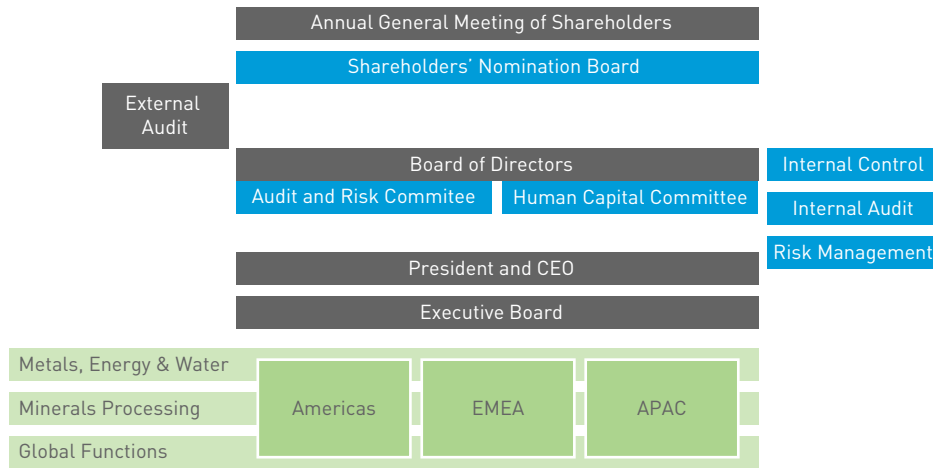


OUTOTEC'S CORPORATE GOVERNANCE STATEMENT 2014

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The ultimate responsibility for the management and operations of Outotec Group lies with the governing bodies of the parent company, Outotec Oyj, registered and existing under the laws of Finland. These governing bodies are the General Meeting of Shareholders, the Board of Directors and the President and Chief Executive Officer (CEO). Further, the Executive Board, operating under the authority of the CEO, has been formed for the efficient management of the company.

OUTOTEC'S GOVERNING BODIES



The governance principles applicable to the company are a combination of the laws of Finland, the Articles of Association approved by the General Meeting of Shareholders and Corporate Governance Policy approved by the Board of Directors.

Outotec follows the most recent Finnish Corporate Governance Code ("Code") for listed companies issued by the Securities Market Association in June 2010. The Corporate Governance Code is based on listed companies' self-regulation and it complements the statutory procedures.

The aim of the Code is to harmonize practices of the Finnish listed companies' corporate governance as well as the information given to shareholders and other investors. It will also improve the transparency of the governing bodies and that the Finnish listed companies apply the corporate governance practices of a high international standard. The Code is available on the Securities Market Association homepage at www.cgfinland.fi.

Outotec's Corporate Governance Statement has been given separately from the financial statements and it is available on Outotec's web site at www.outotec.com. In addition, Outotec's Corporate Governance Policy in its entirety is published and maintained on Outotec's web site.

SELF-REGULATORY FRAMEWORK

Outotec has introduced the Outotec Management System for the purpose of ensuring the due functioning of its operational model. Outotec Management System became effective on February 2011 upon the approval by the Board of Directors. Outotec Management System defines governance, management principles, operational model, roles, responsibilities and authorities within Outotec. Outotec Management System documentation is based on European Foundation for Quality Management (EFQM) management system and processes

framework criteria. Documentation defines compatibility and fulfillment of Outotec systems against such standards as ISO 9001:2000 for Quality Management and ISO 14001 for Environmental Management.

Outotec Management System is based on the following general principles and guidance:

- One company principle
- Governance and decision-making
- Mission, strategic intent and vision
- Strategy
- Organization
- Corporate-wide policies, processes, information, applications and quality

Outotec policies constitute a vital part of the Management System. On December 2012 Outotec's Board of Directors approved Outotec's Code of Conduct. The Code of Conduct comprises the values that Outotec's behavior is based on, including human rights, compliance topics, anti-corruption issues, anti-money laundering,

health and safety, insider rules, respecting laws and regulations, as well as free and fair trade practices. Disclosure policy provides for timely and accurate investor communication.

Outotec has implemented a Compliance Helpline globally which enables anyone to raise their concerns or seek advice in matters related to compliance to the knowledge of Chief Compliance Officer. Outotec has provided mandatory training to its employees regarding the Code of Conduct and other compliance issues.

