

## **ANNUAL GENERAL MEETING OF VALMET CORPORATION 2014**

<b>Time</b>	26 March 2014, 15:00–16:50
<b>Place</b>	Messukeskus Helsinki, Messuaukio 1, 00520 Helsinki, Finland.
<b>Present</b>	In accordance with the attached list of votes (including powers of attorney), 725 shareholders representing a total of 65,253,540 shares and votes were present at the meeting ( <a href="#">Appendix 1</a> ).  The members of the board or directors, the president and CEO, the proposed new board member, the auditor, the representative of the proposed new audit firm, the company's upper management and meeting officials were also present in accordance with <a href="#">Appendix 2</a> .

### **1 Opening of the Meeting**

Chairman of the board Jukka Viinanen opened the meeting, welcomed those present and presented a review of 2013.

### **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](#)) and the financial statements and review of 2013 had been provided to the meeting participants. The chairman noted 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**

Tapani Varjas was elected to scrutinise the minutes.

It was noted that the counting of votes would be carried out by Euroclear Finland Ltd using their technical equipment. Antti Lavonen and Heikki Väistö 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 26 December 2013 and no later than 5 March 2014.

It was noted that, in accordance with the decision of the board of directors, the notice convening the meeting had been published in the Helsingin Sanomat and Kauppalehti newspapers on 11 February 2014 ([Appendices 6–7](#)). The notice convening the meeting had also been published as a stock exchange release on 6 February 2014, from which date the notice had been available on the company's website.

It was noted that the board of directors' proposal for the composition and remuneration of the board and the other proposals of the board had been available as of 6 February 2014 and the financial statements as of 4 March 2014 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 no shareholders had notified the board of directors of demands relating to matters to be discussed in the general meeting by the deadline set by the board of 24 January 2014.

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 725 shareholders were present, either personally or represented by a statutory or authorised representative. It was recorded that 65,253.540 shares were represented at the beginning of the meeting, corresponding to approximately 43.54% 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 approved and 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.

**Presentation of the Financial Statements, the Consolidated Financial Statements, the Report of the Board of Directors and the Auditor's Report for the Year 2013**

It was noted that the company's financial statement documentation for 2013 had been available on the company's website since 4 March 2014.

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

The chairman of the meeting read the statement section of the auditor's report (Appendix 10).

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

**Adoption of the Financial Statements and the Consolidated Financial Statements**

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 7,586 shares and votes and who had stated that they would abstain from any vote on the adoption of the financial statements and consolidated financial statements. In addition, Varis represented four (4) shareholders, who held a total of 320,464 shares and votes and who had stated that they would vote against any motion to adopt the financial statements and consolidated financial statements.

It was recorded that Annika Kaisto, present under a power of attorney from Nordea Bank Finland Plc, represented seven (7) shareholders, who held a total of 90,592 shares and votes and who had stated that they would vote against any motion to adopt the financial statements and consolidated financial statements.

The financial statements and the consolidated financial statements for the 2013 financial period were adopted.

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

It was noted that the board of directors had proposed that a dividend of EUR 0.15 per share be paid based on the balance sheet to be adopted for the financial year which ended on 31 December 2013 and the remaining part of the profit be retained and carried further in the company's unrestricted equity.

It was noted that the company's distributable capital as at 31 December 2013 was EUR 922,975,599.83, of which the net result for 2013 was EUR -5,232,145.15.

According to the proposal, the dividend would be paid to shareholders who on the dividend record date, 31 March 2014, are registered in the company's shareholders' register held by Euroclear Finland Ltd. The payment date for the dividends will be 11 April 2014.

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 a total of 7,161 shares and votes and who had stated that he/she would abstain from any vote on the use of the profit shown on the balance sheet and the payment of dividends.

It was resolved in accordance with the proposal of the board of directors that a dividend of EUR 0.15 per share would be paid based on the balance sheet to be adopted for the financial year which ended 31 December 2013 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 31 March 2014 are registered in the Company's shareholders' register held by Euroclear Finland Ltd. The payment date for the dividends will be 11 April 2014.

## **9 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 2013 financial period concerned the following persons:

- Jukka Viinanen, chairman of the board,
- Mikael von Frenckell, vice chairman of the board,
- Erkki Pehu-Lehtonen, board member,
- Pia Rudengren, board member,
- Friederike Helfer, board member,
- Pekka Lundmark, board member,
- Rogério Ziviani, board member, 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 10,586 shares and votes and who had stated that they would abstain from any vote on the discharge of the members of the board and president and CEO from liability. In addition, Varis represented four (4) shareholders, who held a total of 320,464 shares and votes and who had stated that they would vote against any motion to discharge the members of the board and president and CEO from liability.

