

The background of the cover features a close-up photograph of dark, reddish-brown mineral ore pieces, likely iron ore, resting on a metallic surface. A diagonal white line starts from the top right corner and extends towards the bottom left, partially obscuring the image. The Metso logo is positioned in the top left corner, and the report title is on the bottom left.

Metso

2024

REMUNERATION REPORT

# Metso's Annual report 2024 consists of four sections.

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## Business overview

Metso in brief and our strategy



## Financial review

Board of director's report including externally assured sustainability statement, financial statements and investor information



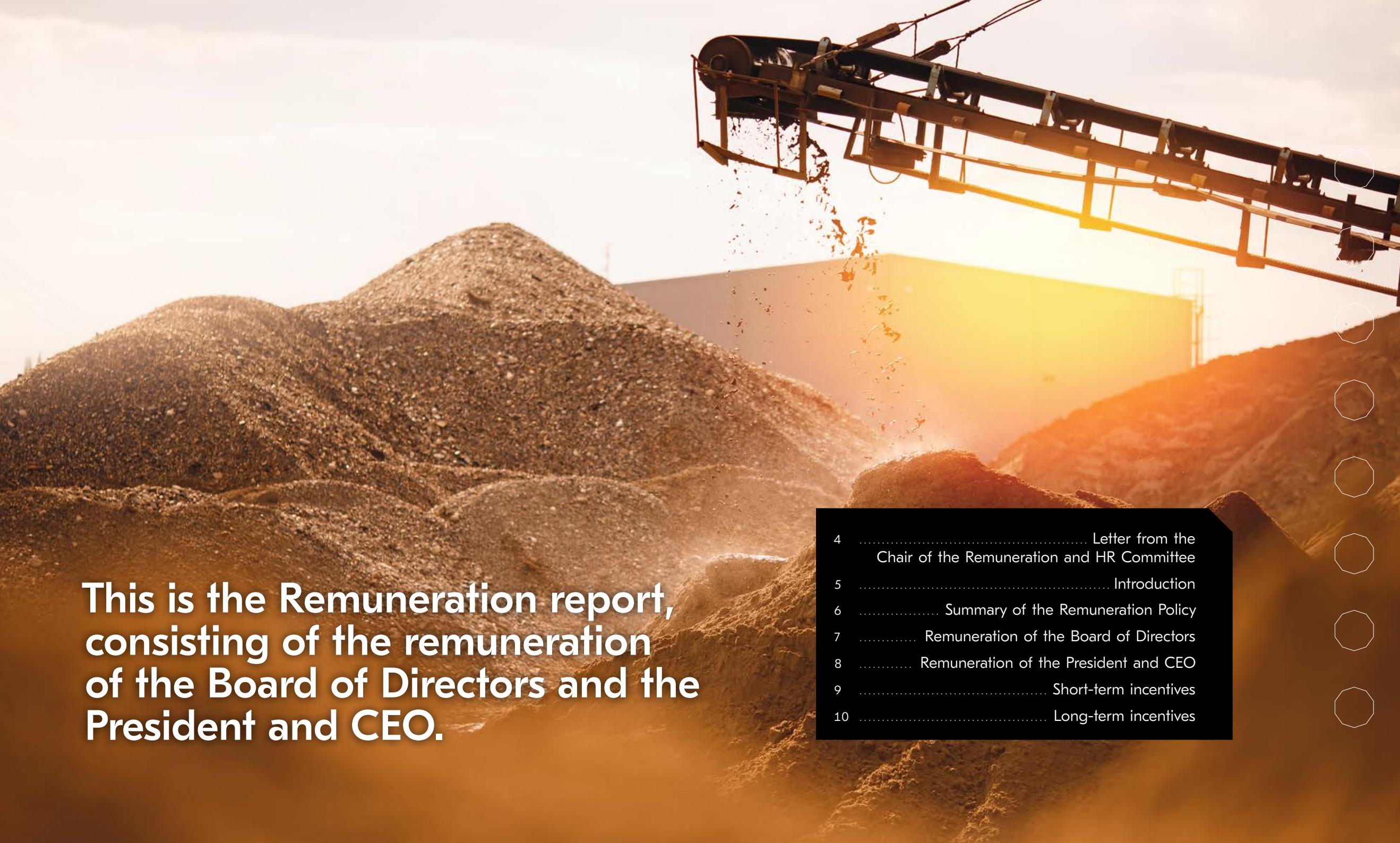
## Corporate governance statement

Corporate governance, internal control and risk management systems



## Remuneration report

Remuneration of the Board of Directors and the CEO



**This is the Remuneration report,  
consisting of the remuneration  
of the Board of Directors and the  
President and CEO.**

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# Letter from the Chair of the Remuneration and HR Committee



Sami Takaluoma started as President and CEO on November 1, 2024.