GENERAL MEETING OF SHAREHOLDERS

In accordance with the Finnish Companies Act, the General Meeting of Shareholders is the highest decision-making body of Outotec Oyj. The Act provides for that certain important decisions, such as amendments to the Articles of Association, approval of the financial statements, increasing or decreasing share capital, decisions on dividends, the election of the members of the Board of Directors, and election of the auditors of the company are the exclusive domain of the General Meeting of Shareholders.

NOMINATION BOARD

The Annual General Meeting of Shareholders on March 26, 2013 decided to establish a permanent Shareholders' Nomination Board composed of shareholders or their representatives and of the Chairman of the Board of Directors for the purpose of preparing and presenting the election of the members of the Board of Directors and proposals for their remuneration to be submitted for the General Meeting of Shareholders as well as successor planning of the members of the Board of Directors.

The tasks of the Nomination Board consist of:

1. Preparation and presentation to the General Meeting of Shareholders of matters pertaining to the remuneration of the members of the Board of Directors;
2. Preparation and presentation to the General Meeting of Shareholders of matters pertaining to the number of the members of the Board of Directors in accordance with the Articles of Association;
3. Preparation and presentation to the General Meeting of the Shareholders of matters pertaining to the appointment of the members of the Board of Directors and its Chairman and Vice Chairman; and

4. Successor planning for the members of the Board of Directors.

The Nomination Board consists of four (4) members. Three of the members shall represent the three shareholders who on October 1 preceding the Annual General Meeting represent the largest number of the votes of all shares in the company. The Chairman of the Board of Directors shall be the fourth member of the Nomination Board.

The Chairman of the Board of Directors convenes the first meeting of the Nomination Board and the representative of the largest shareholder shall be the Chairman of the Nomination Board unless otherwise decided by the Nomination Board. The Nomination Board shall submit its proposals to the Board of Directors at the latest on January 31 preceding the Annual General Meeting.

The composition of the Shareholders' Nomination Board in 2014 was **Kari Järvinen**, Managing Director (Solidium Oy), **Harri Sailas**, CEO (Ilmarinen Mutual Pension Insurance Company), **Poju Zabłudowicz**, CEO (Tamares Nordic Investments B.V.) and **Matti Alahuhta** (Chairman of the Board of Directors of Outotec Oyj).

BOARD OF DIRECTORS

According to the Articles of Association, Outotec's Board of Directors shall consist of no fewer than five (5) and no more than ten (10) members. The General Meeting of Shareholders elects the Chairman, Vice Chairman and other members of the Board of Directors.

The Board's composition:

Matti Alahuhta, Doctor of Technology, Doctor of Technology h.c.
b. 1952, Finnish citizen
Chairman of the Board of Directors and Human Capital Committee as of 2013
Board member as of 2013
Independent of the company and owner
President and CEO of KONE Corporation until 2014

Timo Ritakallio, LL.M., MBA
b. 1962, Finnish citizen
Vice Chairman of the Board of Directors as of 2013
Board member as of 2011
Member of the Audit and Risk Committee as of 2011
Independent of the company and owner
Deputy CEO of Ilmarinen Mutual Pension Insurance Company

Eija Ailasmaa, M. Pol. Sc, Graduate of the Sanoma School of Journalism
b. 1950, Finnish citizen
Board member as of 2010
Member of the Human Capital Committee as of 2012
Independent of the company
Not independent of owner
President and CEO of Sanoma Media B.V. until 2011

Tapani Järvinen, M.Sc. (Eng.), Lic.Sc. (Tech.)
b. 1946, Finnish citizen
Board member as of 2010
Member of the Human Capital Committee as of 2010
Independent of the company and owner
President and CEO of Outotec Oyj until 2009

Anja Korhonen, M.Sc. (Econ.)
b. 1953, Finnish citizen
Board member as of 2013
Member of the Audit and Risk Committee as of 2013
Independent of the company and owner
Senior Vice President, Corporate Controller of Nokia Corporation until 2011

Hannu Linnoinen, B.Sc. (Econ.), LL.M.
b. 1957, Finnish citizen
Board member as of 2006
Chairman of the Audit and Risk Committee as of 2006
Independent of the company and owner
Senior Executive Vice President and Chief Financial Officer of SRV Group Plc

Björn Rosengren, M.Sc. (Mechanical Engineering)
b. 1959, Swedish citizen
Board member as of March 31, 2014
Independent of the company and owner
President and CEO of Wärtsilä Corporation

Poju Zabłudowicz, B.A. (Economics and International Relations)
b. 1953, Finnish citizen
Board member as of 2012
Member of the Audit and Risk Committee as of 2012
Independent of the company and owner
Chairman and CEO of Tamares Group

Duties of the Board of Directors

The general objective of the Board of Directors is to direct the Outotec's business and strategies in a manner that secures a significant and sustained increase in the value of the company for its shareholders. The members of the Board are expected

to act as a resource and to offer their expertise and experience for the benefit of Outotec.

