Sneyd
Director
Metso Outotec Australia Limited

Mathias Noll
Director
Metso Outotec UK Ltd.



3. Summary

The table below summarizes how Metso Outotec approaches the requirements of the Australian Modern Slavery Act 2018 (Cth) and the United Kingdom's Modern Slavery Act 2015 with further details provided in this statement as indicated.

MODERN SLAVERY ACT 2018 (CTH) AUSTRALIA	MODERN SLAVERY ACT 2015 UNITED KINGDOM	METSO OUTOTEC 2021 STATEMENT
✓ Identify reporting entities		✓ Refer to Section 4
✓ Describe structure, operations and supply chains	✓ Describe structure, business and supply chains	<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	<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"> ✓ Metso Outotec maintains specific policies and conducts specific due diligence measures ✓ Refer to Sections 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	<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"> ✓ Various areas of development and improvement are being targeted for 2022 ✓ 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 15,000+ employees operating out of 50+ countries.

Metso Outotec, headquartered in Helsinki, Finland, operates through five business areas that are accountable for their own performance in terms of orders and sales, operating profit, and cost of capital, and they contribute to the company strategy through their business-specific initiatives.

- Aggregates: provides crushing and screening equipment for the production of aggregates
- Minerals: provides equipment and full plant solutions for minerals processing, covering comminution, separation and pumps
- Metals: provides processing solutions and equipment for metals refining and chemical processes
- Services: provides spare parts, refurbishments, and professional services for mining, metals, and aggregates customers
- Consumables: provides a comprehensive offering of wear parts for mining, metals and aggregates processes

In addition to the business areas, Metso Outotec has eight market areas that are responsible for managing customer relationships, sales and service operations in their own geographical area. Additionally, the market area organization enables effective local-global co-operation based on clear interfaces, roles and governance. The market areas are North and Central America, South America, Europe, Africa, Russia and CIS, Middle East and India, Greater China and Asia Pacific (including Australia).

The 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.

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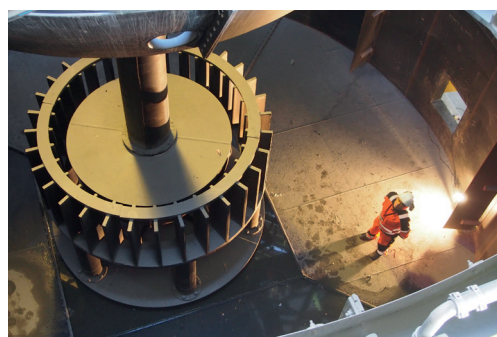
This statement covers the following Metso Outotec legal entities in Australia and the United Kingdom:

Australia

Metso Outotec Australia Limited
Brian Investments Pty Ltd
Outotec Pty Ltd
Outotec Ausmelt Pty Ltd
Scanalyse Pty Ltd
Scanalyse Holdings Pty Ltd

United Kingdom

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





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 6,000 direct suppliers (purchases for goods and services offered by Metso Outotec) as well as more than 7,000 indirect suppliers (purchases for the operation of Metso Outotec's business).

Purchases include materials and services for Metso Outotec's manufacturing, 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 2021 was approximately 2.6 billion EUR. About 8% of Metso Outotec's spend with direct suppliers in 2021 was purchased from the 10 largest suppliers of Metso Outotec.

Approximately 24% of Metso Outotec's spend was purchased from suppliers registered in five countries, acknowledging that materials, goods or services may have been sourced from other countries by such suppliers.

The main spend categories in 2021 were components, castings and forgings, metal fabrications, raw materials and equipment and systems.

Metso Outotec is committed to supporting 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.



6. Risk assessment

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.

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 (with more detailed due diligence required for higher risk segments) and by category (with facility and construction site services, raw materials, electronics and labor hire and temporary contract employment 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 2021. Metso Outotec plans to further detail the above risk-classification process in 2022 to determine a more specific due diligence approach.

7. Policies

Metso Outotec's approach on modern slavery is mainly guided by the Metso Outotec Code of Conduct, as well as 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 it has zero tolerance for any such activity in its supply chain.

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

Metso Outotec plans to further refine the policy framework related to human rights in 2022.



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, through a range of internal controls and Metso Outotec's whistleblower line, the policies set out in section 7 above.

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

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, corrective action plans are agreed upon and suppliers are asked to provide Metso Outotec with evidence that these actions have been implemented; the suppliers are subject to possible re-audits.

Metso Outotec 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. Specific corrective action plans in agreement with the supplier are prepared following such screenings as required and are followed up within the agreed time schedule; significant aspects that could not be rectified may 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.





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 and other jurisdictions as relates to modern slavery and the performance, assessment, and actioning of supplier sustainability audits and compliance reviews, depending on the assessment of the risk for specific suppliers and/or countries.

Metso Outotec requires its employees to complete annual Code of Conduct training that includes aspects related to human rights and modern slavery. The training includes an evaluation/test that is required to be completed successfully.

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 are reported in Metso Outotec's annual reports and extracted, including performance against specific performance indicators, on the Metso Outotec website.

In 2021, 96.9% of Metso Outotec's employees completed the Metso Outotec Code of Conduct training.

In 2021, 152 supplier sustainability audits that included human rights topics were conducted. In addition, an e-learning highlighting the importance of human rights in conducting business with Metso Outotec was launched for suppliers.

As of the end of the reporting period, 71% of Metso Outotec's suppliers 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, Communications and management representatives from the Australian and United Kingdom operations, all under the guidance of the Metso Outotec General Counsel and Senior Vice President, Business Development.

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 will remain one of Metso Outotec's key strategic priorities, with our Planet Positive efforts demonstrating 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 eventually eliminating such practices. Metso Outotec will continue to further develop and improve its approach on modern slavery in its own operations and in co-operation with our suppliers, as noted in this statement and as otherwise required or considered appropriate by Metso Outotec.

There has been a clear trend in recent years towards further jurisdictions legislating human rights due diligence requirements. Metso Outotec will closely follow such developments and will regularly review its due diligence practices and human rights policies and procedures, including its modern slavery reporting practice.



