

ANNUAL GENERAL MEETING OF VALMET OYJ 2018

Time March 21, 2018, 13:00–14:55

Place Seminar Room 101 of Messukeskus (Expo and Convention Centre), Messuaukio 1, 00520 Helsinki, Finland.

Present In accordance with the attached list of votes (including powers of attorney), 816 shareholders representing a total of 84,174,451 shares and votes were present at the meeting ([Appendix 1](#)).

The members of the board of directors excluding Lone Fønss Schröder, the president and CEO, the proposed new board members, the auditor and the company's upper management and meeting officials were also present in accordance with [Appendix 2](#).

1 **Opening of the Meeting**

Chairman of the board Bo Risberg opened the meeting and welcomed those present. Chairman of the board gave a review of year 2017, introduced current board members present at the meeting, the new proposed board members and the activities of the board in 2017 as well as thanked the members of the board of directors who were leaving the board.

2 **Calling the Meeting to Order**

Attorney Pekka Jaatinen was appointed as chairman of the meeting.

The chairman invited the company's general counsel, Rasmus Oksala, to act as the secretary of the meeting.

The chairman described meeting arrangements and the voting instructions delivered in advance by nominee registered shareholders. The voting instructions were appended to the minutes ([Appendices 3–4](#)).

It was noted that the agenda ([Appendix 5](#)) had been provided to the meeting participants and that the matters would be handled in the order they were presented in the agenda.

3 **Election of the Persons to Scrutinise the Minutes and to Verify the Counting of Votes**

Seppo Kurki-Suonio was elected to scrutinise the minutes.

It was noted that the potential counting of votes would be carried out by Euroclear Finland Ltd. Antti Lavonen and Mirka Vartiainen were appointed to supervise the counting of votes.

Recording the Legality of the Meeting

It was noted that, pursuant to section 8 of the articles of association, the notice convening a general meeting must be delivered as follows:

'The notice convening a General Meeting of shareholders must be delivered to the shareholders by publishing the notice on the company's website or in one or more widely circulated daily newspapers designated by the Board of Directors or otherwise in a verifiable manner no more than three (3) months and no less than three (3) weeks prior to the General Meeting of shareholders, however, in any case, at least nine (9) days prior to the record date of the General Meeting of shareholders referred to in Chapter 4, Section 2, Subsection 2 of the Finnish Companies Act.'

It was noted that in accordance with the Limited Liability Companies Act and section 8 of the articles of association, the notice convening the meeting had to be published no earlier than December 9, 2017 and no later than February 28, 2018.

It was noted that, in accordance with the decision of the board of directors, the notice convening the meeting had been published on the company's website on February 6, 2018. The notice convening the meeting had also been published as a stock exchange release on February 6, 2018, from which date the notice had been available on the company's website ([Appendix 6](#)). In addition, the announcement of the publication of the notice convening the meeting had been published in Helsingin Sanomat and Kauppalehti newspapers on February 9, 2018 ([Appendix 7](#)).

It was noted that the decision proposals had been available as of February 6, 2018 and the financial statement documentation as of February 27, 2018 on the company's website, and thus, the documents had been available for at least three weeks prior to the general meeting as required by the Limited Liability Companies Act.

It was noted that the meeting had been convened in accordance with the Limited Liability Companies Act and the articles of association.

It was noted that the meeting was legal.

Recording the Attendance at the Meeting and Adoption of the List of Votes

The list of the participants and the list of votes as at the opening of the meeting were presented, according to which 816 shareholders were present, either personally or represented by a statutory or authorised representative. It was recorded that 84,174,451 shares were represented at the beginning of the meeting, corresponding to approximately 56.17 % of all the shares and votes in the company.

The list of participants at the beginning of the meeting and the list of votes represented at the meeting were attached to the minutes as [Appendix 1](#). It was noted that the list of votes would be confirmed to correspond with the attendance at the beginning of any votes.

It was noted that the shareholders' register was available at the general meeting.

