

# Metso Anti-Corruption Policy

## Metso

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### Metso Anti-Corruption Policy



### **About the Anti-Corruption Policy**

#### Purpose

We at Metso are committed to proper business conduct and demonstrated integrity in everything we do. In addition to the various laws, regulations and policies that apply to Metso as a global company, this Anti-Corruption Policy sets the minimum standard and our zero-tolerance towards corruption.

#### Application

The Anti-Corruption Policy applies to all Metso employees irrespective of their position, responsibilities, and location. We also require all third parties doing business with us to apply similar principles and share our commitment to proper business behavior.

You are required to read and comply with this Anti-Corruption Policy and seek clarification or guidance from your Line Manager, Compliance & Risk Management or Legal and Compliance organization when needed.

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### **Anti-corruption**

#### Definitions

**Bribery** involves the offering, promising, authorizing, giving, accepting, or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust, be it in the form of gifts, loans, fees, rewards, donations, favors or other advantages.

**Kickbacks** are bribes or illegal payments agreed as compensation for favorable treatment or other improper services.

Misuse of power involves the misuse of personal, public, or organizational power for private gain.

**Solicitation** involves requesting, ordering, or enticing someone else to any form of corruption or linked misconduct.

**Facilitation payments**, also known as grease payments, are smaller payments made to secure or expedite an administrative process, e.g., customs clearance, the issuance of permits or approvals or the processing of visa or work permit applications, whether legally a bribe or not.

#### Zero tolerance requirement

We at Metso do not tolerate corruption in any form, including any bribery, kickbacks, misuse of power, solicitation, or other form of corruptive behavior or abuse of entrusted power for personal gain.

You must not make any facilitation payments unless there is an imminent threat to your health or personal safety. In such event you must promptly report such payment to the Head of Compliance & Risk Management.

We do not tolerate the use of agents, distributors, or other intermediaries or third parties to evade the zero-tolerance approach against corruption.

Zero tolerance applies equally to the public and the private sector.

### **Public officials**

#### Definition

Generally, the following persons qualify as a **public official**:

- an officer or employee of a government or any department, agency, or instrumentality thereof,
- an officer or employee of a public institution including any person who holds a legislative, administrative, or judicial position of any kind whether appointed or elected,
- an officer or employee of a public international organization (e.g., the World Bank, the International Monetary Fund, or the United Nations),
- a person acting in an official capacity or exercising a public function for or on behalf of any such government or department, agency, instrumentality, or public international organization,
- a political party, party official or candidate for political office, and
- an officer, employee, representative or agent of any entity owned or controlled directly or indirectly by a government including a sovereign wealth fund or any entity owned by a sovereign wealth fund.

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#### **Specific requirements**

You must not offer any gifts and entertainment to a public official without proper pre- assessment of risks. While this Anti-Corruption Policy applies to both the public and the private sector, you must report the involvement of a public official to the Head of Compliance & Risk Management for further investigation.

### Gifts & entertainment

#### Definition

Gifts and entertainment include:

- **gifts**: any item or service of value that is provided for the personal benefit at no cost or at disproportionate conditions,
- **hospitality**: the offering or acceptance of meals, drinks, refreshments, and other consumables, and
- **entertainment**: access to events or activities for the personal benefit at no cost or at disproportionate conditions.

#### Offering of gifts & entertainment

You are permitted to offer and accept customary gifts and entertainment if these remain occasional and modest and are offered or accepted during normal business conduct. Pre- approval by the VP, Compliance & Risk Management is required if the value exceeds EUR 100 per person.

You must never offer or accept cash gifts, cash gift cards or other gifts equivalent to cash.

You must never offer or accept any gifts and entertainment with the aim to influence a business decision.

Always refrain from offering or accepting gifts and entertainment in the context of an open bidding process, close to contract renewal, from a new customer or supplier we have not engaged with before or if a public official is involved.

You must also consider the procedures of the recipient. Many companies have implemented stricter monetary values or have banned the acceptance of any gifts or entertainment regardless of value. Our business areas, market areas and functions may also set stricter requirements than set out herein.

#### **Travel costs**

Any air fares and other unreasonable or significant costs in the context of otherwise permitted entertainment must be borne by the recipient if offered by you and must be borne by us if offered to you.

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### **Conflicts of interest**

#### Definition

A conflict of interest is a situation in which you have competing interests or loyalties that may affect your ability to perform your work for Metso, or which could be influenced by a financial or other benefit for you or someone close to you (e.g., outside employment, affiliations, relationships, financial interests in suppliers, competitors, or customers directly or through a close relative).

#### **Compliance requirements**

We expect all our employees to always act in the best interest of Metso. You must promptly disclose to your manager and HR business partner any actual, potential, or perceived conflict of interest or changes in such circumstances. You and your manager must ensure that you are removed from related decision-making processes for Metso. Conflict of interest notices and related decisions will be recorded in accordance with the guidance set out by Compliance & Risk Management.

