



**PROPOSAL OF THE BOARD OF DIRECTORS ON THE USE OF THE PROFIT SHOWN ON THE BALANCE SHEET AND THE PAYMENT OF DIVIDEND**

*The Board of Directors proposes 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.*

*The dividend shall be paid to shareholders who on the dividend record date 25 March 2019 are registered in the Company's shareholders' register held by Euroclear Finland Ltd. The dividend shall be paid on April 4, 2019.*

*In Espoo, 7 February 2019*

VALMET OYJ

*Board of Directors*

## NOMINATION BOARD PROPOSAL

### Proposal on the composition of Board of Directors

Valmet's Nomination Board proposes to the next Annual General Meeting, which is planned to be held on March 21, 2019, that the number of the Board members is seven and that

- Aaro Cantell, Pekka Kempainen, Monika Maurer, Eriikka Söderström, Tarja Tyni and Rogerio Ziviani are re-elected as Board members,
- Mikael Mäkinen is elected as a new Board member,
- Mikael Mäkinen is elected as the Chairman of the Board and Aaro Cantell is re-elected as the Vice-Chairman of the Board

for the term expiring at the close of the Annual General Meeting 2020.

Bo Risberg, Chairman of the Valmet Board of Directors, has informed the company that he will not be available for re-election to the Board of Directors in the next Annual General Meeting.

The Nomination Board notes that the proposed new Chairman of the Board, Mikael Mäkinen, is evaluated as being independent of the company and the significant shareholders.

### Proposal on Board of Directors' remuneration

The Nomination Board proposes to the Annual General Meeting that the annual remuneration payable to the members of the Board of Directors to be elected at the Annual General Meeting for the term until the close of the Annual General Meeting in 2020 be as follows:

- EUR 110,000 for the Chairman of the Board (2018: 100 000)
- EUR 66,000 for the Vice-Chairman of the Board (2018: 60 000)
- EUR 52,800 for each Board member (2018: 48 000)

Furthermore, the Nomination Board proposes 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 proposes that a meeting fee in the amount of EUR 700 shall be paid for those members whose place of residence is in 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 proposes to the Annual General Meeting that as a condition for the annual remuneration the members of the Board of Directors are obliged, directly based on the Annual General Meeting's decision, to use 40% of the fixed annual remuneration for purchasing Valmet Oyj shares at a price formed on a regulated market on the main list of Nasdaq Helsinki stock exchange and that the purchase will be carried out within two weeks from the publication of the interim review for the period 1 January 2019 to 31 March 2019.



## **PROPOSAL OF THE BOARD DIRECTORS ON EXTERNAL AUDITOR AND REMUNERATION**

*Based on the proposal of the Audit Committee, the Board of Directors proposes that PricewaterhouseCoopers Oy, authorised public accountants, be elected Auditor of the Company. PricewaterhouseCooper Oy has stated that Mr Jouko Malinen, APA, will act as responsible auditor.*

*Based on the proposal of the Audit Committee, the Board of Directors proposes that the remuneration to the Auditor be paid in accordance with the Auditor's invoice and the principles approved by the Audit Committee.*

*In Espoo, 7 February 2019*

*VALMET OYJ*

*Board of Directors*



**PROPOSAL OF THE BOARD OF DIRECTORS TO AUTHORISE THE BOARD OF DIRECTORS TO RESOLVE ON REPURCHASING VALMET OYJ'S SHARES**

*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 21, 2018 related to the repurchasing of Company's own shares.*

*In Espoo, 7 February 2019*

*VALMET OYJ*

*Board of Directors*



**PROPOSAL OF THE BOARD OF DIRECTORS ON AUTHORIZING THE BOARD OF DIRECTORS TO RESOLVE ON THE ISSUANCE OF SHARES AS WELL AS THE ISSUANCE OF SPECIAL RIGHTS ENTITLING TO SHARES**

*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 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.*

*In Espoo, 7 February 2019*

*VALMET OYJ*

*Board of Directors*