The Board of Directors acts within the remit of the powers and responsibilities provided under the Finnish Companies Act and other applicable legislation. According to the Companies Act, the Board of Directors has general authority to decide and act on all matters not reserved by law or under the provisions of the Articles of Association to other corporate governing bodies. Further, the Board of Directors is responsible for the organization of Outotec's management and operations, and it has the duty at all times to act in the best interests of the company.

The Charter of the Board of Directors further specifies the duties of the Board of Directors as a whole, the duties of individual members and the Chairman of the Board, as well as the Board's methods of working at a practical level.

In the field of directing Outotec's business and strategies the Board of Directors shall decide on Outotec's basic strategies and monitor their implementation, decide on the authority frames for capital expenditure for Outotec and monitor their implementation, decide on major business acquisitions and divestments as well as on any other major and strategically significant investments, decide on all individual major sales contracts and all contracts that represent an exceptional risk position taking into account Outotec's size. The Board of Directors shall further decide on major financing arrangements by any Outotec company, or which are organized by way of public offerings, or which are otherwise out of Outotec's normal course of business.

In the field of organizing Outotec's management and operations the Board of Directors appoints and dismisses the Chief Executive Officer (the "CEO"), his/her possible deputy and the other members of the Executive Board and decide on their terms of service, including incentive schemes, and successor planning, monitor issues relating to top management resources, decides on any significant changes in Outotec's business organization, defines Outotec's ethical values and modes of activity, ensures that policies outlining the principles of corporate governance and the principles of managing Outotec Oyj's insider issues are in place, ensures that other policies, as the Board of Directors may consider appropriate, concerning issues within the Board of Director's duties and authorities are in place.

In the field of preparing issues for the General Meeting of Shareholders' resolution, the Board of Directors

establishes the corporate policy for dividend distribution and makes proposals regarding dividend distribution to the General Meeting of Shareholders, and makes proposals to the General Meeting of Shareholders concerning other decisions within the authority of the General Meeting of Shareholders.

In the field of financial control and risk management the Board of Directors discusses and approves the interim reports and annual accounts, monitors issues pertaining to significant risks and risk management activities related to Outotec's operations, and ensures that adequate policies for risk management are in place.

In 2014, the special focus areas of the Board of Directors have been Outotec's long-term strategy, Outotec's organizational structure and its scalability as well as challenges on global macroeconomic environment.

In 2014, the Board of Directors met or had teleconference meetings 16 times. The average attendance of members at Board meetings was 94%. Fees paid to the Board of Directors in 2014 totaled EUR 433,300.

Participation in 2014	Meetings of the Board of Directors
Alahuhta Matti	16/16
Ritakallio Timo	16/16
Ailasmaa Eija	16/16
Järvinen Tapani	16/16
Korhonen Anja	16/16
Linnoinen Hannu	15/16
Rosengren Björn	
(as of March 31, 2014)	13/14
Zabludowicz Poju	11/16

Evaluation of Board's work

The Board of Directors conducts an annual evaluation of its operations and working methods. The purpose of this evaluation is to establish how the Board of Directors has executed its tasks during the year and to act as a basis for the development of the Board of Director's work.

The Committees of the Board of Directors

The practical ways of working of the Board's Committees shall be further defined in their Charters approved by the Board of Directors. The Board of Directors may appoint additional committees from among its members and prescribe their agendas. All Board Committees shall report their work to the Board of Directors. The Board Committees shall act as preparatory bodies for the Board of Directors and shall not have an authority to take decisions on matters that fall within

the Board of Director's authority unless specifically so authorized by the Board of Directors.

Audit and Risk Committee

The Board has established an Audit and Risk Committee consisting of four Board members, who are independent of the company. The Audit and Risk Committee's task is to monitor the statutory audit of the financial statements and consolidated financial statements, to evaluate the independence of the statutory auditor or audit firm, particularly the provision of related services to the company, and to prepare the proposal for resolution on the election of the auditor the company.

The Audit and Risk Committee's operation procedures have been specified further in the Board Audit and Risk Committee Charter, approved by the Board of Directors.

In 2014, Outotec's Audit and Risk Committee focused especially on project related risk reviews as well as on Outotec's internal risk management systems and internal controls.

