

Metso Corporate Governance Statement

We have prepared this corporate governance statement in accordance with recommendation 54 of the Finnish Corporate Governance Code published by the Securities Market Association, and it also covers other key corporate governance areas that we want to highlight for investors. This corporate governance statement is issued separately from the Board of Director's report. It is also available on our website and is part of our Annual Report. We provide more detailed and updated information about our governance issues on our website www.metso.com.

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Regulatory framework

The duties of Metso Corporation's bodies are governed by Finnish legislation and the duties of its subsidiaries' bodies by the legislations of their place of business. Metso complies with the Finnish Corporate Governance code ("the Code") issued by the Securities Market Association and which came into effect on October 1, 2010, as well as with the corporate governance principles defined by our Board of Directors; these principles are based on

Metso's governing bodies



the Finnish Companies Act and the Finnish Securities Markets Act. The Code is publicly available on www.cgfinland.fi. Metso has not deviated from the Code's recommendations. In our decision-making and governance, we also comply with other Finnish legislation and regulations, our Articles of Association, the guidelines for insiders published by NASDAQ OMX Helsinki Ltd (hereinafter the Helsinki Exchange) as well as the Finnish Central Chamber of Commerce's Helsinki Takeover Code.

Metso's Audit Committee has reviewed this corporate governance statement. Our independent auditor, PricewaterhouseCoopers Oy, has verified that this statement has been issued and that the statement-related description of the main features of the internal control and risk management systems related to the financial reporting process is consistent with our financial statements.

We prepare consolidated financial statements and interim reports in accordance with the International Financial Reporting Standards (IFRS), as adopted by EU, the Finnish Securities Markets Act as well as the applicable Finnish Financial Supervision Authority's standards and Helsinki Exchange's rules. The Board of Directors' report of Metso and the parent company financial statements are prepared in accordance with the Finnish Accounting Act and the guidelines and statements of the Finnish Accounting Board.

Governing bodies of Metso

Metso's supreme decision-making body is the Annual General Meeting of Shareholders. The Board of Directors (Board) and the President and Chief Executive Officer (CEO) are responsible for the management of Metso. Other Metso executives have an assisting and supporting role. The Board seeks to ensure the compliance of good corporate governance principles within Metso.

Annual General Meeting of Shareholders

Every holder of Metso shares has the right to participate in the Annual General Meeting, and each share entitles its holder to one vote. Decisions are primarily made by a simple majority of votes, such as decisions on the approving the financial statements, payment of dividends, election of Board members and auditors and their remuneration, and discharging from liability the members of the Board and the CEO. A 2/3 qualified majority is required for some decisions: authorizing the Board to issue shares or to repurchase the company's own shares or amending the company's Articles of Association.

Participation in the Annual General Meeting requires that the shareholder is registered in Metso's shareholder register on the record date of the meeting, which is eight business days before the meeting, and that he/she registers for the meeting by the date mentioned in the meeting notice. The holder of a nominee-registered share may be entered temporarily in the shareholder register for participation in the Annual General Meeting if, based on his/her share, the shareholder has the right to be registered in the shareholder register on the record date. In addition, participation requires advance notice of participation at the latest by the date mentioned in the meeting notice.

Shareholders are entitled to having an issue put on the Annual General Meeting's agenda, provided that such an issue requires a decision by the Annual General Meeting according to the Finnish Companies Act. The request must be submitted in writing to the Board early enough so that the issue can be included in the meeting notice. On our website we will announce the date by which the shareholder must notify the Board of an issue they want added to the Annual General Meeting

ANNUAL GENERAL MEETING OF SHAREHOLDERS

The Annual General Meeting is the supreme decision-making body of Metso. The Annual General Meeting of Shareholders is held once a year before the end of June. It decides on the matters stipulated in the Finnish Companies Act and the Articles of Association. Such issues include:

- Adoption of the financial statements
- Use of the profit shown on the balance sheet
- Election of the Chairman, Vice Chairman and members of the Board and the decision on their remuneration
- Discharging from liability the members of the Board and the CEO
- Election of the Auditor and the decision on compensation
- Proposals made by the Board or a shareholder (e.g. amendments of the Articles of Association, the repurchase the company's own shares, share issue, giving special authorizations)

agenda. The request is always deemed as submitted early enough if the Board has been notified about it at least four weeks prior to the delivery of the meeting notice.