We must comply with all applicable insider rules prohibiting the use of Insider information. **Insider information** must be kept confidential until published by Metso. Insider information is any company information that is not generally available to the public and which is likely to influence the value of Metso's shares and other financial instruments (e.g., significant new orders or other business arrangements, share issues or mergers and acquisitions).

### **Donations**

#### **Government relations requirements**

Metso will engage with governmental authorities with integrity and will remain politically neutral. Metso will not make any donations or contributions to any political party or candidate.

#### **Donations requirements**

Any donations by us or in our name must be made within the restrictions and limitations set by our Board of Directors and must be approved according to the Metso's policy on sponsorship and donations.

### **Anti-money laundering**

#### Definitions

**Money laundering** is the process of concealing the origin, ownership, or destination of illegally or dishonestly obtained money by hiding it within legitimate economic activities to make them appear legal.

**Terrorist financing** involves the processing of legitimate or illegitimate funds to support terrorist activity using the formal financial system, bitcoin and similar new payment methods, trade-based money laundering and cash couriers.

#### **Requirements for reporting**

Indicators for possible money laundering or terrorist financing include cash payments, opaque ownership structures with hidden or unclear ultimate beneficial ownership, the use of shell and offshore companies without transparent ownership disclosure laws and / or the purchasing of unusual amounts of standardized equipment, spare parts, consumables, or other easily saleable items. Any such red flags must be reported to the Head of Compliance & Risk Management for further investigation.

#### Payment transparency requirements

We must ensure that payments to customers, suppliers and other third parties are made into bank accounts owned by such third party, in accordance with instructions from Finance and/or Compliance & Risk Management.

### **Business partners**

#### Business partner due diligence

Metso has a risk-based business partner due diligence process. Business partners, including end users, sales third parties, customers, suppliers, and service providers, are assessed and screened according to the applicable due diligence process. Seek clarification or guidance from Compliance & Risk Management or Legal and Compliance organization when needed.

In addition to screening for any applicable sanctions and other trade or legal restrictions, we evaluate possible negative impacts for our business, financial standing, and reputation. Aspects to be reviewed include:

- involvement of public officials,
- corruption or money laundering history and/or risks,
- fraud or other criminal or regulatory enforcement history,
- human rights or environmental violations history and/or risks,
- unclear or hidden ownership structure, and
- adverse media generally.

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#### Ultimate beneficial ownership

We must understand who ultimately owns and controls the shares or voting rights or is otherwise in a position to exercise control over the business partners or their management. Unclear ownership structures, the use of offshore or shelf companies, or a refusal to provide ownership information must be reported to the Head of Compliance & Risk Management.

#### Intermediaries

Our agents, distributors and other intermediaries must only be engaged as reasonably required considering market requirements and our own organization with clearly defined responsibilities and business requirements. All such intermediaries must be pre-assessed as set out above and must:

- understand and comply with applicable anti-corruption laws and our Anti-Corruption Policy,
- not make, promise, or authorize any corrupt or illegal payments, be it to any public official, any customer representative or other third parties,
- sign specific compliance declarations and participate in anti-corruption training as we may request at any time,
- accept audits as Metso may request at any time to verify compliance with these
  requirements and accept that Metso may terminate any business arrangement in
  the event of any violations,
- accept remuneration that is reasonable and appropriate for the services genuinely provided, and
- provide reports of the services provided in regular intervals or as Metso may request at any time.

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#### Requirements

We must ensure that our business partners have no conflict of interest or are not otherwise restricted from properly engaging with us.

All third-party transactions must be based on written agreements complying with our contracting requirements. Payments must only be made after the provided services against a fully signed contract, properly prepared invoices, and substantiating records. Cash payments and payments to offshore bank accounts must be avoided unless expressly permitted by Treasury and by the Head of Compliance & Risk Management in exceptional circumstances.

### **Training & reporting**

#### Training & compliance

You are expected to attend and complete all anti-corruption related training provided by Metso. Certain senior managers or other designated employees will be required to confirm their compliance with this Anti-Corruption Policy in writing through regular compliance declarations.

Senior managers/Line Management must ensure that their team members have read and understood Metso's Anti-Corruption Policy and must request clarifications or additional training from the Head of Compliance & Risk Management as may be required.

#### Speak up

Violations of applicable anti-corruption laws may result in significant penalties including imprisonment, financial losses and reputational damage for Metso and any individual involved. Violations of this Anti-Corruption Policy may lead to disciplinary action including termination of employment.

Please refer to the speak up section of our Code of Conduct or misconduct investigation Directive for details on how to report actual or suspected violations and how reports will be addressed.

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Metso is a frontrunner in sustainable technologies, end-to-end solutions and services for the aggregates, minerals processing and metals refining industries globally. We improve our customers' energy and water efficiency, increase their productivity, and reduce environmental risks with our product and service expertise. **We are the partner for positive change.** 

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