The members of the Audit and Risk Committee were **Hannu Linnoinen** (Chairman), **Anja Korhonen**, **Timo Ritakallio**, and **Poju Zabludowicz**, all having appropriate education and experience in corporate finance. In 2014, the Audit and Risk Committee met six times.

The attendance of members in Audit and Risk Committee meetings was the following (88%):

Participation in 2014	Meetings of the Audit and Risk Committee:
Linnoinen Hannu	6/6
Ritakallio Timo	6/6
Korhonen Anja	6/6
Zabludowicz Poju	3/6

Human Capital Committee

The Board has established in November 2010 a Human Capital Committee, which consisted of three members in 2014. The Human Capital Committee shall, in addition to the customary duties belonging to remuneration committees, assume a strong role in duties pertaining to human resources policies and processes.

The Human Capital Committee is charged with duties relating to employee benefit plans and compensation as well as remuneration of the CEO and other executives. The Human Capital Committee will also prepare matters pertaining to the appointment of the CEO and his/her

possible deputy and other executives as well as the identification of their successors.

The Human Capital Committee operation procedures have been further specified in the Board's Human Capital Committee Charter, approved by the Board.

The members of the Human Capital Committee in 2014 were **Matti Alahuhta** (Chairman), **Eija Ailasmaa** and **Tapani Järvinen**. The Human Capital Committee convened four times during 2014.

The attendance of members in Human Capital Committee meetings was the following (100%):

Participation in 2014	Meetings of Human Capital committee
Alahuhta Matti	4/4
Ailasmaa Eija	4/4
Järvinen Tapani	4/4

DUTIES AND RESPONSIBILITIES OF THE CHIEF EXECUTIVE OFFICER (CEO)

The CEO is responsible for managing and controlling the company's business and day-to-day operations with the aim of securing significant, sustained increase in the value of the company for its shareholders.

The CEO prepares matters for decision by the Board of Directors, develops Outotec in line with the targets agreed upon with the Board of Directors and ensures proper implementation of the decisions of the Board of Directors.

It is further the duty of the CEO to ensure that Outotec's operations are in compliance with the laws and regulations

applicable at the time. The CEO may have a deputy who will attend to the duties of the CEO in the event that the CEO is prevented from doing so him/herself. The CEO shall make his/her most important decisions in the Executive Board meetings, and such decisions shall be recorded in the minutes of these meetings. On June 4, 2009, the Board of Directors of Outotec Oyj appointed Mr. **Pertti Korhonen**, born in 1961, M. Sc. (Eng) as the President and Chief Executive Officer of Outotec Oyj. Mr. Korhonen joined Outotec on September 1, 2009, served as Chief Operating Officer as of October 1, 2009 and has assumed the duties of CEO as of January 1, 2010. No deputy to CEO has been appointed.

EXECUTIVE BOARD

The Executive Board consists of the CEO, his/her deputy (if one has been appointed), the Chief Financial Officer and the Executive Vice Presidents and Senior Vice Presidents responsible for the regions, business areas and global functions. The role of the Executive Board is to manage the Outotec's business as a whole. The Executive Board members have extensive authorities in their individual areas of responsibility and have the duty to develop Outotec's operations in line with the targets set by the Board of Directors and the CEO. Executive Board meetings are convened by the CEO on a regular basis and all decisions made are recorded in minutes of the Executive Board.

In 2014, the Executive Board special focus areas have been Outotec's long-term strategy, Outotec's organizational structure and its scalability as well as challenges on the business environment, as well as

the EUR 50 million cost saving program announced in October 2013 and the efficiency program announced on October 30, 2014.

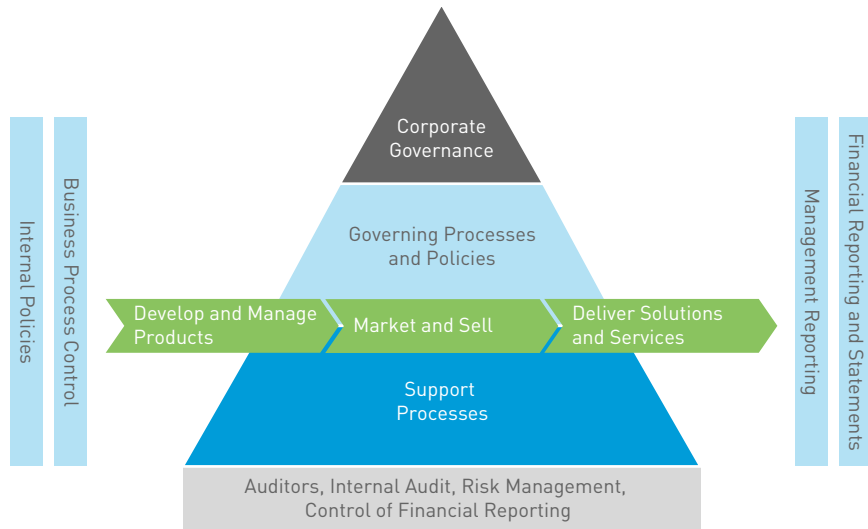
OUTOTEC EXECUTIVE BOARD:

Pertti Korhonen, President and CEO
Jari Rosendal, President of Americas Region (until February 28, 2014)
Kimmo Kontola, President of Americas Region (as of March 1, 2014), President of APAC Region (until February 28, 2014)
Peter Weber, President of EMEA Region (until September 30, 2014)
Adel Hattab, President of EMEA Region (as of October 1, 2014)
Stuart Sneyd, President of APAC Region (as of March 1, 2014)
Robin Lindahl, President of Metals, Energy & Water Business Area
Kalle Härkki, President of Minerals Processing Business Area
Michael Frei, Senior Vice President – Supply & CPO
Kari Knuutila, Chief Technology Officer
Olli Nastamo, Senior Vice President – Operational Excellence
Minna Aila, Senior Vice President – Marketing, Communications and Corporate Responsibility
Mikko Puolakka, Chief Financial Officer
Kirsi Nuotto, Senior Vice President – Human Resources
Nina Kiviranta, General Counsel
Pia Käll, Senior Vice President – Strategy and M&A

CONTROL SYSTEMS

The general governance principles and Outotec's self-regulatory framework provide the basis for Outotec's operations. In order to ensure the proper functioning of the governance model Outotec's Board of Directors has defined the principles for Outotec's internal control.

INTERNAL CONTROL FRAMEWORK AND RISK MANAGEMENT



INTERNAL AUDIT

Internal audit is a fundamental part of Outotec's corporate governance and management systems. Internal audit assists the Board of Directors in supervising and controlling the company. The role of internal audit activity is to monitor that the company's operations are efficiently managed and profitable, risk management is at sufficient level and the provided reports for external and internal purposes are accurate. The internal audit system also verifies that the defined principles, policies and instructions are followed, and assists in the investigation of suspected fraudulent activities within the organization.

Internal audit is designed to add value and improve Outotec's operations by acting as an independent, objective assurance and consulting service. Internal audit helps Outotec to support a good organizational governance, gives an independent perspective for the management in considering and reviewing company's operations, and accomplishes its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes.

Outotec's Internal Audit function reports administratively to the Chief Financial Officer but in matters related to the internal audit directly to the Board's Audit and Risk Committee and the CEO. The Audit and Risk Committee approves the annual and long-term internal audit plans. Audit findings, recommendations and management corrective actions are reported regularly to the Audit and Risk Committee.

In 2014, specific audits were conducted in following areas; Market Area India, user rights of the ERP system, purchasing office Finland, management reporting process and several control audits in finance and control function.

RISK MANAGEMENT

Risk management is an integral part of Outotec's management system and internal control framework. It aims at assessing the risks in a systematic way in order to facilitate profound planning and decision making process. Risk management covers all parts of the organization and captures risks from strategic to operational risks. Risk management supports the management and the Board of Directors to ensure that the company can execute its strategy effectively.

Outotec operates in accordance with its enterprise risk management policy, which specifies the objectives, approaches and areas of responsibility of risk management. Outotec's risk management includes Group level and project-specific risk management processes, which all increase the reliability of the financial reporting. The enterprise risk management policy acts as an umbrella for all risk management activities within Outotec. Outotec's project risk management process, financial risk management activities, QEHS (Quality, Environment, Health and Safety) systems, and Corporate Responsibility Policy form an integral part of the enterprise risk management.

Outotec's Board of Directors oversees and approves Outotec Risk Management Policy and the related processes. The policy defines the objectives, principles, operating procedures, organization and responsibilities of risk management as well as the reporting and follow-up procedures. Board's Audit and Risk Committee is responsible for reviewing the risk assessments and reports to the Board. The Audit and Risk Committee also oversees how the management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks

faced by Outotec. The CEO and the Executive Board are responsible for defining and implementing risk management processes and for ensuring that risks are taken into account in the company strategy planning and operative business. Business areas, regions and global functions are responsible for achieving their strategic targets and for mitigating and managing all their risks with support from risk management.