We publish a notice of the Annual General Meeting no more than two months and no less than 21 days before the meeting in at least two newspapers published regularly in Helsinki, Finland, or we deliver it directly to shareholders when required by law. Additionally, we publish the meeting notice as a stock exchange release immediately after the Board has decided on the convening of the Annual General Meeting. The Annual General Meeting agenda, decision-making proposals and meeting documents are available on our website at least three weeks prior to the meeting.

2010 The Annual General Meeting was held in Helsinki on March 30, 2010. A total of 1,213 shareholders representing about 46.5 percent of the company's votes participated in it either in person or by proxy. All members of the Board except Jaakko Rauramo, all candidates for the Board, the chairman of Metso's Nomination Board, Metso's CEO, and Metso's Executive Team as well as the independent auditor appointed by the Annual General Meeting participated in the meeting.

» [SEE LINK 1](#)

Nomination Board

The Nomination Board, established by decision of the Annual General Meeting, prepares proposals regarding the composition of the Board and remuneration to its members for the next Annual General Meeting. We have had this kind of procedure in place since 2004, at the proposal of Metso's largest shareholder Solidium (previously the Finnish State). The Nomination Board consists of representatives appointed by the four largest shareholders on a date annually defined by the Annual General Meeting. If a shareholder chooses not to exercise its right to appoint a representative to the Nomination Board, the right is transferred to the next largest shareholder. In addition, the Nomination Board includes the Chairman of the Board as an expert member. The Chairman of the Board convenes the Nomination Board, which elects its chairman from among its members.

Nomination Board ahead of 2011 AGM

Metso's four largest shareholders as of November 5, 2010 announced the following representatives for the Nomination Board: Kari Järvinen (M.Sc. Engineering, MBA, b. 1962), Managing Director, Solidium Oy; Lars Förberg (M.Sc. Econ. & Bus. Adm., b. 1965), Managing Partner, Cevian Capital; Matti Vuoria (Master of Laws, BA, b. 1951), Managing Director, President and CEO, Varma Mutual Pension Insurance Company; and Harri Sailas (M.Sc. Econ. & Bus. Adm., b. 1951), CEO, Ilmarinen Mutual Pension Insurance Company.

The Nomination Board elected Kari Järvinen as its chairman and Jukka Viinanen, Chairman of the Board of Directors, served as its expert member.

The Nomination Board convened three times and made one unanimous resolution without convening. On January 28, 2011 the Nomination Board provided Metso's Board its proposal for the Annual General Meeting to be held on March 30, 2011. The Nomination Board proposes that the number of Board members is eight and that the current Board members Maija-Liisa Friman, Christer Gardell, Yrjö Neuvo, Erkki Pehu-Lehtonen, Pia Rudengren, Jukka Viinanen and Mikael von Frenckell be re-elected. It is proposed that Jukka Viinanen be elected as Chairman of the Board and Maija-Liisa Friman as Vice Chairman. It is also proposed that Ozey K. Horton Jr. be elected as new member of the Board.

The nomination Board proposes the following annual fees be paid: Chairman 92,000 euros, Vice Chairman and the Chairman of the Audit Committee 56,000 euros and other Board members 45,000 euros. In addition a fee of 600 euros per meeting shall be paid for those members whose place of residence is in Nordic countries, 1,200 euros for those members whose place of residence is elsewhere in Europe and 2,400 euros for those members whose place of residence is outside of Europe for the Board and Committee meetings attended. The Nomination Board proposes that 40 percent of the annual remuneration be paid in Metso shares acquired from the market.