## Dear Shareholders,

I am pleased to present Metso's 2024 Remuneration Report, on behalf of the Board's Remuneration and HR Committee. This report, prepared in accordance with the Finnish Corporate Governance Code 2025 issued by the Securities Market Association, reflects our commitment to transparency and the alignment of our remuneration practices with Metso's strategy and values. The remuneration details in this report include the payments made to the Board of Directors and the President and CEO in 2024.

This past year marked a transition for Metso, with the previously communicated retirement of Pekka Vauramo from the position of President and CEO by the end of 2024. The Board is responsible for the selection process of the CEO role and the succession process highlighted the strength of Metso's leadership development and talent pipeline, culminating in the appointment of Sami Takaluoma as the new President and CEO. As an internal candidate with a deep understanding of Metso's operations, strategy, and culture, Sami is well-positioned to guide Metso and its people toward growth and success. We are confident in his ability to drive Metso's vision forward.

As part of the President and CEO selection process, the Board reviewed and defined the total remuneration package for the role, guided by Metso's Remuneration Policy. This policy provides a solid framework for structuring remuneration, ensuring competitiveness and alignment with shareholder interests. Consistent with our principles, the majority of the President and CEO's potential remuneration is performance-based (short and long-term incentives), tying rewards to the achievement of key strategic and financial

objectives. The current remuneration and employment terms for President and CEO Sami Takaluoma are available at Metso's website.

The long-term incentive (LTI) program, Performance Share Plan 2025-2027, continues to align senior management with Metso's strategic goals by focusing on sustainable growth and shareholder value creation. It emphasizes cumulative financial performance, share price development and the growth of the Metso Plus offering (ESG). The LTI programs ensure senior management are engaged and committed to delivering results that benefit both the company and its stakeholders over the long term. For the short-term incentives (STI), the President and CEO's targets for 2025 include Metso's Adjusted EBITA, Sales, Orders Received, Inventory and other strategic objectives. The target setting, having most weight on Adjusted EBITA, illustrates the commitment towards the improved profitability target of exceeding 17% over the cycle, which Metso communicated in October 2023.

On behalf of the Remuneration and HR Committee, I would like to extend our gratitude to Pekka Vauramo for his major contributions and seamless collaboration with the Remuneration and HR Committee since joining the company in 2018. His leadership has been instrumental in driving Metso's strategic ambitions, strengthening profitability and creating sustainable value for our stakeholders. Now with Sami's leadership, Metso is well-equipped for the future and the Board is looking forward to the years ahead.

Reima Rytsölä  
Chair of the Remuneration and HR Committee

# Introduction

The Remuneration and HR Committee of Metso'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 2025. Reporting and remuneration practices are based on Metso's Remuneration Policy. This Remuneration report will be presented at Metso's 2025 Annual General Meeting (AGM) and the resolution on the matter will be advisory.

Metso's Remuneration and HR Committee regularly reviews Metso's Remuneration Policy to ensure alignment with market practices, the Company strategy, and the long-term aspiration of the Company. The policy was presented at Metso's AGM on April 25, 2024, and received support from the shareholders in the advisory resolution. The policy is valid for four years from its approval.

This Remuneration report presents the terms of the payments made during 2024 and illustrates the alignment of the paid remuneration with the Company performance and strategy. The 2023 Remuneration report was presented at Metso's 2024 AGM

and received the support of the shareholders in the advisory resolution. Metso annually evaluates the structure and content of the Remuneration report based on market best practices.

The remuneration of the Board of Directors in 2024 consisted of a fixed annual fee, based upon each director's role on the Board, and meeting fees. The fixed annual fee was paid partly in Metso shares and partly in cash. The remuneration levels were approved in the 2024 AGM based on the proposal of the Shareholders' Nomination Board.

On October 24, 2024, Metso announced, via Stock Exchange Release, the appointment of Sami Takaluoma as President and CEO of Metso Corporation, effective November 1, 2024. Pekka Vauramo continued with the Company as per his contract until the end of 2024, ensuring the smooth transition of responsibilities.