Risk management and operational control is managed by the Corporate Finance & Control function headed by the Chief Financial Officer. Functionally risk

management has direct access to the Executive Board, the CEO, the Audit and Risk Committee and the Board of Directors.

Risks are assessed regularly and the risks and related risk management measures are reported to the CEO and the Executive Board, the Audit and Risk Committee and the Board of Directors. The main risks related to Outotec are strategic, operational, project and finance risks, which may affect significantly Outotec's reported financial information. Most significant risks and uncertainties related to Outotec's business are described in the

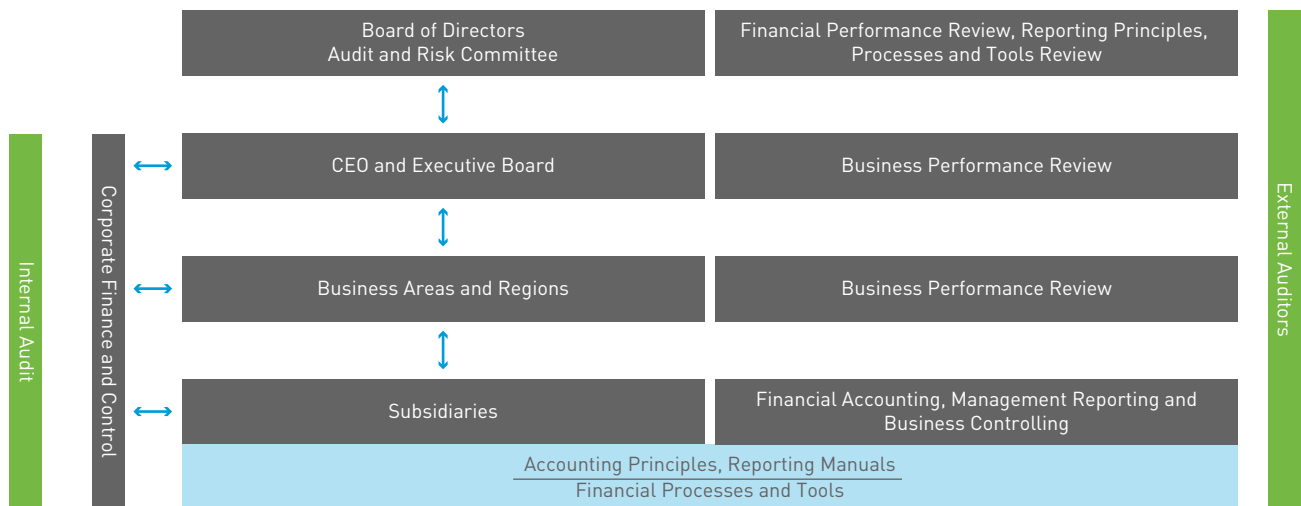
Board of Director's report. Financial risks are described in the notes to financial statements and operational and project risks are described in Outotec's web site (www.outotec.com).

In 2014, new project risk management tools have been developed to improve project risk management in sales and delivery phases.

FINANCIAL REPORTING CONTROLS

Internal control in the framework of financial reporting aims at providing assurance that the financial reporting is reliable and in line with the generally accepted accounting principles, applicable laws and regulations as well as internal reporting principles. The financial reporting framework in Outotec is based on Group wide instructions, financial processes and common reporting platform. This framework is supported by Outotec's values, honesty and high ethical standards as well as frequent training and information exchange through meetings where information about financial processes is shared.

OUTOTEC FINANCIAL REPORTING CONTROLS



The Board of Directors bears the overall responsibility for the internal control over financial reporting. Financial performance is reviewed by the Board. The Board has appointed an Audit and Risk Committee, which in addition to other tasks monitors on regular basis also the financial reporting principles and accuracy of the financial reporting. The CEO and the Executive Board as well as the management teams in business areas

and regions conduct a monthly review of the historical financial performance and business outlook. Central part of the review is the financial performance of delivery projects. Controlling functions in subsidiaries are responsible for ensuring that the business transactions are reported according to Outotec's accounting principles. The internal audit function performs regular checks on the financial reporting and reports directly to the Audit

and Risk Committee and the CEO. The corporate wide financial management and control is coordinated by the Corporate Finance & Control function headed by the Chief Financial Officer. The operational responsibility for internal controls lies in subsidiaries, business Areas, regions and global functions.