Board of Directors

The Board oversees the management and operations of Metso. It also decides on significant matters related to strategy, investments, organization and finances. Our Board consists of five to eight permanent members, which the Annual General Meeting elects for a term that lasts until the end of the next Annual General Meeting. Individuals who have reached the age of 68 years cannot be elected to the Board. Pursuant to the Finnish Act on Personnel Representation in the



LINKS & NOTES

- 1 Annual General Meeting decisions:
www.metso.com/AGM2010

MAIN DUTIES OF THE BOARD OF DIRECTORS

The Board's main duties include the following:

- To approve Metso's long-term goals and strategy
- To approve annual business and other major action plans
- To approve Metso's organizational structure and the principles for the incentive systems
- To appoint and to dismiss the CEO and to approve the appointment and dismissal of deputy CEO, Metso Executive Team members and the Presidents of the reporting segments
- To monitor and evaluate the performance of the CEO and to decide upon his remuneration and benefits
- To ensure that the supervision of the accounting and financial matters is properly organized, and to ensure proper preparation of the interim and annual financial statements
- To ensure the adequacy of planning, information and control systems for monitoring the bookkeeping and handling of financial matters and risk management
- To make proposals for and convene the Annual General Meeting of Shareholders
- To decide upon other matters that do not belong to day-to-day operations or matters that are of major importance, such as major investments, acquisitions and divestitures, and major joint ventures and loan agreements. The Board also sets the principles for giving financial guarantees by Metso
- To approve Metso's corporate policies in key management areas, like corporate governance, risk management, financial control, treasury, internal control, information security, corporate communications, human resources, environment and disclosure policy and code of conduct

Administration of Undertakings, a personnel representative participates in the meetings as an invited expert with no voting rights or legal liability for the Board's decisions. There is no specific order of appointment of directors. The Board is convened by the Chairman, or if the Chairman is unavailable, by the Vice Chairman. The Board has a quorum when more than half of the members are present and one of these is the Chairman or the Vice Chairman. A decision of the Board shall be carried by a majority of those present or, in the case of a tie, the Chairman shall have the casting vote. The CEO and the CFO participate in the Board meetings, and the General Counsel as the secretary of the Board. Other Metso Executive Team members and other executives participate in the meetings when needed.

2010 The Board's agenda included issues on strategic development of Metso's business, choosing successors for the CEO and other top executives, preparing for the gradual market recovery, and development options for Energy and Environmental Technology.

The agenda also covered developing Metso's global presence, Metso's HR processes, developing the services business and business acquisitions and divestments, and regularly monitoring the financial development of Metso and its different businesses.

The Board carried out a self-assessment of its performance. The assessment covered, among other things, composition of the Board, efficiency and focus of the work, quality of information, material and systems provided to and used by the Board, and the level and openness of discussions. The results of the assessment are used in developing the Board work.

The 2010 Annual General Meeting elected seven members to the Board. Jukka Viinanen was elected as Chairman and Maija-Liisa Friman as Vice Chairman. Erkki Pehu-Lehtonen and Mikael von Frenckell were elected as new members of the Board. The Board members re-elected were Christer Gardell, Yrjö Neuvo and Pia Rudengren. Jukka Leppänen, the personnel representative, participated in the meetings as an invited expert. All Board members were independent of the company and independent of Metso's significant shareholders. The Board did not allocate to its members any specific operational focus areas to monitor. The Board met ten times during 2010, and attendance by its members was 99 percent. Additionally, the Board made one unanimous resolution without convening.

Board committees

Our Board has two permanent committees: an Audit Committee and a Remuneration and HR Committee. The Board elects the members of the committees from among its members at its annual assembly meeting and monitors the activities of the committees. Both committees have charters approved by the Board.

Audit Committee The Board's Audit Committee monitors our financial reporting and prepares issues for the Board related to the monitoring of our financial situation, financial reporting, auditing and risk management.