President and CEO Sami Takaluoma's 2024 targets for the short-term incentive (STI) plan were set as key performance indicators for the Services business area, based on his previous role in Metso's Leadership Team. The metrics for the long-term incentive (LTI) plan, commencing in 2024 (PSP 2024–2026), were Absolute total shareholder return (TSR), Adjusted earnings per share (EPS) and Sales growth of the Company's Metso Plus (formerly Planet Positive) product offering (ESG). ESG metrics support Metso's commitment to the 1.5-degree journey in line with the Paris Agreement.

## Remuneration and Company performance

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

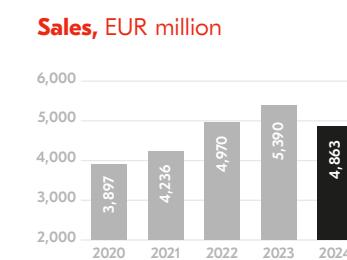
The compensation of the President and CEO is decided by the Board based on the evaluation and proposal by the Board's Remuneration and HR Committee and guided by the Company's Remuneration Policy. The short-term incentive payment made to the President and CEO in 2024 was based on the 2023 targets and performance. The total compensation of the President and CEO generally includes base salary, benefits, supplementary pension, and short- and long-term incentives paid during the reporting period.

| Average compensation (in EUR thousands)   | 2024  | 2023  | 2022  | 2021  | 2020 |
|---|-------|-------|-------|-------|------|
| Members of the Board                      | 114   | 88    | 106   | 81    | 100  |
| President and CEO <sup>1)</sup>           | 4,684 | 4,728 | 4,368 | 2,749 | 956  |
| Average employee in Finland <sup>2)</sup> | 80    | 80    | 81    | 83    | 78   |
| Average employee globally <sup>2)</sup>   | 54    | 59    | 58    | 54    | 57   |

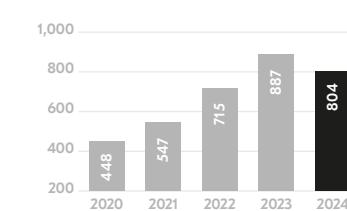
<sup>1)</sup> Pekka Vauramo between January 1 and October 31, 2024, and Sami Takaluoma between November 1 and December 31, 2024

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

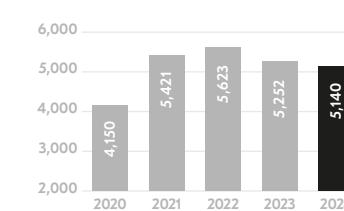
## Key Performance Indicators for Metso



## Adjusted EBITA, EUR million

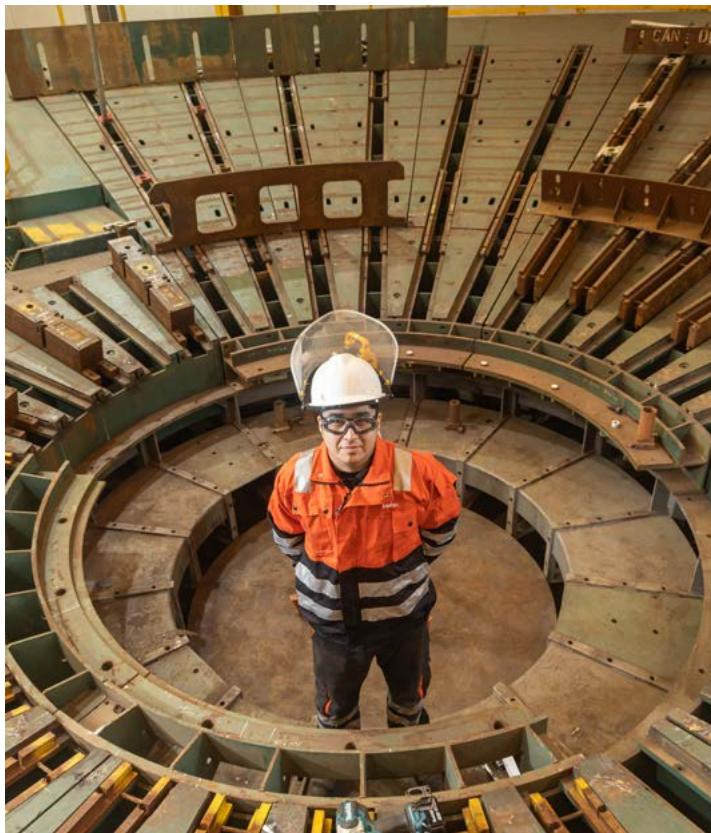


## Orders received, EUR million



# Summary of the Remuneration Policy

Metso's Remuneration Policy received shareholder support at the advisory resolution in the 2024 Annual General Meeting. The policy outlines the remuneration structure for the members of the Board of Directors and the President and CEO. The Annual General Meeting decides upon the remuneration of the Board of Directors, based on the proposal by the Shareholders' Nomination Board. The President and CEO's remuneration is decided by the Board, based on the proposal and preparation by the Remuneration and HR Committee.



