

## **NOTICE CONVENING THE GENERAL MEETING**

Notice is given to the shareholders of Valmet Oyj that the Annual General Meeting is to be held on Thursday, March 21, 2019 at 1:00 p.m. in the Hall 101 of Messukeskus Helsinki, Messuaukio 1, 00520 Helsinki. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 12:00 noon.

### **A. Matters on the agenda of the Annual General Meeting**

1. Opening of the meeting
2. Calling the meeting to order
3. Election of the persons to scrutinise the minutes and to verify the counting of the votes
4. Recording the legality of the meeting
5. Recording the attendance at the meeting and adoption of the list of votes
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'
  - Review by the president and CEO
7. 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

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.

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

9. Resolution on the discharge of the members of the Board of Directors and the president and CEO from liability
10. Resolution on remuneration of the members of the Board of Directors

Valmet Oyj's 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: 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 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 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.

#### 11. Resolution on the number of members of the Board of Directors

Valmet Oyj's Nomination Board proposes 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.

#### 12. Election of the members of the Board of Directors

Valmet Oyj's Nomination Board proposes that Mr Aaro Cantell, Mr Pekka Kempainen, Ms Monika Maurer, Ms Eriikka Söderström, Ms Tarja Tyni and Mr Rogerio 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](http://www.valmet.com)). All candidates have given their consent to the appointments.

#### 13. Resolution on remuneration of the 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.

#### 14. Election of the Auditor

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

15. Authorising the Board of Directors to decide on the repurchase of Company's own 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 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.

16. Authorising the Board of Directors to decide 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 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.

#### 17. Closing of the meeting

### **B. Documents of the General Meeting**

The proposals for decisions on the matters on the agenda of the General Meeting as well as this notice are available on Valmet Oyj's website at the address [www.valmet.com](http://www.valmet.com). The Annual Report of Valmet Oyj, including the Financial Statements, Consolidated Financial Statements, the Report of the Board of Directors and the Auditor's report, will be available on the above-mentioned website no later than February 27, 2019. The proposals for decisions and the Financial Statements and Consolidated Financial Statements are also available at the General Meeting and copies of said documents and of this notice will be sent to shareholders upon request. The Minutes of the Annual General Meeting will be available on the above-mentioned website at the latest as of April 4, 2019.

### **C. Instructions for the participants in the General Meeting**

#### 1. The right to participate and registration

Each shareholder who is registered on March 11, 2019 in the shareholders' register of the Company held by Euroclear Finland Ltd. has the right to participate in the General Meeting. A shareholder whose shares are registered on his/her personal Finnish book-entry account is registered in the shareholders' register of the Company.

A shareholder, who is registered in the shareholders' register of the Company and who wants to participate in the General Meeting, has to register for the meeting no later than on March 18, 2019 at 10:00 a.m. by giving a prior notice of participation. The notice has to be received by the Company before the end of the registration period. Such notice can be given:

- a) at the address [www.valmet.com/agm](http://www.valmet.com/agm);
- b) by telephone to the number +358 20 770 6884 (on weekdays between 9:00 a.m. and 4:00 p.m.); or
- c) by sending a written notification to the address Valmet Oyj, Anne Grahn-Löytänen, P.O. Box 11, 02151 Espoo, Finland.

In connection with the registration, a shareholder must state his/her name, personal identification number or business identity code, address, telephone number and the name of a possible assistant, proxy representative or statutory representative as well as the personal identification number of the proxy representative or statutory representative. The personal data given to Valmet Oyj by shareholders is used only in connection with the General Meeting and with the processing of related registrations.

The shareholder, his/her authorised representative or proxy representative must, if necessary, be able to prove his/her identity and/or right of representation at the General Meeting.

## 2. Holders of nominee registered shares

A holder of nominee registered shares has the right to participate in the General Meeting by virtue of such shares based on which he/she on the General Meeting record date March 11, 2019 would be entitled to be registered in the shareholders' register of the Company held by Euroclear Finland Ltd. The right to participate in the General Meeting requires, in addition, that the shareholder on the basis of such shares has been temporarily registered into the shareholders' register held by Euroclear Finland Ltd at the latest by March 18, 2019 at 10:00 a.m. As regards nominee registered shares this constitutes due registration for the General Meeting.

A holder of nominee registered shares is advised to request without delay the necessary instructions regarding temporary registration in the shareholders' register, the issuing of proxy documents and participation in the General Meeting from his/her custodian bank. The account management organisation of the custodian bank has to register a holder of nominee registered shares, who wants to participate in the General Meeting, temporarily into the shareholders' register of the Company at the latest by the time stated above.

## 3. Proxy representative and powers of attorney

A shareholder may participate in the General Meeting by way of proxy representation. The proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder.

When a shareholder participates in the General Meeting by means of several proxy representatives representing the shareholder with shares held at different securities accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration for the General Meeting.

Possible proxy documents should be delivered in originals to the address Valmet Oyj, Anne Grahn-Löytänen, P.O. Box 11, 02151 Espoo, Finland, before the last date for registration.

## 4. Other information



Pursuant to Chapter 5(25) of the Finnish Limited Liability Companies Act, a shareholder who is present at the General Meeting has the right to request information with respect to the matters to be considered at the meeting.

On the date of this notice February 7, 2019, the total number of shares and votes in Valmet Oyj is 149,864,619.

Espoo February 7, 2019

VALMET OYJ

Board of Directors