Among other things the Audit Committee:

- Assesses Metso's draft financial statements and interim reports, accounting policies, accounting principles of significant or exceptional business transactions, management forecasts and statements relating to Metso's short-term outlook
- Assesses compliance with laws and provisions and with internal instructions, as well as assesses the efficiency of internal control and risk management
- Reviews Metso's Corporate Governance Statement
- Approves the audit plans of internal and independent auditors and follows up reporting related to these plans
- Prepares for the election of independent auditors, monitors the statutory auditing of the financial statements and consolidated financial statements, assesses and reviews the auditors' reports with the auditors, and assesses the quality and scope of the audit. Additionally, it assesses the independence of the auditors, particularly any impact on independence arising from other services they offer to Metso
- Assesses together with the company's management, internal audit and an external auditor or other external experts Metso's financial reporting and reporting methods
- Approves the procurement principles for external auditing services and an external auditor's annual auditing fees
- Maintains procedures enabling the receiving and processing of complaints related to accounting, internal control and internal auditing, and the possible anonymous and confidential reporting of misconduct, fraud, and accounting and auditing issues

The Audit Committee convenes at least four times per year. It consists of the committee's chairman and two members, all of whom are elected by the Board from among the members independent of the company. At least one of the members must be independent of significant shareholders. The Audit Committee members must have the qualifications necessary to perform the responsibilities of the committee and at least one member must have expertise specifically in accounting, bookkeeping or auditing.

2010 In addition to its regulatory duties, among other things, the Audit Committee discussed Metso's financing situation and the measures taken to reduce net working capital and reporting practices regarding non-recurring items. In addition the committee assessed Metso's global tax situation and matters related to tax planning, reviewed an analysis on the success of business acquisitions in recent years and monitored the progress of global ERP projects. Additionally, the Audit Committee reviewed the impairment tests performed on the intangible assets with indefinite useful lives. As a result of these tests, no impairment was recognized. The Audit Committee also reviewed Metso's Corporate Governance Statement. The Audit Committee did not use any external advisors.

The Audit Committee comprised Pia Rudengren (Chairman from March 30 onwards), Maija-Liisa Friman (Chairman until March 30) and, from March 30 onwards, Erkki Pehu-Lehtonen (until March 30 Arto Honkaniemi). All current members are independent of significant shareholders. The Audit Committee convened five times, and member attendance was 100 percent. CFO Olli Vaartimo was the secretary of the Audit Committee. Also CEO Jorma Eloranta and independent auditor Johan Kronberg (PricewaterhouseCoopers Oy) participated in the meetings.

Remuneration and HR Committee Among other things the Remuneration and HR Committee:

- Reviews and monitors the competitiveness of our remuneration and incentive systems and the development of the Human Resources related issues such as competence and talent development and successor planning of Metso's senior management
- Evaluates the performance and compensation of the CEO
- Prepares and makes proposals to the Board for the compensation and benefits of the CEO
- Makes proposals to the Board for the appointment of the Metso Executive Team members, based on the CEO's preparations
- Decides upon the remuneration and benefits of the Metso Executive Team members. The committee may authorize its chairman to decide upon the remuneration and benefits of these officers. The CEO submits the proposed remuneration and benefits of the other officers reporting to the CEO to the committee chairman for approval

The committee convenes at least twice a year and consists of the committee chairman and two members. All the members are independent of the company. The CEO participates in the meetings, except when the agenda includes items relating to him.

2010 The main tasks of the Remuneration and HR Committee included preparing the appointment proposals for the successor to the CEO and for the members of Metso Executive Team, monitoring the realization of the 2010 performance bonus plan and planning of the 2011 plan as well as planning the share ownership plan for 2011–2013. The committee used external advisors relating to the succession planning and has ensured that the advisors were not simultaneously advisors to the HR department or the operating management.

The Remuneration and HR Committee comprised Jukka Viinanen (Chairman), Christer Gardell, Yrjö Neuvo and, from March 30 onwards, Mikael von Frenckell. Aleksanteri Lebedeff, Senior Vice President, General Counsel, was the secretary until March 30, 2010 after which Merja Kamppari, Senior Vice President, HR, was the committee secretary. The Committee convened nine times during the year, and member attendance was 94 percent. Additionally, it made two unanimous resolutions without convening.

