

NOMINATION BOARD'S PROPOSAL TO AGM 2011 ON BOARD COMPOSITION AND BOARD REMUNERATION

1. Proposal on the composition of Board of Directors

The Nomination Board established by Metso's Annual General Meeting proposes to the next Annual General Meeting that the number of Board of Directors members is eight.

The Nomination Board proposes to the Annual General Meeting that the present members of the Board of Directors Mikael von Frenckell, Maija-Liisa Friman, Christer Gardell, Yrjö Neuvo, Erkki Pehu-Lehtonen, Pia Rudengren and Jukka Viinanen would be re-elected. In addition, it is proposed to elect Ozey K. Horton, Jr as a new member of the Board of Directors. It is proposed to elect Jukka Viinanen as Chairman and Maija-Liisa Friman as Vice-Chairman to the Board of Directors.

Ozey K. Horton, Jr., born in 1951, is a Director in the Atlanta office of McKinsey & Company, a management consulting firm – having joined the firm in 1981 in its Chicago office and is planning to retire from the firm at the end of this February. He has a BSE in civil and environmental engineering from Duke University and an MBA from the Harvard Business School. Over the years, he has led numerous corporate growth, strategy, M&A, and performance improvement initiatives at global clients across a range of industries – especially in the basic industrials space (such as pulp, paper and packaging; metals and mining; chemicals; energy). He has also led several practices within McKinsey & Company: as founder of the global pulp, paper, and packaging practice; co-leader of the global basic materials practice; and most recently as leader of the global operations practice within the energy and materials sector. He has extensive experience working in Europe and also in South America, India, and Asia. Prior to McKinsey, Mr. Horton had early career stints at Cummins Engine in production, Sonoco Products in packaging, and the JE Serrine Company in project engineering. He is a US citizen and resides in the USA.

2. Proposal on Board of Directors' remuneration

The Nomination Board of the Annual General Meeting proposes to the Annual General Meeting that the annual remuneration payable to the members of the Board of Directors be equal to the remuneration payable to the current members of the Board of Directors based on the decision of the Annual General Meeting 2010, however, with the change that the remuneration payable to the Chairman of the Audit Committee be equal to the remuneration payable to the Vice Chairman of the Board of Directors. The annual remunerations proposed by the Nomination Board be the following: EUR 92,000 for the Chairman of the Board of Directors, EUR 56,000 for the Vice Chairman of the Board of Directors and for the Chairman of the Audit Committee, and EUR 45,000 for each member of the Board of Directors. In addition, the Nomination Board proposes that a meeting fee in the amount of EUR 600 shall be paid for those members whose place of residence is in Nordic countries, EUR 1,200 for those members whose place of residence is elsewhere in Europe and EUR 2,400 for those member whose place of residence is outside of Europe for the meetings attended, including the meetings of the committees of the Board of Directors. The Nomination Board proposes that 40 %

of the annual remunerations are paid in Metso Corporation shares acquired from the market. The shares shall be acquired directly on behalf of the Board members within two weeks from the release of interim report for 1 January– 31 March 2011.

3. Personnel participation

The Nomination Board notes that a personnel representative will participate as an external expert in the Metso Board meetings also in the next Board term within the limitations imposed by the Finnish law. The new Board of Directors will invite the personnel representative as its external expert in its organizing meeting after the Annual General Meeting.

4. The Nomination Board

Kari Järvinen (Managing director, Solidium Oy) acted as the Chairman of the Nomination Board established by Metso's Annual General Meeting. The members the Nomination Board were Lars Förberg (Managing Partner, Cevian Capital), Matti Vuoria (Managing Director, President and CEO, Varma Mutual Pension Insurance Company) and Harri Sailas (President and CEO, Ilmarinen Mutual Pension Insurance Company). The Chairman of Metso Corporation's Board of Directors Jukka Viinanen was the Nomination Board's expert member.