

Metso Outotec Oyj  
ANNUAL MEETING OF SHAREHOLDERS  
**3<sup>RD</sup> MAY 2023**  
QUESTIONS FROM DWS INVESTMENT GMBH

Dear Mr Kari Stadigh,  
Dear members of the board,

DWS Investment GmbH (DWS) is one of the largest asset managers in Europe. As a responsible investor in Metso Outotec, it is part of our fiduciary duty to express our expectations in the best interest of our clients. Our commitment to environmental, social and governance practices (ESG) is a crucial element of our responsibilities and forms an integral part of our investment process.

Ahead of your 2023 annual general meeting of shareholders (AGM), we would like to share our questions with you. We would greatly appreciate your answers in written form. Please note that we will also share our questions on our website ([www.dws.com](http://www.dws.com)) on the day of your AGM. Thank you for your consideration.

### **Independence of the Remuneration Committee**

Qualified, experienced and independent directors are essential for competent and efficient decision making processes at board and committee level. Having a majority of independent members serving on the board's committees as well as independent committee chairpersons is important for us to ensure challenging Board discussions.

According to the AGM notice, Mr Mäkinen and Mr Gardell, who are presently Chair and member of the Remuneration Committee respectively, will not be seeking re-election, therefore, the Board would want to fill these positions.

Our Corporate Governance and Proxy Voting Policy requires that a remuneration committee must have majority of independent directors and also an independent chairperson.

**QUESTION 1: Will you consider appointing an independent director as the Chairperson of the Remuneration Committee?**

**QUESTION 2: Will you also ensure that the Remuneration Committee continues to have a majority of independent directors in future?**

### **Overboarding**

In our opinion, directors should not hold excessive number of mandates. Directors must ensure that they have sufficient time and capacities to fulfill their board commitments. DWS considers directors overboarded in case they hold more than five external non-executive mandates. Further, due to their extended responsibilities, DWS attributes an additional mandate to members assuming the chair position of the board or the chair position of the audit committee. In principle, internal board seats are counted as one as long as they are clearly indicated as such.

In this regard, we noticed that Ms Arja Talma is currently overboarded, according to our Corporate Governance and Proxy Voting Policy.

**QUESTION 3: Are there any plans for the above-mentioned director to reduce her mandates to our expected level by the next AGM?**

### **Gender Diversity**

We expect our Investee Companies to incorporate gender diversity into their composition and refreshment processes and to adhere to national best practice stipulations on gender representation. We require boards to have at least 40% women directors at board level. We expect boards to enhance their diversity by taking intentional actions to expand the pool of women and minority candidates, including reaching out to a broader set of professional networks and considering candidates with a variety of skills, racial/ethnic backgrounds, and experiences.

**QUESTION 4: Would you consider increasing the gender diversity within the Board to 40%?**

### **Transparent KPI disclosures (LTIP)**

Executive pay is one of the most important aspects of good corporate governance as it is one of the signals for a well-operated and supervised business. DWS's expectation is that the board ensures full transparency, clear and plausible key performance indicators (KPIs) for investors, the structure of the incentives encourages the achievement of corporate financial, social and environmental objectives and the amount ultimately granted is in line with performance. With regard to sustainability, DWS expects investee companies to not only integrate material ESG/ non-financial factors into their daily business and strategy, rather also to establish and disclose a clear link between their stated ESG/non-financial targets and their remuneration systems.

In this regard, we still see room for improvement because the remuneration report does not disclose objective performance targets, achievement and outcome under the LTIP.

**QUESTION 5: Can we expect enhanced disclosures on the LTIP especially related to advance disclosure of the KPI targets?**

### **Separate Resolution for each Directors' Re-election & discharge**

Seeking re-election & discharge approval through a resolution on a block basis takes away the opportunity from shareholders to consider each director's candidature individually and take an informed decision. Further, concern against any one director results in a negative vote for the entire board, due to absence of separate proposals. Our Corporate Governance and Proxy Voting Policy does not support proposal where elections of directors are carried out on a block basis and the qualification or suitability of at least one of the candidates is called into question.

**QUESTION 6: Will you consider proposing separate resolutions for each directors' re-election & discharge at the subsequent AGMs?**

To conclude, we would like to thank all members of the Board and all the employees of Metso Outotec on their commitment and dedication.

Thank you in advance for your answers.