Board member meeting participation

JAN. 1-DEC. 12, 2010	Board	Audit committee	Remuneration and HR committee
Jukka Viinanen	10/10		9/9
Jaakko Rauramo ¹⁾	1/2		2/3
Maija-Liisa Friman	10/10	5/5	
Mikael von Frenckell ²⁾	8/8		6/6
Christer Gardell	10/10		8/9
Arto Honkaniemi ³⁾	2/2	1/1	
Yrjö Neuvo	10/10		9/9
Erkki Pehu-Lehtonen ⁴⁾	8/8	4/4	
Pia Rudengren	10/10	5/5	
Jukka Leppänen (personnel representative)	10/10		

¹⁾ Board member and Remuneration and HR Committee member until March 30. The Board convened 2 times before March 30 and the Remuneration and HR Committee 3 times.

²⁾ Board member and Remuneration and HR Committee member since March 30. The Board convened 8 times after March 30 and the Remuneration and HR Committee 6 times.

³⁾ Board member and Audit Committee member until March 30. The Board convened 2 times after March 30 and the Audit Committee 1 time.

⁴⁾ Board member and Audit Committee member starting March 30. The Board convened 8 times after March 30 and the Audit Committee 4 times.

Management structure

President and CEO

Our President and CEO is responsible for the management of Metso's businesses in accordance with the Finnish Companies Act, corporate governance rules and the instructions given by the Board. The CEO is appointed – and, if necessary, dismissed – by the Board, and he reports to the Board about e.g. Metso's financial situation, business environment and other significant issues. The CEO prepares the matters on the agenda of the Board and its committees and implements their decisions. The CEO guides and supervises the operations of Metso and its businesses. Additionally, the CEO acts as Chairman of the Metso Executive Team and Metso Executive Forum.

Metso Executive Team (MET)

The CEO and other members appointed by the Board constitute the Metso Executive Team. The MET assists the CEO in the preparation of matters, such as business plans, strategy, policies and other matters of joint importance.

Metso Executive Forum (MEF)

In 2008 we established the Metso Executive Forum (MEF) to operate alongside the MET. It consists of the members of the MET and the heads of our most significant businesses, market areas and human resources. Its task is to assist our CEO in the execution and development of our strategy. MEF focuses on dealing with the most important Metso-wide development issues and sharing of knowledge within Metso. The Forum convenes two to four times per year to share best practices, to start and follow up Metso-wide initiatives and to foster synergies between businesses. MEF is appointed by MET.

Business line and reporting segment management

The business operations of Metso are organized into nine business lines, which in turn form the three reporting segments. The business lines in the Mining and Construction Technology reporting segment are Services as well as Equipment and Systems; in the Energy and Environmental Technology reporting segment Power, Automation and Recycling; and in the Paper and Fiber Technology reporting segment Paper, Fiber and Tissue, and Fabrics. The heads of Metso's business lines are responsible for the profitability and the daily management of their business lines, and they report to the Presidents of the respective segments.

The heads of the reporting segments report to Metso's CEO and provide him with information about the financial and operational performance and development of the operating environment of their respective businesses. They are also responsible for the development of the business line operations and strategy, for implementing Metso's plans, strategies and operating policies within the business lines, and for collaboration between the business lines.

Subsidiary boards

The subsidiary boards ensure that operations in all Metso companies are managed in accordance with prevailing laws, regulations and operating policies. Metso's CEO, as chairman, and two to four other members appointed by the CEO, generally from the Metso Executive Team, constitute the boards of the major subsidiaries. The CEO decides on the possible additional responsibilities of the boards of holding and other similar companies belonging to Metso Group.

2010 The Metso Executive Team met eight times during the year. Among its main tasks were strategic development of Metso's business and monitoring financial development. MET also focused on development of Metso's global presence, HR processes, development of the services business, and acquisitions and divestments, and prepared Metso's new vision, mission, management principles and values.

The Metso Executive Team also reviewed and updated Metso's strategy for the Board review. MEF's agenda included issues related to Metso's strategy and communication of the strategy, leadership development, sharing of best practices and monitoring of the progress in Metso-wide themes and initiatives. MEF met four times during the year.