6 Presentation of the Financial Statements, the Consolidated Financial Statements, the Report of the Board of Directors and the Auditor's Report for the Year 2017

It was noted that the company's financial statement documentation for 2017 had been available on the company's website since February 27, 2018.

The company's President and CEO, Pasi Laine, presented his review ([Appendix 8](#)) as well as the financial statements, consolidated financial statements and report of the board of directors ([Appendix 9](#)).

The auditor of the company, Jouko Malinen, held a short presentation on the auditor's report and key audit matters and read the statement part of the auditor's report ([Appendix 10](#)).

It was noted that the financial statements, the consolidated financial statements, the report of the board of directors and the auditor's report had been presented.

7 Adoption of the Financial Statements and the Consolidated Financial Statements

The financial statements and the consolidated financial statements for the 2017 financial period were adopted.

It was recorded that Jarkko Varis, present under a power of attorney from Skandinaviska Enskilda Banken AB (publ) Helsinki Branch, represented five (5) shareholders, who held a total of 18,091 shares and votes and who had stated that they will abstain from the vote on the proposal on adoption of the financial statements and the consolidated financial statements.

8 Resolution on the Use of the Profit Shown on the Balance Sheet and the Payment of Dividends

It was noted that the company's distributable equity as at December 31, 2017 totalled EUR 981,381,144.37, of which the net profit for 2017 was EUR 95,536,639.34.

It was noted that the board of directors had proposed that a dividend of EUR 0.55 per share be paid based on the balance sheet to be adopted for the financial year, which ended on December 31, 2017, and the remaining part of the profit be retained and carried further in the company's unrestricted equity.

According to the proposal, the dividend would be paid to shareholders who on the dividend record date, March 23, 2018, are registered in the company's shareholders' register held by Euroclear Finland Ltd. The payment date for the dividends will be April 5, 2018.

It was resolved in accordance with the proposal of the board of directors that a dividend of EUR 0.55 per share would be paid based on the balance sheet adopted for the financial year, which ended December 31, 2017, and the remaining part of the profit be retained and carried further in the company's unrestricted equity. The dividend shall be paid to shareholders who on the dividend record date March 23, 2018 are registered in the Company's shareholders' register held by Euroclear Finland Ltd. The payment date for the dividends will be April 5, 2018.

Resolution on the Discharge of the Members of the Board of Directors and the President and CEO from Liability

It was noted that the resolution on discharge from liability for the 2017 financial period concerned the following persons:

- Bo Risberg, Chairman of the Board,
- Jouko Karvinen, Board Member until March 23, 2017 and Vice-Chairman of the Board as of March 23, 2017,
- Mikael von Frenckell, Vice-Chairman of the Board until March 23, 2017,
- Friederike Helfer, Board Member until March 23, 2017,
- Lone Fønss Schrøder, Board Member,
- Rogério Ziviani, Board Member,
- Aaro Cantell, Board Member,
- Tarja Tyni, Board Member,
- Eriikka Söderström, Board Member as of March 23, 2017, and
- Pasi Laine, President and CEO.

It was recorded that Jarkko Varis, present under a power of attorney from Skandinaviska Enskilda Banken AB (publ) Helsinki Branch, represented three (3) shareholders, who held a total of 607,001 shares and votes and who had stated that they will vote against the motion to discharge the members of the board and president and CEO from liability. In addition, five (5) shareholders, who held a total of 18,091 shares and votes, had stated that they will abstain from the vote on the proposal on discharging of the Members of the Board of Directors and the President and CEO from Liability.

It was recorded that Kaarlo Kurvinen, present under a power of attorney from Nordea Bank AB (publ), Finnish Branch, represented three (3) shareholders, who held a total of 277,612 shares and votes and who had stated that they will vote against the motion to discharge the members of the board and president and CEO from liability.

It was resolved to grant discharge from liability to the members of the board of directors and the president and CEO for the 2017 financial period.

Resolution on the Remuneration of the Members of the Board of Directors

The chairman of the nomination board, Antti Mäkinen, presented the work of the nomination board, the proposals of the nomination board and introduced the proposed new board members. In addition, the proposed board members introduced themselves to the Annual General Meeting.