## Policy's key elements for remuneration of President and CEO:

| Remuneration element<br><i>Purpose and link to long-term strategy</i>  | Key features of the policy   |
|--|--|
| <b>Fixed salary</b><br><i>To recruit and retain key talent</i>   | The 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.  |
| <b>Short-term incentives (STI)</b><br><i>To reward and encourage achievement of the Company's performance targets</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, to determine the final pay-out level. |
| <b>Long-term incentives (LTI)</b><br><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 annual plan, are set by the Board to ensure they continue to support the Company's long-term strategy. Following the end of the performance period, the Board reviews the performance and evaluates the extent to which each of the targets has been achieved, to determine the final pay-out level.   |
| <b>Pension</b><br><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.  |
| <b>Other benefits and programs</b><br><i>To provide a competitive level of benefits</i>  | Benefits are aligned with the prevailing market practice and may evolve year by year. Other benefits may include, but are not limited to, phone, Company car, health insurance, private accident, life and disability insurance, business travel, and directors' 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.  |
| <b>Shareholding recommendation</b>   | 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 remuneration of the Board of Directors is decided at the Annual General Meeting (AGM) based on the proposal by the Shareholders' Nomination Board, for one term of office at a time until the closure of the next AGM. The Board of Directors remuneration for the 2024–2025 period was approved at the 2024 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. A portion of the fixed fee is used to purchase Metso shares for the Board members and the balance of the fixed fee is paid in cash. The members of the Board of Directors are not entitled to participate in the Company's variable pay programs.

A condition for receiving the annual remuneration is that Board members are obliged, based directly on the AGM's decision, to

use 20 or 40 percent of their annual fixed fee for the purchase of Metso's shares from the market at a price formed in public trading; the purchase was carried out within two weeks from the date of the 2024 AGM.

Details of the Board's and Committee's roles, memberships and meeting participation are reported in Metso's Corporate governance statement.

## The 2024 AGM resolved that the members of the Board of Directors will be paid as follows (in EUR)

|   | 2024    |
|---|---------|
| Chair   | 171,000 |
| Vice Chair  | 87,000  |
| Other members   | 70,500  |
| <b>Committee membership (additional fee)</b>          |         |
| Chair of the Audit and Risk Committee                 | 25,500  |
| Member of the Audit and Risk Committee                | 10,700  |
| Chair of the Remuneration and HR Committee            | 13,000  |
| Member of the Remuneration and HR Committee           | 5,350   |
| <b>Meeting fees (including Committee meetings)</b>    |         |
| Meetings requiring travel within the Nordic countries | 900     |
| Meetings requiring travel within the continent        | 1,800   |
| Meetings requiring intercontinental travel            | 3,000   |
| Meetings with remote attendance                       | 900     |

## Metso Board of Directors compensation 2024 (in EUR)

| Board member            | Fixed annual fee <sup>1)</sup> | Number of shares acquired <sup>2)</sup> | Meeting fees   | Total            |
|-------------------------|--------------------------------|---|----------------|------------------|
| Kari Stådigh, Chair     | 176,350                        | 6,672                                   | 19,500         | 195,850          |
| Klaus Cawén, Vice Chair | 97,700                         | 3,696                                   | 18,600         | 116,300          |
| Brian Beamish           | 75,850                         | 1,434                                   | 19,500         | 95,350           |
| Terhi Koipijärvi        | 81,200                         | 3,072                                   | 18,600         | 99,800           |
| Niko Pakalén            | 75,850                         | 1,434                                   | 16,800         | 92,650           |
| Ian W. Pearce           | 81,200                         | 3,072                                   | 24,000         | 105,200          |
| Reima Rytösölä          | 83,500                         | 3,159                                   | 15,900         | 99,400           |
| Emanuela Speranza       | 81,200                         | 1,536                                   | 22,200         | 103,400          |
| Arja Talma              | 96,000                         | 3,632                                   | 18,600         | 114,600          |
| <b>Total</b>            | <b>848,850</b>                 | <b>27,707</b>                           | <b>173,700</b> | <b>1,022,550</b> |

<sup>1)</sup> Fixed annual fee paid partly in cash, partly in shares

<sup>2)</sup> Part of the fixed annual fee was used to purchase Metso's shares on behalf of the Board member

# Remuneration of the President and CEO

Metso'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 specified in the Company's Remuneration Policy and aligned with market practices. During 2024, Metso did not exercise any rights to reclaim or cancel any paid or unpaid incentives of the President and CEO.