It was recorded that Annika Kaisto, present under a power of attorney from Nordea Bank Finland Plc, represented two (2) shareholders, who held a total of 120,000 shares and votes and who had stated that they would abstain from any vote on the discharge of the members of the board and president and CEO from liability. In addition, Kaisto represented seven (7) shareholders, who held a total of 43,104 shares and votes and who had stated that they would vote against any 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 2013 financial period.

## **10 Resolution on the Remuneration of the Members of the Board of Directors**

It was noted that, based on the recommendation of shareholders owning a total of 29.9% of the votes conferred by the shares in the company, the board of directors proposed to the general meeting that the members of the board of directors to be elected for a term of office ending at the end of the annual general meeting of the year 2015 be paid the following annual remuneration:

- to the chairman of the board of directors EUR 100,000,
- to the vice chairman of the board of directors and the chairman of the audit committee EUR 60,000, and
- to the other members of the board of directors EUR 48,000 each.

Based on the recommendation, the board of directors furthermore proposed that, for each meeting of the board of directors or the committees of the board of directors, a fee of EUR 700 be paid to the members of the board that reside in the Nordic countries, a fee of EUR 1,400 be paid to the members of the board that reside in other European countries and a fee of EUR 2,800 be paid to the members of the board that reside outside Europe.

Based on the recommendation, the board of directors proposed 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% of the fixed annual remuneration for purchasing Valmet Corporation's shares on the market at a price formed in public trading on the Helsinki Stock Exchange and that the purchase would have been carried out within two weeks from the publication of the interim review for the period 1 January to 31 March 2014.

Shareholder Martti Waltasaari proposed that the general meeting decide to pay the members of the board of directors half of the remuneration proposed by the board of directors. However, the shareholder did not demand a vote on his proposal, but stated that it would be sufficient for it to be recorded in the minutes.

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 a total of 7,161 shares and votes and who had stated that he/she would abstain from any vote 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 board of directors.

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### **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 members: a chairman, a vice chairman and five (5) other members.

It was noted that, based on the recommendation of shareholders owning a total of 29.9% of the votes conferred by the shares in the company, the board of directors proposed that the number of members of the board of directors be confirmed as seven (7).

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 a total of 7,161 shares and votes and who had stated that he/she would abstain from any vote on the number of the members of the board of directors.

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

## **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.

The current members of the board were Jukka Viinanen, chairman, Mikael von Frenckell, vice chairman, and members Erkki Pehu-Lehtonen, Pia Rudengren, Friederike Helfer, Pekka Lundmark and Rogério Ziviani.

The proposal for the election of the members of the board was noted, and read as follows:

*'Based on the recommendation of shareholders owning a total of 29.9% of the votes conferred by the shares in the Company, the Board of Directors proposes that the following individuals be re-elected members of the Board of Directors: Mr Jukka Viinanen, Mr Mikael von Frenckell, Ms Friederike Helfer, Mr Pekka Lundmark, Mr Erkki Pehu-Lehtonen and Mr Rogério Ziviani.'*

*Based on the recommendation, the Board of Directors further proposes that Ms Lone Fønss Schrøder be elected as a new member of the Board of Directors.*

*Based on the recommendation, Mr Jukka Viinanen is proposed to be elected as Chairman of the Board of Directors and Mr Mikael von Frenckell as Vice-Chairman of the Board of Directors.*

*According to Section 4 of the Articles of Association, the term of office of a member of the Board of Directors expires at the end of the first Annual General Meeting following the election.*

*Personal information and positions of trust of the proposed individuals is available on the Company's website ([www.valmet.fi](http://www.valmet.fi)). All candidates have given their consent to the appointments.*

*In addition shareholders owning a total of 29.9% of the votes conferred by the shares in the Company note in their recommendation that, during the commencing term of office of the Board of Directors, a personnel representative will participate as an invited expert in meetings of the Board of Directors of the Company within the limitations imposed by the Finnish Act on Personnel Representation in the Administration of Undertakings. The new Board of Directors will invite the personnel representative as its external expert in its organising meeting after the Annual General Meeting.'*

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 378,159 shares and votes and who had stated that they would abstain from the vote on the election of the members of the board of directors.