It was noted that Valmet Oyj's Nomination Board had proposed to the Annual General Meeting that the members of the Board of Directors to be elected by the Annual General Meeting for a term of office ending at the end of the Annual General Meeting of the year 2019 be paid the following annual remunerations: to the Chairman of the Board of Directors EUR 100,000; to the Vice-Chairman of the Board of Directors EUR 60,000; and to the other members of the Board of Directors EUR 48,000 each.

Furthermore, the Nomination Board had proposed that a base fee of EUR 7,000 shall be paid for each member of the Audit Committee, EUR 14,000 for the Chairman of the Audit Committee, EUR 4,000 for each member of the Remuneration and HR Committee, and EUR 6,000 for the Chairman of the Remuneration and HR Committee.

In addition, the Nomination Board had proposed that, for each meeting of the Board of Directors or the committees of the Board of Directors, a fee of EUR 700 is paid to the members of the Board that reside in the Nordic countries, a fee of EUR 1,400 is paid to the members of the Board that reside in other European countries and a fee of EUR 2,800 is paid to the members of the Board that reside outside Europe.

The Nomination Board had proposed to the Annual General Meeting that, as a condition for the annual remuneration, the members of the Board of Directors be obliged, directly based on the General Meeting's decision, to use 40 percent of the fixed annual remuneration for purchasing Valmet Oyj shares from the market at a price formed in public trading and that the purchase will be carried out within two weeks from the publication of the interim review for the period January 1, 2018 to March 31, 2018.

It was recorded that Jarkko Varis, present under a power of attorney from Skandinaviska Enskilda Banken AB (publ) Helsinki Branch, represented two (2) shareholders who held a total of 607,000 shares and votes and who had stated that they will vote against the motion on the remuneration of the members of the board of directors.

It was recorded that Kaarlo Kurvinen, present under a power of attorney from Nordea Bank AB (publ), Finnish Branch, represented three (3) shareholders, who held a total of 308,520 shares and votes and who had stated that they will vote against the motion on the remuneration of the members of the board of directors.

The annual and meeting remuneration of the board of directors was approved in accordance with the proposal of the nomination board.

11 Resolution on the Number of Members of the Board of Directors

Pursuant to section 4 of the articles of association, the company's board of directors shall comprise no less than five (5) and no more than eight (8) members. The general meeting of shareholders elects the chairman, the vice chairman and other members of the board of directors.

It was noted that the board currently had seven (7) members: a chairman, a vice chairman and five (5) other members.

It was noted that the nomination board of Valmet Oyj had proposed that the number of members of the board of directors be confirmed as seven (7) for the term expiring at the close of the Annual General Meeting 2019.

It was resolved in accordance with the proposal of the nomination board to confirm the number of members of the board of directors as seven (7).

12 Election of the Members of the Board of Directors

It was noted that, in accordance with section 4 of the articles of association, the chairman, the vice chairman and the other members of the board of directors must be elected by the general meeting of shareholders. The meeting had decided to elect seven (7) members.

It was noted that the current members of the board were Chairman Bo Risberg, Vice-Chairman Jouko Karvinen and other members Aaro Cantell, Lone Fønss Schrøder, Eriikka Söderström, Tarja Tyni and Rogério Ziviani.

The following proposal for the election of the members of the board was noted:

‘Valmet Oyj’s Nomination Board proposes that Mr Bo Risberg, Mr Aaro Cantell, Ms Eriikka Söderström, Ms Tarja Tyni and Mr Rogério Ziviani be re-elected as members of the Board of Directors and that Ms Monika Maurer and Mr Pekka Kempainen be elected as the new members of the Board of Directors for the term expiring at the close of the Annual General Meeting 2019.

The Nomination Board proposes that Mr Bo Risberg be re-elected as Chairman of the Board of Directors and Mr Aaro Cantell be elected as Vice-Chairman of the Board of Directors.