In 2024, variable pay for the President and CEO, Pekka Vauramo, included a short-term incentive (STI) payment for performance in 2023 and a long-term incentive (LTI) payment from the Performance Share Plan (PSP) 2021–2023 plan.

Incentive program payments during 2024 were well aligned with the 2023 result of Metso. The STI payment was based on multiple targets, including the Company's performance and strategic objectives. The LTI payment from the PSP 2021–2023 plan was based on the Company's share price development, adjusted EPS and CO<sub>2</sub>-equivalent footprint reduction in operations and logistics.

On October 24, 2024, Metso Corporation's Board of Directors announced the appointment of Sami Takaluoma to the position of President and CEO, effective November 1, 2024. The remuneration details reported include paid elements for Pekka Vauramo between January 1 and October 31, 2024, and for Sami Takaluoma between November 1 and December 31, 2024. The earned, but unpaid, STI and LTI information are for Sami Takaluoma and are based on his previous leadership position as President of Metso's Services business area.

## President and CEO's compensation in 2024 (in EUR)

|   | 2024 <sup>1)</sup> |
|---|--------------------|
| Fixed annual salary (including fringe benefits) | 917,932            |
| STI (from 2023 performance period)              | 807,937            |
| LTI (Performance Share Plan 2021–2023)          | 2,736,437          |
| Supplementary pension <sup>2)</sup>             | 221,646            |
| <b>Total compensation</b>                       | <b>4,683,952</b>   |

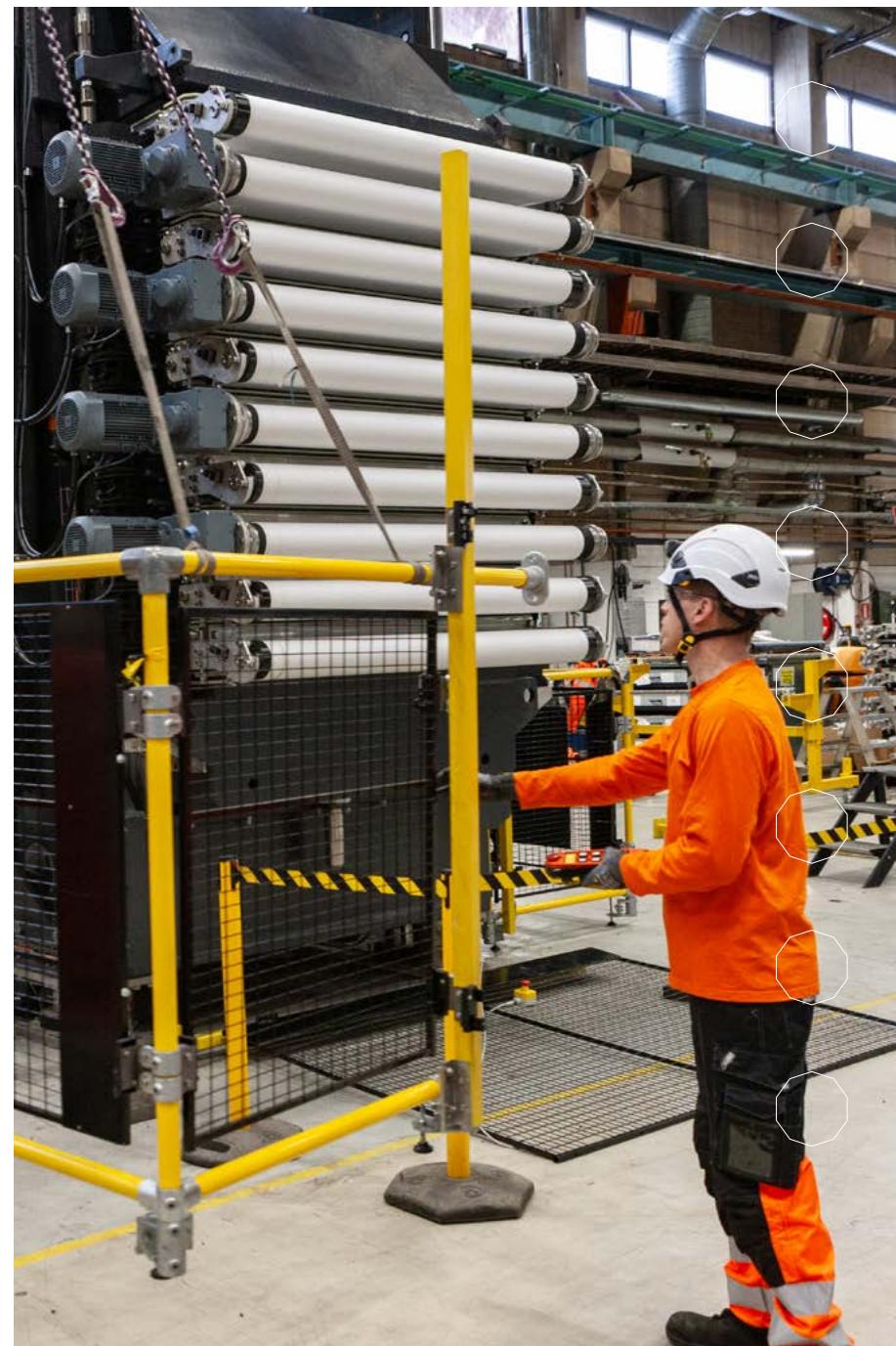
<sup>1)</sup> Table illustrates the compensation paid to Pekka Vauramo between January 1 and October 31, 2024, and Sami Takaluoma between November 1 and December 31, 2024

