

## ANNUAL GENERAL MEETING OF VALMET OYJ 2019

<b>Time</b>	March 21, 2019, 13:00–14:45
<b>Place</b>	Seminar Room 101 of Messukeskus (Expo and Convention Centre), Messuaukio 1, 00520 Helsinki, Finland.
<b>Present</b>	<p>In accordance with the attached list of votes (including powers of attorney), 1,091 shareholders representing a total of 88,759,927 shares and votes were present at the meeting (<a href="#">Appendix 1</a>).</p> <p>The members of the Board of Directors, the President and CEO, the proposed new Board Member, the Auditor and the Company's upper management and meeting officials were also present in accordance with <a href="#">Appendix 2</a>.</p>

### 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 2018, introduced current Board Members and the activities of the Board in 2018.

### 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**

Juhana Holmström was elected to scrutinise the minutes.

It was noted that the potential counting of votes would be carried out by Euroclear Finland Oy. Antti Lavonen and Hannu Ikävalko 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 11, 2018 and no later than February 28, 2019.

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 7, 2019. The notice convening the meeting had also been published as a stock exchange release on February 7, 2019, from which date the notice had been available on the Company's website ([Appendix 6](#)). In addition, an announcement of the publication of the notice convening the meeting had been published in Helsingin Sanomat and Kauppalehti newspapers on February 11, 2019 ([Appendix 7](#)).

It was noted that the decision proposals had been available as of February 7, 2019 and the financial statement documentation as of February 27, 2019 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 1,091 shareholders were present, either personally or represented by a statutory or authorised representative. It was recorded that 88,759,927 shares were represented at the beginning of the meeting, corresponding to approximately 59.23% 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 2018**

It was noted that the Company's financial statement documentation for 2018 had been available on the Company's website since February 27, 2019.

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 2018 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 eight (8) shareholders, who held a total of 149,261 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, 2018 totaled EUR 1,066,506,132.12, of which the net profit for the year 2018 was EUR 168,055,709.75.

It was noted that the Board of Directors had proposed that a dividend of EUR 0.65 per share be paid based on the balance sheet to be adopted for the financial year which ended December 31, 2018 and the remaining part of 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 25, 2019 are registered in the Company's shareholders' register held by Euroclear Finland Oy. The dividend shall be paid on April 4, 2019.

It was resolved in accordance with the proposal of the Board of Directors that a dividend of EUR 0.65 per share would be paid based on the balance sheet adopted for the financial year, which ended December 31, 2018, 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 25, 2019 are registered in the Company's shareholders' register held by Euroclear Finland Oy. The payment date for the dividends will be April 4, 2019.

## **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 2018 financial period concerned the following persons:

- Bo Risberg,
- Jouko Karvinen, until March 21, 2018,
- Aaro Cantell,
- Eriikka Söderström,
- Tarja Tyni,
- Rogério Ziviani,
- Pekka Kemppainen, as of March 21, 2018,
- Monika Maurer, as of March 21, 2018,
- Lone Fønss Schrøder, until March 21, 2018, and
- Pasi Laine.

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 462,910 shares and votes and who had stated that they will vote against the motion to discharge the members of the Board of Directors and President and CEO from liability. In addition, eight (8) shareholders, who held a total of 149,261 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 Johanna Tanskanen, present under a power of attorney from Nordea Bank Oyj, represented three (3) shareholders, who held a total of 209,929 shares and votes and who had stated that they will vote against the motion to discharge the members of the Board of Directors 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 2018 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 and the proposals of the Nomination Board and introduced the proposed Board Members to the Annual General Meeting. 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 2020 be paid the following annual remunerations: to the Chairman of the Board of Directors EUR 110,000; to the Vice-Chairman of the Board of Directors EUR 66,000; and to the other members of the Board of Directors EUR 52,800 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 a meeting fee in the amount of EUR 700 shall be paid for those members whose place of residence is in the Nordic countries, EUR 1,400 for those members whose place of residence is elsewhere in Europe and EUR 2,800 for those members whose place of residence is outside of Europe for the Board meetings attended, including the meetings of the committees of the Board of Directors.

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 Annual 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 on a regulated market on the stock exchange main list upheld by Nasdaq Helsinki Ltd and that the purchase will be carried out within two weeks from the publication of the interim review for the period January 1, 2019 to March 31, 2019.

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 452,000 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 Johanna Tanskanen, present under a power of attorney from Nordea Bank Oyj, represented three (3) shareholders, who held a total of 371,286 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 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 2020.

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 Annual General Meeting. The meeting had decided to elect seven (7) members.

It was noted that the current members of the Board of Directors were Chairman Bo Risberg, Vice-Chairman Aaro Cantell and other members Pekka Kempainen, Monika Maurer, 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 Aaro Cantell, Mr Pekka Kempainen, Ms Monika Maurer, Ms Eriikka Söderström, Ms Tarja Tyni and Mr Rogério Ziviani be re-elected as members of the Board of Directors and that Mr Mikael Mäkinen be elected as the new member of the Board of Directors for the term expiring at the close of the Annual General Meeting 2020.*

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

*Mr Bo Risberg, Chairman of the Board of Directors of Valmet Oyj, has informed Valmet Oyj’s Nomination Board that he 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 are 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 Mikael Mäkinen as Chairman of the Board of Directors, Aaro Cantell as Vice-Chairman and Pekka Kempainen, 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 twenty (20) shareholders, who held a total of 1,058,099 shares and votes and who had stated that they will vote against the motion on the remuneration of the Auditor.

It was recorded that Johanna Tanskanen, present under a power of attorney from Nordea Bank Oyj, represented six (6) shareholders, who held a total of 287,103 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.

### **14 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. 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.

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### **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 decide 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 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 decides 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 21, 2018 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 six (6) shareholders, who held a total of 271,714 shares and votes and who had stated that they will vote against the motion on authorising the Board of Directors to decide on the repurchase of Company's own shares.

It was recorded that Johanna Tanskanen, present under a power of attorney from Nordea Bank Oyj, represented one (1) shareholder, who held 15,992 shares and votes 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 Decide 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 decide 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 authorisation 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 decide 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 decide 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 Board of Directors may use this authorisation, for example, for reasons 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 21, 2018 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 two hundred twenty-six (226) shareholders, who held a total of 14,022,826 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 Johanna Tanskanen, present under a power of attorney from Nordea Bank Oyj, represented two hundred thirty-four (234) shareholders, who held a total of 12,361,358 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. In addition, one (1) shareholder, who held 60,344 shares and votes, had stated that he/she will abstain from the vote on the proposal 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, 2019.

The Chairman thanked the meeting participants and noted that the meeting was closed at 14:45.

In fidem

\_\_\_\_\_  
Pekka Jaatinen  
Chairman

\_\_\_\_\_  
Rasmus Oksala  
Secretary

Minutes scrutinised and approved:

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Juhana Holmström