Mr Jouko Karvinen, Vice-Chairman of the Board of Directors of Valmet Oyj, and Ms Lone Fønss Schrøder, member of the Board of Directors of Valmet Oyj, have informed Valmet Oyj’s Nomination Board that they will not be available in the election of the Board of Directors in the next Annual General Meeting.

Personal information and positions of trust of the proposed individuals is available on the Company’s website (www.valmet.com). All candidates have given their consent to the appointments.’

It was resolved in accordance with the proposal of the nomination board to elect Bo Risberg as Chairman of the Board of Directors, Aaro Cantell as Vice-Chairman, Pekka Kemppainen, Monika Maurer, Eriikka Söderström, Tarja Tyni and Rogério Ziviani as members of the Board of Directors for a term of office that, in accordance with the Articles of Association, expires at the end of the first Annual General Meeting following the election.

13 Resolution on Remuneration of the Auditor

It was noted that the board of directors had proposed, based on the proposal of the audit committee, that the remuneration to the auditor be paid in accordance with the auditor’s invoice and the principles approved by the audit committee.

It was recorded that Jarkko Varis, present under a power of attorney from Skandinaviska Enskilda Banken AB (publ) Helsinki Branch, represented thirty-eight (38) shareholders, who held a total of 2,470,657 shares and votes and who had stated that they will vote against the motion on the remuneration of the auditor.

It was recorded that Kaarlo Kurvinen, present under a power of attorney from Nordea Bank AB (publ), Finnish Branch, represented thirty-five (35) shareholders, who held a total of 775,776 shares and votes and who had stated that they will vote against the motion on the remuneration of the auditor.

It was resolved in accordance with the proposal of the board of directors that the remuneration to the auditor be paid in accordance with the auditor’s invoice and the principles approved by the audit committee.

Election of the Auditor

It was noted that in accordance with section 7 of the articles of association, the term of office of the auditor expires at the closing of this annual general meeting of shareholders. The company must have one (1) auditor, which must be an audit firm approved by the Finland Chamber of Commerce.

It was noted that audit firm PricewaterhouseCoopers Oy with Mr Jouko Malinen, APA, as the responsible auditor, had served as the company's auditor.

It was noted that the board of directors had proposed, based on the proposal of the audit committee, that audit firm PricewaterhouseCoopers Oy be elected auditor of the company. PricewaterhouseCoopers Oy had stated that Mr Jouko Malinen, APA, would act as the responsible auditor.

It was resolved in accordance with the proposal of the board of directors to elect audit firm PricewaterhouseCoopers Oy as auditor of the company for a term that will end at the end of the next annual general meeting. It was recorded that audit firm PricewaterhouseCoopers Oy had stated that Mr Jouko Malinen, APA, would act as the responsible auditor and he had given his consent for this position.

Authorising the Board of Directors to Decide on the Repurchase of the Company's Own Shares

It was noted that the board of directors had proposed that the board of directors be authorised to resolve on repurchasing of company's own shares as follows:

'The Board of Directors proposes that it be authorised to decide on the repurchase of company's own shares in one or several tranches.

The maximum number of shares to be repurchased shall be 10,000,000 shares, which corresponds to approximately 6.7 percent of all the shares in the Company. Company's own shares may be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase). Company's own shares may be repurchased using the unrestricted equity of the Company at a price formed on a regulated market on the stock exchange main list of upheld by Nasdaq Helsinki Ltd on the date of the repurchase.

Company's own shares may be repurchased for reasons of developing the Company's capital structure, financing or carrying out acquisitions, investments or other business transactions, or for the shares to be used in an incentive scheme.

The Board of Directors resolves on all other terms related to the repurchasing of the Company's own shares.

The authorisation shall remain in force until the next Annual General Meeting, and it cancels the authorisation granted in the Annual General Meeting of March 23, 2017 related to the repurchasing of Company's own shares.'

It was recorded that Jarkko Varis, present under a power of attorney from Skandinaviska Enskilda Banken AB (publ) Helsinki Branch, represented one (1) shareholder, who held 1 share and vote and who had stated that he/she will

vote against the motion on authorising the board of directors to decide on the repurchase of company's own shares.