<sup>2)</sup> Supplementary pension is a defined contribution plan with a 25% contribution of the fixed annual salary for Pekka Vauramo and a 20% contribution for Sami Takaluoma

## Portion of fixed and variable pay in 2024



Variable pay includes STI and LTI payments (supplementary pension contributions excluded)



# Short-term incentives

The President and CEO's short-term incentives (STI), including the terms and conditions for these plans, are determined by Metso'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 2023 (paid in 2024)

The STI payment made to Pekka Vauramo in 2024 is based on performance and targets from 2023. The targets were set for the full year, and the Board defined the maximum STI earning for 2023 to be 100% of the fixed annual salary. The Board evaluated the President and CEO's performance against the targets set, and the earned 2023 STI payment is 90 percent of the fixed annual salary. During 2023, the Company's adjusted EBITA improved by 24 percent, and, in addition to profitability, sales also grew by 8 percent. The STI was paid in April 2024, as per Company practices.

| Performance metrics for 2023   | Weight | Performance outcome % <sup>1)</sup> |
|--------------------------------|--------|-------------------------------------|
| Metso Adjusted EBITA           | 40%    | 200%                                |
| Metso Sales                    | 30%    | 200%                                |
| Metso Net Promoter Score (NPS) | 10%    | 200%                                |
| Strategic objectives           | 20%    | 75%                                 |

<sup>1)</sup> Target achievement is 100%, maximum is 200%

## STI performance period 2024 (payable in 2025)

The STI payment to President and CEO, Sami Takaluoma, for the performance period 2024, is based on performance and targets from his previous role as President, Services. The maximum STI earning for 2024 was 60% of the fixed annual salary. The Board evaluated the President and CEO's performance against the targets set, and the earned 2024 STI payment is 8 percent of the fixed annual salary. The STI is payable in April 2025, as per Company practices.