It was recorded that Annika Kaisto, present under a power of attorney from Nordea Bank Finland Plc, represented eight (8) shareholders, who held a total of 62,822 shares and votes and who had stated that they would abstain from the vote on the election of the members of the board of directors.

It was resolved in accordance with the proposal of the board of directors to elect Jukka Viinanen as the chairman of the board, Mikael von Frenckell as vice chairman of the board and Friederike Helfer, Pekka Lundmark, Erkki Pehu-Lehtonen, Rogério Ziviani and Lone Fønss Schrøder as members of the board in accordance with the articles of association for a term of office that expires at the end of the first Annual General Meeting following the election.

It was also resolved that, during the commencing term of office of the board of directors, a personnel representative will participate as an invited expert in meetings of the board of directors of the company within the limitations imposed by the Finnish Act on Personnel Representation in the Administration of Undertakings. The new board of directors will invite the personnel representative as its external expert in its organising meeting after the annual general meeting.

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### **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 four (4) shareholders, who held a total of 327,535 shares and votes and who had stated that they would abstain from the vote on the remuneration of the auditor. In addition, Varis represented twelve (12) shareholders, who held a total of 602,261 shares and votes and who had stated that they would vote against any motion on the remuneration of the auditor.

It was recorded that Annika Kaisto, present under a power of attorney from Nordea Bank Finland Plc, represented one (1) shareholder, who held a total of 527 shares and votes and who had stated that they would abstain from the vote on the remuneration of the auditor. In addition, Kaisto represented eleven (11) shareholders, who held a total of 329,518 shares and votes and who had stated that they would vote against any 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.

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### **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 the annual general meeting of shareholders following the election. The company must have one auditor, which must be an audit firm approved by the Finland Chamber of Commerce.

It was noted that Ernst & Young Oy, authorised public accountants, with Mr Mikko Järventausta, 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 PricewaterhouseCoopers Oy, authorised public accountants, be elected auditor of the company. PricewaterhouseCoopers Oy had stated that Mr Jouko Malinen, APA, would act as the responsible auditor.

It was recorded that Jarkko Varis, present under a power of attorney from Skandinaviska Enskilda Banken AB (publ) Helsinki Branch, represented four

(4) shareholders, who held a total of 327,535 shares and votes and who had stated that they would abstain from the vote on the election of the auditor.

It was resolved in accordance with the proposal of the board of directors to elect PricewaterhouseCoopers Oy, authorised public accountants, as auditor of the company for a term that will end at the end of the next annual general meeting. It was recorded that PricewaterhouseCoopers Oy, authorised public accountants, had stated that Mr Jouko Malinen, APA, would act as the responsible accountant.

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#### **Authorising the Board of Directors to Decide on the Repurchase and/or on the Taking as Pledge of the Company Shares**

It was noted that the board of directors had proposed that the board of directors be authorised to resolve on repurchasing company shares and/or taking company shares as pledge as follows:

*'The Board of Directors of Valmet Corporation proposes that the Board of Directors be authorised to resolve on repurchasing Company shares and/or taking Company shares as pledge as follows:*

*The maximum number of shares to be repurchased and/or taken as pledge shall be 10,000,000 shares, which corresponds to approximately 6.7% of all the shares in the Company. Company shares may be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase). Company shares may be repurchased using the unrestricted equity of the Company at a price formed on a regulated market on the main list of the Helsinki Stock Exchange on the date of the repurchase or at a price otherwise determined on the market.*

*Company shares may be repurchased and/or taken as pledge 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 repurchased shares may be held for the time being, cancelled or reissued.*

*The Board of Directors resolves on all other terms related to the repurchasing and/or taking as pledge of own shares.*

*The authorisation shall stay in force until 30 June 2015 and it cancels the previous authorisation given to the Board of Directors of Valmet Corporation by the extraordinary general meeting of Metso Corporation convening on 1 October 2013.'*

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 a total of 7,161 shares and votes and who had stated that he/she would abstain from any vote on authorising the board of directors to resolve on repurchasing company shares and/or taking company shares as pledge.

It was resolved to authorise the board of directors to resolve on repurchasing company shares and/or taking company shares as pledge in accordance with the proposal of the board of directors.