It was resolved to authorise the board of directors to resolve on repurchasing of the company's own shares in accordance with the proposal of the board of directors.

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Authorising the Board of Directors to Resolve on the Issuance of Shares as well as the Issuance of Special Rights Entitling to Shares

It was noted that the board of directors had proposed that the board of directors be authorised to resolve on the issuance of shares and the issuance of special rights entitling to shares as follows:

The Board of Directors proposes that it be authorised to decide on the issuance of shares as well as the issuance of special rights entitling to shares pursuant to Chapter 10(1) of the Finnish Limited Liability Companies Act in one or several tranches. The issuance of shares may be carried out by offering new shares or by transferring treasury shares held by Valmet Oyj. Based on this authorisation, the Board of Directors may decide on a directed share issue in deviation from the shareholders' pre-emptive rights and on the granting of special rights subject to the conditions mentioned in the Finnish Limited Liability Companies Act.

The maximum number of new shares which may be issued by the Board of Directors based on this authorization shall be 15,000,000 shares, which corresponds to approximately 10.0 percent of all the shares in Valmet Oyj. The maximum number of treasury shares which may be issued shall be 10,000,000 shares, which corresponds to approximately 6.7 percent of all the shares in the Company.

The Board of Directors is furthermore authorised to issue special rights pursuant to Chapter 10(1) of the Finnish Limited Liability Companies Act entitling their holder to receive new shares or treasury shares for consideration. The maximum number of shares which may be issued based on the special rights shall be 15,000,000 shares, which corresponds to approximately 10.0 percent of all the shares in Company. This number of shares shall be included in the aggregate numbers of shares mentioned in the previous paragraph.

The new shares and treasury shares may be issued for consideration or without consideration.

The Board of Directors of Valmet Oyj shall also be authorised to resolve on issuing treasury shares to the Company without consideration. The maximum number of shares which may be issued to Valmet Oyj shall be 10,000,000 shares when combined with the number of shares repurchased based on an authorisation. Such number corresponds to approximately 6.7 percent of all shares in the Company. The treasury shares issued to the Company shall not be taken into account in the limits set out in the preceding paragraphs.

The Board of Directors may resolve on all other terms of the issuance of shares and special rights entitling to shares pursuant to Chapter 10(1) of the Finnish Limited Liability Companies Act. The Company may use this authorisation, for example, for rea-

sons of developing the Company's capital structure, in financing or carrying out acquisitions, investments or other business transactions, or for the shares to be used in incentive schemes.

The authorisation shall remain in force until the next Annual General Meeting, and it cancels the authorisation granted in the Annual General Meeting of March 23, 2017 to decide on the issuance of shares as well as the issuance of special rights entitling to shares.'

It was recorded that Jarkko Varis, present under a power of attorney from Skandinaviska Enskilda Banken AB (publ) Helsinki Branch, represented forty (40) shareholders, who held a total of 2,588,992 shares and votes and who had stated that they will vote against the motion on authorising the board of directors to resolve on the issuance of shares and the issuance of special rights entitling to shares.

It was recorded that Kaarlo Kurvinen, present under a power of attorney from Nordea Bank AB (publ), Finnish Branch, represented fifty-two (52) shareholders, who held a total of 3,227,398 shares and votes and who had stated that they will vote against the motion on authorising the board of directors to resolve on the issuance of shares and the issuance of special rights entitling to shares.

It was resolved to authorise the board of directors to resolve on the issuance of shares and the issuance of special rights entitling to shares in accordance with the proposal of the board of directors.

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Closing of the Meeting

The chairman noted that the matters listed in the notice convening the meeting had been discussed.

The chairman noted that the minutes of the meeting would be available to the shareholders on the company's website no later than within two weeks from the meeting, i.e. as of April 4, 2018.

The chairman thanked the meeting participants and noted that the meeting was closed at 14:55.

In fidem

Pekka Jaatinen
Chairman

Rasmus Oksala
Secretary

Minutes scrutinised and approved:

Seppo Kurki-Suonio