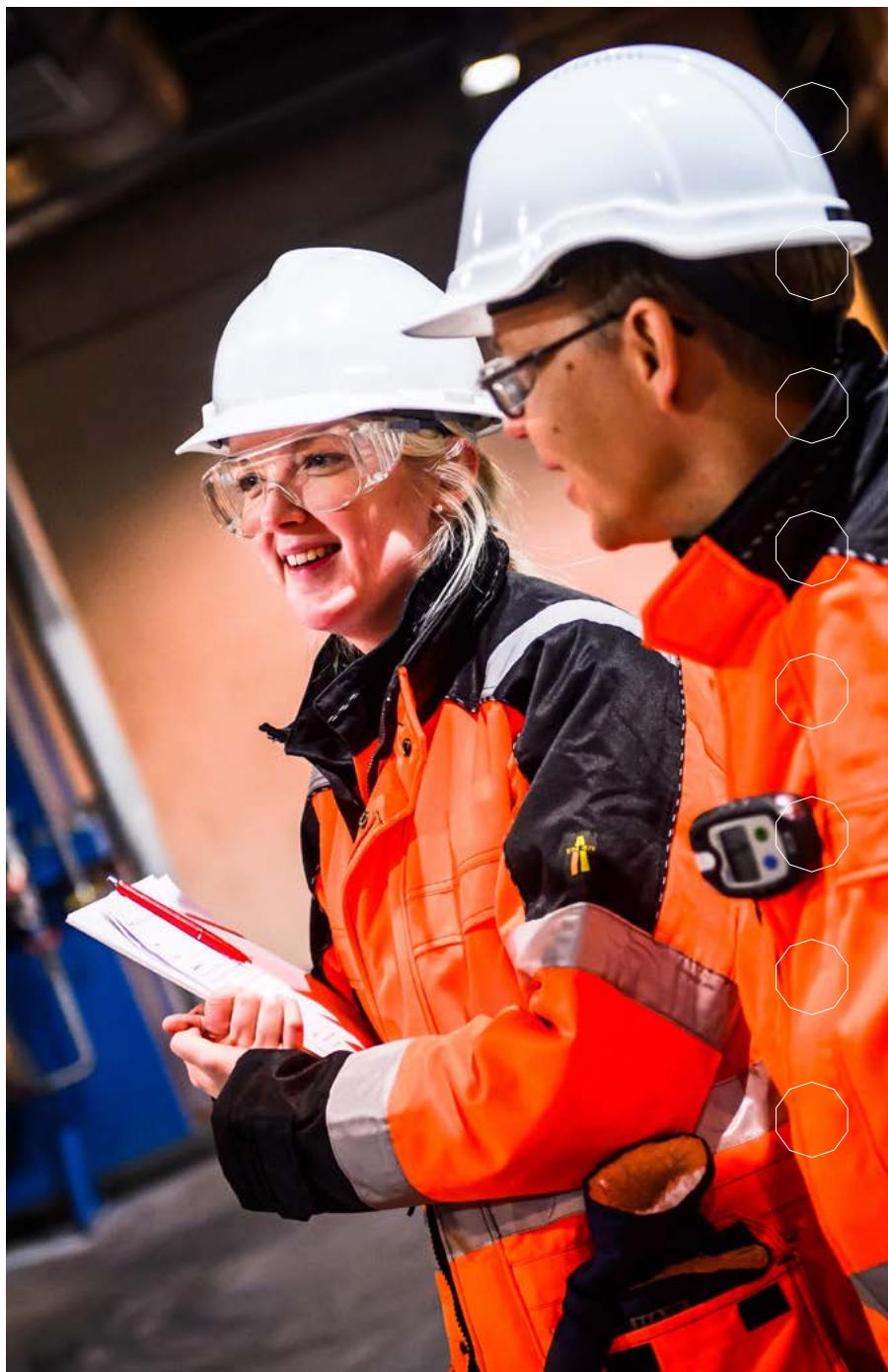
| Performance metrics for 2024      | Weight | Performance outcome % <sup>1)</sup> |
|-----------------------------------|--------|-------------------------------------|
| Services Adjusted EBITA           | 40%    | 0%                                  |
| Services Sales                    | 20%    | 65%                                 |
| Services Net Promoter Score (NPS) | 10%    | 100%                                |
| Strategic objectives              | 30%    | 7%                                  |

<sup>1)</sup> Target achievement is 100%, maximum is 200%

## STI performance period 2025 (payable in 2026)

The STI reward to President and CEO, Sami Takaluoma, is based on performance and targets for the performance period 2025. The Board defined the maximum STI earning for 2025 to be 100% of the fixed annual salary.

| Performance metrics for 2025 | Weight |
|------------------------------|--------|
| Metso Adjusted EBITA         | 40%    |
| Metso Sales                  | 20%    |
| Metso Orders received        | 10%    |
| Metso Inventory              | 20%    |
| Strategic objectives         | 10%    |



# Long-term incentives

The Board of Directors decides on and implements Metso's long-term incentive (LTI) plans and the earning opportunity for the President and CEO, in alignment with the plan's terms and conditions and the Company's Remuneration Policy. The purpose of these plans is to align the interests of the President and CEO and shareholders in driving the Company's long-term sustainable growth and success. Based on the Company's Remuneration Policy, the maximum LTI value at grant is limited to 200% of the fixed annual salary. LTI plans are also capped at 350% of the President and CEO's fixed annual salary at payout.

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.

The maximum earning opportunity for the President and CEO, the metrics and their weightings and the performance outcome for finished plans are illustrated in the table on the right.