## **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 of Valmet Corporation proposes that the Board of Directors be authorised to resolve on the issuance of new shares, treasury shares and special rights pursuant to Chapter 10(1) of the Finnish Limited Liability Companies Act as follows:*

*The maximum number of new shares which may be issued shall be 15,000,000 shares, which corresponds to approximately 10% of all the shares in Valmet Corporation. The maximum number of treasury shares which may be issued shall be 10,000,000 shares, which corresponds to approximately 6.7% 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% 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 Corporation 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 Corporation 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% of all shares in the Company. The treasury shares issued to the Company shall not be taken into account in the limits pursuant to the preceding paragraphs.*

*The new shares, treasury shares and the special rights pursuant to Chapter 10(1) of the Finnish Limited Liability Companies Act may be issued to the shareholders in proportion to their current shareholdings in the Company. The new shares, treasury shares and the special rights referred to in Chapter 10(1) of the Finnish Limited Liability Companies Act may also be issued in deviation from the shareholders' pre-emptive rights by way of a directed issue if there is a weighty financial reason for Valmet Corporation to do so. The deviation from the shareholders' pre-emptive rights may be invoked, 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 an incentive scheme. A directed share issue may be executed without consideration only if there is an especially weighty financial reason for Valmet Corporation to do so, having regard to the interests of all the shareholders.*

*The Board of Directors may resolve on all other terms of the issuance of shares and special rights pursuant to in Chapter 10(1) of the Finnish Limited Liability Companies Act.*

*The authorisation shall stay in force until 30 June 2015 and it cancels the previous authorisation given to the Board of Directors of Valmet Corporation by the extraordinary general meeting of Metso Corporation convening on 1 October 2013.'*

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 a total of 7,161 shares and votes and who had stated that he/she would abstain from any vote 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 Annika Kaisto, present under a power of attorney from Nordea Bank Finland Plc, represented four (4) shareholders, who held a total of 156,536 shares and votes and who had stated that they would vote against any 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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### **Establishment of a Shareholders' Nomination Board**

It was noted that the board of directors had made the following proposal concerning the establishment of a shareholders' nomination board:

*'The Board of Directors of Valmet Corporation proposes that the General Meeting resolve to establish a Shareholders' Nomination Board to prepare future proposals concerning the election and remuneration of the members of the Board of Directors to the General Meetings. In addition, the Board of Directors proposes that the General Meeting adopt the Charter of the Shareholders' Nomination Board set out as an appendix to the proposal.'*

*According to the proposal, the Nomination Board shall comprise representatives nominated by the four largest shareholders of the company and the Chairman of the Board of Directors. The right to nominate representatives shall be vested with the four shareholders of the Company having the largest share of the votes represented by all the shares in the Company annually on 1 September based on the company's shareholders' register held by Euroclear Finland Ltd. However, if a shareholder who has distributed his/her holdings, e.g. into several funds and has an obligation under the Finnish Securities Markets Act to take these holdings into account when disclosing changes in share of ownership makes a written request to such effect to the Chairman of the Board of Directors no later than on 31 August, such shareholder's holdings in several funds or registers will be combined when calculating the share of votes which determines the nomination right. Should a shareholder not wish to exercise his/her nomination right, the right shall be transferred to the next largest shareholder who otherwise would not be entitled to nominate a member.'*

*The Chairman of the Board of Directors shall convene the first meeting of the Nomination Board, and the Nomination Board shall elect a chairman from among its members. The Nomination Board shall give its proposal to the Board of Directors annually no later than 31 January preceding the next Annual General Meeting. The term of the Nomination Board ends each year upon the appointment of the new Nomination Board.'*

Shareholder Martti Waltasaari stated that he opposed the board of directors' proposal to establish a nomination board. However, the shareholder did not demand a vote on his proposal, but stated that it would be sufficient for it to be recorded in the minutes.

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 a total of 7,161 shares and votes and who had stated that he/she would abstain from the vote on the establishment of a shareholder nomination board.

It was recorded that Annika Kaisto, present under a power of attorney from Nordea Bank Finland Plc, represented two (2) shareholders, who held a total of 38,348 shares and votes and who had stated that they would vote against the board of directors proposal to establish a shareholders' nomination board.

It was resolved to establish a shareholders' nomination board 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 two weeks from the meeting, i.e. as of 9 April 2014.

The chairman thanked the meeting participants and noted that the meeting was closed at 16:50.

In fidem

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Pekka Jaatinen  
Chairman

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Rasmus Oksala  
Secretary

Minutes scrutinised and approved:

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Tapani Varjas