

PROPOSALS OF THE BOARD OF DIRECTORS ON THE REMUNERATION AND ELECTION OF THE AUDITOR

Proposal on the remuneration of the Auditor

Based on the proposal of the Board of Directors' Audit Committee, the Board of Directors proposes that the remuneration to the Auditor be paid against the invoice approved by the Audit Committee.

Proposal on the election of the Auditor

Based on the proposal of the Board of Directors' Audit Committee, the Board of Directors proposes that Ernst & Young Oy, authorized public accountants, be elected Auditor of the Company. Ernst & Young Oy has notified that *Mr. Mikko Järventausta, APA*, would act as responsible auditor.

Helsinki, *February 3, 2017*

METSO CORPORATION

Board of Directors

METSO CORPORATION

PROPOSAL OF THE BOARD OF DIRECTORS
Translation from the Finnish official version

**PROPOSAL OF THE BOARD OF DIRECTORS TO AUTHORIZE THE BOARD OF DIRECTORS
TO DECIDE ON DONATIONS TO UNIVERSITIES**

The Board of Directors proposes that it would be authorized to decide on donations of a maximum of EUR 1 million to be given to universities. The authorization shall be valid until December 31, 2017

Helsinki, *February 3, 2017*

METSO CORPORATION

Board of Directors

PROPOSAL OF THE BOARD OF DIRECTORS TO AUTHORIZE THE BOARD OF DIRECTORS TO DECIDE ON THE REPURCHASE OF THE COMPANY'S OWN SHARES

The Board of Directors proposes to the General Meeting that the Board of Directors be authorized to decide on the repurchase of the Company's own shares as follows.

The amount of own shares to be repurchased shall not exceed 10,000,000 shares, which corresponds to approximately 6.7 percent of all the shares in the Company. Own shares can be repurchased also otherwise than in proportion to the shareholdings of the shareholders (directed repurchase). Own shares can be repurchased using the unrestricted equity of the Company at a price formed in public trading on the date of the repurchase or otherwise at a market-based price.

Shares may be repurchased in order to develop the Company's capital structure, in order to finance or carry out acquisitions, investments or other business transactions, or in order to use the shares as part of the Company's incentive scheme.

The repurchased own shares may be held by the Company, cancelled or transferred further.

The Board of Directors decides on all other matters related to the repurchase of own shares. The authorization is effective until *June 30, 2018*, and it cancels the authorization given by the Annual General Meeting on *March 21, 2016* to decide on the repurchase of the Company's own shares.

Helsinki, *February 3, 2017*

METSO CORPORATION

Board of Directors

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

The Company's distributable funds on December 31, 2016, totaled EUR 924,869,578.11, of which the net profit for 2016 was EUR 165,948,580.22.

The Board of Directors proposes that a dividend of EUR 1.05 per share be paid based on the balance sheet to be adopted for the financial year, which ended December 31, 2016 and the remaining part of the profit be retained and carried further in unrestricted equity. The dividend shall be paid to shareholders who on the dividend record date *March 27, 2017* are registered in the Company's shareholders' register held by Euroclear Finland Ltd. The dividend shall be paid on *April 4, 2017*. All the shares in the Company are entitled to a dividend with the exception of own shares held by the Company on the dividend record date.

Helsinki, *February 3, 2017*

METSO CORPORATION

Board of Directors

PROPOSALS OF THE NOMINATION BOARD ON THE REMUNERATION, NUMBER AND ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS

Proposal on the remuneration of members of the Board of Directors

The Nomination Board proposes 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 2018 will be paid the same fixed annual remuneration as in the previous term as follows: to the Chairman of the Board of Directors EUR 110,000; to the Vice-Chairman of the Board of Directors EUR 62,000; to the other members of the Board of Directors EUR 50,000 each; to the member of the Board of Directors to be elected in the position of Chairman of the Audit Committee an additional remuneration of EUR 15,000; and to the member of the Board of Directors to be elected in the position of Chairman of the HR and Remuneration Committee an additional remuneration of EUR 5,000. The Nomination Board proposes that the meeting fees remain the same as in the previous term, that is, for each meeting of the Board of Directors or the committees of the Board of Directors a fee of EUR 700 will be paid to the members of the Board of Directors that reside in the Nordic countries, a fee of EUR 1,400 will be paid to the members of the Board of Directors that reside in other European countries and a fee of EUR 2,800 will be paid to the members of the Board of Directors that reside outside Europe. The Nomination Board furthermore proposes that, as a condition for the annual remuneration, the members of the Board of Directors are obliged, directly based on the General Meeting's decision, to use 40% of the fixed total annual remuneration for purchasing Metso Corporation's 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, 2017 to March 31, 2017*.

Proposal on the number of members of the Board of Directors

The Nomination Board proposes that the number of members of the Board of Directors shall be seven.

Proposal on the election of members of the Board of Directors

The Nomination Board proposes that the following current members of the Board of Directors be re-elected as members of the Board of Directors: Mr. Mikael Lilius, Mr. Christer Gardell, Mr. Peter Carlsson, Mr. Ozey K. Horton, Jr., Mr. Lars Josefsson, Ms. Nina Kopola and Ms. Arja Talma. Wilson Nélio Brumer has informed that he is not available for re-election. Mikael Lilius is proposed to be re-elected as the Chairman of the Board of Directors and Mr. Christer Gardell as the 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 Metso's website (www.metso.com). All candidates have given their consent to the appointments and are independent of the Company and its significant shareholders, except for Christer Gardell who is not independent of a significant shareholder.

In addition, the Nomination Board notes that, also during the commencing term of office of the Board of Directors, a personnel representative of Metso will participate as an external expert in meetings of the Board of Directors of Metso Corporation within the limitations imposed by the Finnish law regarding governance of corporations. The new Board of Directors will invite the personnel representative as its external expert in its organizing meeting after the Annual General Meeting.