## Performance Share Plan 2021–2023

On December 17, 2020, Metso announced the start of the PSP 2021–2023 plan period; after completion of the performance period, the share reward conveyance was made on March 21, 2024. The plan's targets were Absolute total shareholder return, Adjusted earnings per share and CO<sub>2</sub>-equivalent footprint improvement. A CO<sub>2</sub>-equivalent footprint improvement in Metso's operations and logistics resulted in a 36 percent reduction during 2023 compared to the 2019 baseline.

The overall achievement of the plan was 185.6 percent of target. President and CEO, Pekka Vauramo, received a net amount of 118,026 Metso shares on March 21, 2024, in alignment with the performance achieved and the terms of the plan.

## Sustainability metrics in LTI plans

Metso's LTI performance metrics currently encompass measurements related to share-price development, profitability, and sustainability.

| Plan          | Payout year | Maximum earning opportunity for President and CEO (as gross shares) <sup>1)</sup> | Performance metrics                                    | Weight | Performance outcome % <sup>2)</sup> |
|---------------|-------------|---|--|--------|-------------------------------------|
| PSP 2021–2023 | 2024        | 280,700   | Total shareholder return (TSR)                         | 50%    | 200%                                |
|               |             |   | Adjusted earnings per share (EPS)                      | 40%    | 189%                                |
|               |             |   | ESG: CO <sub>2</sub> -equivalent emissions improvement | 10%    | 100%                                |
| PSP 2022–2024 | 2025        | 39,000  | Total shareholder return (TSR)                         | 40%    |                                     |
|               |             |   | Adjusted earnings per share (EPS)                      | 40%    |                                     |
|               |             |   | ESG: Sales growth of Metso Plus offering               | 20%    |                                     |
| PSP 2023–2025 | 2026        | 97,000  | Total shareholder return (TSR)                         | 40%    |                                     |
|               |             |   | Adjusted earnings per share (EPS)                      | 40%    |                                     |
|               |             |   | ESG: Sales growth of Metso Plus offering               | 20%    |                                     |
| PSP 2024–2026 | 2027        | 140,000   | Total shareholder return (TSR)                         | 40%    |                                     |
|               |             |   | Adjusted earnings per share (EPS)                      | 40%    |                                     |
|               |             |   | ESG: Sales growth of Metso Plus offering               | 20%    |                                     |
| PSP 2025–2027 | 2028        | 202,000   | Total shareholder return (TSR)                         | 40%    |                                     |
|               |             |   | Cumulative adjusted earnings per share (EPS)           | 40%    |                                     |
|               |             |   | ESG: Sales growth of Metso Plus offering               | 20%    |                                     |

<sup>1)</sup> Maximum earning opportunity for President and CEO Sami Takaluoma except for PSP 2021–2023 plan opportunity for Pekka Vauramo

<sup>2)</sup> Target achievement is 100%, maximum is 200%

The Company consistently integrates ESG (environmental, societal, and governance) metrics into its LTI plans. The Board views LTI's as an effective means to motivate senior management to achieve sustainable change, by enhancing our footprint and positively impacting our customers.

Metso initially introduced the CO<sub>2</sub>-equivalent improvement target to its LTI plan in 2021. This three-year target was set to improve the Company's CO<sub>2</sub> emissions footprint in own operations and logistics. The threshold set for the CO<sub>2</sub>-equivalent target was a 24 percent reduction against the 2019 baseline. For the plan period starting in 2022, the aim was to help our customers achieve their sustainability targets through our Metso Plus offering (formerly Planet Positive).

The PSP 2025–2027 plan marks the fourth consecutive plan period where the included ESG metric is 'Sales growth of Metso Plus offering'. The Metso Plus metric drives Metso's performance towards

the development of a broader and more sustainable product and service offering to customers and ensures that the share of overall sales from Metso Plus offering increases yearly. The growth ambition for Metso Plus is high, with the threshold set at 3 percentage points compared to the Group's total sales growth. Further details about Metso Plus and its criteria can be found on the [Metso website](#).

| 2021          | 2022          | 2023          | 2024          | 2025          | 2026 | 2027 |
|---------------|---------------|---------------|---------------|---------------|------|------|
| PSP 2021–2023 |               |               |               |               |      |      |
|               | PSP 2022–2024 |               |               |               |      |      |
|               |               | PSP 2023–2025 |               |               |      |      |
|               |               |               | PSP 2024–2026 |               |      |      |
|               |               |               |               | PSP 2025–2027 |      |      |

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