The Corporate Finance & Control function maintains common instructions for financial reporting, acts as process

owner for financial processes and controls centrally the reporting platforms. The application and interpretation of accounting standards for the Group wide purposes is done by the Corporate Finance & Control and those principles are documented in the Outotec Accounting Policy and reporting manual. Reporting principles are implemented by the network of controllers in business areas, regions and global functions. Outotec's financial transactions are currently recorded in several different financial transaction systems. As part of global process and IT systems harmonization process started in 2011, several legacy systems have already been replaced with Outotec's standard enterprise resource planning (ERP) system, namely SAP. Outotec targets to replace most of the remaining legacy systems by the end of year 2015. The financial information is collected from the ERP systems to a common consolidation system to ensure standardized external and internal financial information. Internal management reporting is always matched with the external reporting in order to ensure that the internal and external reporting is based on the same information. Changes in accounting system master data are managed centrally to ensure data integrity. Automatic interfaces between financial transaction platforms and the consolidation systems are applied when reasonable. User rights for the financial IT systems and segregation of duties as well as consistent and well documented processes are an important part of the internal control.

Outotec's monthly financial review process forms a key control mechanism when measuring the effectiveness of operations and the development of the company versus the set financial targets. Monthly reporting includes detailed analysis of deviations between actual results, budget, previous year and latest forecast. In addition to the financial information the reporting covers also other key performance indicators for measuring the operational performance of Outotec, business areas and regions as well as cost development of global functions. As project deliveries represent majority of Outotec's sales, project risk management and project control are the key processes for providing information for financial control and reporting.

Financial performance and outlook are reviewed on monthly basis on all organizational levels. Special emphasis is put on the review of project related contractual risks, project provisions and financial performance. Project related

financial performance and risks are reviewed also by the Audit and Risk Committee on quarterly basis. Controllers participate in evaluating the performance as well as in planning activities. Controllers' responsibility is also to ensure that the reporting follows corporate guidelines and time schedules.

During year 2014, special emphasis was put on implementing common processes and SAP in Finland, Mexico, Peru, Chile and China. Roll-outs for most of the remaining entities will take place in 2015. During 2014 the delivery project reporting was further developed.

AUDITORS

The company has one auditor which shall be an auditing firm authorized by the Finland Chamber of Commerce. The auditor is elected by the Annual General Meeting to audit the accounts for the ongoing financial year and its duties cease at the closure of the subsequent Annual General Meeting. The audit firm performs an annual audit of the accounting records for each financial year, the annual accounts and the corporate governance of the company. The audit of the company also includes an examination of the consolidated annual accounts for the company, as well as the relationships between Outotec companies. This calls for cooperation between the auditor of Outotec Oyj and the auditors of the other Outotec companies world-wide. In the scope of the audit, it is taken into account that the company has its own separate internal audit function. On closing of the annual accounts, the external auditor submits the statutory auditor's report to the company's shareholders, and it also regularly reports the findings to the Board of Directors' Audit and Risk Committee. An auditor, in addition to fulfilling general competency requirements, must also comply with legal independence requirements guaranteeing the execution of an independent and reliable audit. Outside the regular audit scope each enterprise resource planning system rollout in 2014 has also been assessed.

In 2014, the company paid a fee of EUR 896,100 (2013: 856,000) for the auditing services. Additionally, the company paid EUR 456,400 (2013: 608,000) for non-auditing related consultation.

In the Annual General Meeting on March 31, 2014, Public Accountants PricewaterhouseCoopers Oy was elected as the company's auditor.

REMUNERATION

Outotec has adopted a compensation policy reflecting the following principles:

- The total compensation package should closely align the interests of Outotec, its shareholders, and all employees of Outotec
- A significant proportion of total compensation should be based on the company's operating performance in the short- and long-term, and on each employee's individual performance
- In order to attract and retain highly competent professionals, the total compensation package of employees with key competence and a high level of individual performance should be competitive compared to relevant labor market compensation

In 2014, the total compensation in Outotec includes the following components which vary by employee:

- 1) Base salary
- 2) Short-term incentives
 - Alternatively Outotec's global annual bonus system, project bonus, or sales incentive
- 3) Long-term incentives
 - Share-based Incentive Program or comparable system for selected employees
 - Share Savings Plan or comparable for all personnel
- 4) Rewards for innovation
- 5) Ad-hoc rewarding for extraordinary achievements
- 6) Pension and life insurance benefits

Short-term incentives

At Outotec, annual bonuses are determined on the basis of attainment of the company's financial targets, as well as targets set for the employees or departments concerned. Personal targets form at most one third of one's total incentive bonus. As a general rule, the maximum bonus percentage ranges from 10 to 60 percent of the employee's annual salary, depending on the job grade or the position of the employee. The annual bonus program covers almost all personnel of Outotec. Instead of annual bonus, project bonuses may be used in selected delivery project and sales incentive for sales personnel.