Metso's President and CEO was Jorma Eloranta. Matti Kähkönen was appointed as Metso's new President and CEO from March 1, 2011 onward, as Eloranta will retire. CFO Olli Vaartimo continued as Metso's Executive Vice President until October 1, 2010, after which Matti Kähkönen has acted as Executive Vice President and Deputy to CEO. In addition to them the continuing members of the Metso Executive Team were: Pasi Laine, Bertel Langenskiöld and Kalle Reponen. In December new members were appointed for the Metso Executive Team as of March 1, 2011, and their areas of responsibility were defined. The members of the new Metso Executive

Team are: Matti Kähkönen (Chairman); Andrew Benko, President, Mining and Construction Technology; Perttu Louhiluoto, President, Energy and Environmental Technology; Pasi Laine, President, Paper and Fiber Technology; Harri Nikunen, CFO, Merja Kamppari, SVP, HR; and Kalle Reponen, SVP, Strategy and M&A. Olli Vaartimo and Bertel Langenskiöld reached their retirement age according to their executive contracts during autumn 2010 and will not continue in the MET from March 1, 2011 onwards.

Celso Tacla, President of the South American operations of Metso's Paper and Fiber Technology, was appointed as a new member of MEF in January 2010.

» [SEE LINK 1](#)

Main features of the internal control and risk management systems pertaining to the financial reporting process

Our internal control mechanism seeks to ensure compliance with applicable EU-laws, regulations and our operating principles as well as the reliability of financial and operational reporting. Furthermore, the internal control mechanism seeks to safeguard our assets and to ensure overall effectiveness and efficiency of our operations to meet Metso's strategic, operational and financial targets. Our internal control practices are aligned with Metso's risk management process. The goal of risk management in Metso is to support our strategy and the achievement of our objectives by anticipating and managing potential threats to and opportunities for our business. The discussion below focuses on internal control and risk management related to the financial reporting process.

» [SEE LINK 2](#)

Metso's operating model of internal control and risk management related to financial reporting is designed to provide sufficient assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with applicable laws and regulations, generally accepted accounting principles (IFRS) and other requirements for listed companies. The overall system of internal control in Metso is based upon the framework issued by the Committee of Sponsoring Organizations (COSO) and comprises five principal components of internal control: the control environment, risk assessment, control activities, information and communication, and monitoring.

Control environment

Our Board of Directors bears the overall responsibility for the internal control over financial reporting. The Board has established a written formal working order that clarifies the Board's responsibilities and regulates the Board's and its committees' internal distribution of work. Furthermore, the Board has appointed an Audit Committee, the primary task of which is to ensure that established principles for financial reporting, risk management and internal control are adhered to and that appropriate relations are maintained with the company's auditors. The responsibility for maintaining an effective control environment and the ongoing work on internal

control as regards the financial reporting is delegated to the CEO. Our internal audit function reports all relevant issues to the Audit Committee and the CEO. The function focuses on developing and enhancing internal control over the financial reporting in Metso by proactively concentrating on the internal control environment and by monitoring the effectiveness of the internal control. Our internal steering instruments for financial reporting primarily comprise Metso's Code of Conduct, Internal Control Policy, Internal Control Standards, Treasury Policy and our accounting policies and reporting instructions, which define the accounting and reporting rules, and Metso's definition of processes and minimum requirements for internal control over financial reporting.

Risk assessment

Metso's risk assessment as regards financial reporting aims to identify and evaluate the most significant risks affecting the financial reporting at the Group, reporting segment, unit, function and process levels. The assessment of risk includes, for example, risks related to fraud and unlawful activities, as well as the risk of loss or misappropriation of assets. The risk assessment results in control targets through which we seek to ensure that the fundamental requirements placed on financial reporting are fulfilled. Information on the development of essential risk areas and the activities executed and planned in these areas as well as the measures to mitigate them are communicated regularly to the Audit Committee.

Control activities

We have established an internal Metso Compliance Program to ensure the correctness and credibility of our financial reporting and compliance with our governance principles in all our units. Its purpose is to create a coherent control environment at Metso by implementing proper, internal control principles for different business processes and to share internal control-related best practices. The program stems from the listing of Metso's share in the United States until 2007 and the Sarbanes-Oxley Act (SOX) requirements we complied with in conjunction with the listing. The Metso Compliance Program affects all our units and is more flexible and in some respects more comprehensive than SOX reporting. In line with the SOX requirements, our control standards define the basic level for internal controls that all units must achieve. Our internal audit function, assisted by trained Metso testers from different parts of our organization, is responsible for the testing of the units. Unlike with the SOX system, independent auditors do not issue a separate statement on the functionality of our internal controls, although in their work they do widely utilize the documentation created in conjunction with the Metso Compliance Program.