Long-term incentives

Share-based Incentive Program 2013–2015
Outotec's Board of Directors decided on January 16, 2013 to adopt a Share-based Incentive Program for the company's key personnel for years 2013–2015. The Board of Directors determines annually the maximum number of allocated shares, the

participants, the length of earning period, the amount of the maximum reward for each individual, the earning criteria and the targets established for them. The length of the earning and measurement period can vary from one to three years. A precondition for the Executive Board members for being eligible for the Share-based Incentive Program is that s/he also participates in Outotec's Employee Share Savings Plan.

Earning period 2014

The Board of Directors set targets for earnings per share, order intake, and sales growth compared to key competitors as well as authorized the CEO to decide the individuals for the Program's 2014 earning period. At the end of December 2014, there were 169 participants with a right to earn a maximum number of 794,500 Outotec shares and a cash payment that equals income taxes.

Earning period 2013

A total of 37,898 Outotec shares were allocated for the 2013 earning period with a cost of approximately MEUR 0.6, which is booked for the financial periods 2013-2015.

Share-based Incentive Program 2010–2012

Outotec's Board of Directors decided on April 23, 2010, to adopt a share-based Incentive Program 2010–2012 for the company's key personnel.

Earning period 2012

A total of 490,766 Outotec shares were allocated in 2013 for the 2012 earning period with a cost of approximately MEUR 9.0, which is booked for the financial periods 2012–2014.

Employee Share Savings Plan

Outotec's Board of Directors decided on September 25, 2012, to launch an Employee Share Savings Plan for Outotec employees globally. The plan commenced from January 1, 2013, with the first savings period being one calendar year.

Outotec employees have a possibility to save a proportion of their salary for purchasing Outotec shares. To encourage participation, Outotec offers each employee participating in the Plan in 2013 one free share for each acquired share (in 2014 and 2015 one free share for each two acquired shares) after a designated holding period of approximately three years. Free shares

are taxable income for the recipient and will be paid partly in Outotec's shares and partly in cash. The cash proportion is intended for covering taxes and tax-related payments.

The Plan has continued in 2014 and on September 30, 2014 the Board of Directors decided to continue the plan also in 2015. The following savings periods are subject to a separate Board decision.

The total savings of employees have been capped to EUR 7 million in 2013 and EUR 6 million in 2014 and 2015.

Globally approximately 34% of Outotec employees in 2013, 33% in 2014 have participated and 27% in 2015 are participating in Employee Share Savings Plan.

Fees paid to the Board of Directors, EUR	2014	2013
Alahuhta Matti, Chairman (since March 26, 2013)	82,900	78,600
Ritakallio Timo, Vice Chairman	58,800	60,600
Ailasmaa Eija	48,600	43,800
Järvinen Tapani	48,600	43,800
Korhonen Anja (since March 26, 2013)	48,000	46,800
Linnoinen Hannu	60,000	60,600
Rosengren Björn (since March 31, 2014)	42,000	-
Zabludowicz Poju	43,200	46,200
Bergström Carl-Gustaf (until March 26, 2013)	600	1,200
Kaitue Karri (until March 26, 2013)	600	1,200

Remuneration paid to the CEO and Executive Board members in 2014, EUR	Wages	Benefits	Bonuses	Share based benefits	Total
CEO	575,088	24,313	70,071	54,034	723,507
Other Executive Board	3,056,971	581,418 ¹⁾	387,119	174,195	4,199,704

¹⁾Two members of the Executive Board are assigned temporarily abroad. Benefits include compensation of costs related to these foreign assignments for example accommodation and car lease.

Remuneration paid to the CEO and Executive Board members in 2013, EUR	Wages	Benefits	Bonuses	Share based benefits	Total
CEO	578,301	24,311	208,111	658,003	1,468,727
Other Executive Board	2,914,356	550,532 ¹⁾	797,133	2,840,616	7,102,636

¹⁾Three members of the Executive Board are assigned temporarily abroad. As a difference to previous years, benefits include compensation of costs related to these foreign assignments for example accommodation and car lease.

In addition, CEO and part of Executive Board members received Outotec shares through share exchange when dissolving Outotec Management Oy (CEO and Executive Board share ownership plan).