Our Internal Control Standards are designed to ensure that local management in every Metso unit designs and effectively implements the most important monitoring procedures related to selected key financial and business administration processes in all Metso units. This is complemented with proper segregation of key duties

and management oversight controls in the organizations. Properly established internal control mechanisms safeguard us also from possible misconduct. Internal Control Standards list the control standards for selected business processes, which are sales and project business, procurement, payroll, inventory, treasury, financial reporting, fixed assets and IT systems. For each of these processes, the tasks that must be segregated are also listed. The units document the control activities in use for each of their respective key business process. In Metso's Compliance Program the effectiveness of the monitoring procedures are assessed and tested of. The program also requires correction of any shortcomings.

2010 Metso's Compliance Program was completed by the end of 2010 as originally planned in 2007. In line with the program, the total of 179 units were tested, the majority of the most significant twice. After retesting, 127 units fully passed the requirement level of Metso Compliance Program's controls.

The program continues in 2011. The most important change is to integrate internal audit and compliance testing into a single package. In terms of control requirements, there will be more emphasis on the key business issues. Sustainability and worksite safety will be part of the Metso Compliance Program requirements. Additionally, the new systems adopted by Metso will enable significantly more effective control procedures, which will also be taken into consideration in the program.

Information and communication

In order to secure an effective and efficient internal control environment, we seek to ensure that Metso's internal and external communication is open, transparent, accurate and timely. Information regarding internal steering instruments for financial reporting, i.e. accounting principles, financial reporting instructions and the disclosure policy are available on Metso's intranet. We arrange training for our personnel regarding internal control issues and tools. Metso's CFO and the head of internal audit report the results of the work on internal control as a standing item on the agenda of the Audit Committee. The results of the Audit Committee's work in the form of observations, recommendations and proposed decisions and measures are reported to the Board after every Audit Committee meeting.

Monitoring

The effectiveness of internal control related to financial reporting is monitored by the Board of Directors, the Audit Committee, the CEO, Group management, internal audit, and the management of the reporting segments and Group companies. Monitoring includes the follow up of monthly financial reports, review of the rolling estimates and plans, as well as reports from internal audit and quarterly reports by independent auditors. Our internal audit annually assesses the effectiveness of Metso's operations and the adequacy of risk management and reports the risks and weaknesses related to the internal control processes. Internal audit compiles an annual audit plan, the status and findings of which it



LINKS & NOTES

- 1 For up to date information on Metso management www.metso.com/management
- 2 More detailed discussion about our overall risk management, see our website on www.metso.com/risks

regularly reports to Metso management, auditors and the Audit Committee. Furthermore, our internal audit and independent auditor meet regularly to coordinate the monitoring efforts.

2010 In monitoring we focused on the management of net working capital, cost structure competitiveness and the functioning of the new ERP systems.

Compliance with laws and code of conduct

In all our operations we seek to comply with applicable laws and statutes as well as generally accepted practices. Additionally, our operations are guided by Metso's Code of Conduct, internal policies and guidelines as well as values. Our Code of Conduct describes Metso's corporate culture, commonly accepted practices and commitment to compliance with laws and regulations. They support Metso's responsible operations, sustainability and our success. The foundation of our Code of Conduct is the UN's Universal Declaration of Human Rights, the UN's Global Compact initiative, which we have endorsed, and the International Labor Organization's (ILO) declaration on Fundamental Principles and Rights at Work. When applicable, the OECD's Guidelines for Multinational Enterprises are also incorporated into our Code of Conduct.

We require that each one of our employees is familiar with the legislation and operating guidelines of their own areas of responsibility. Business management is responsible for the internal control of the operations in their respective sector. In conjunction with internal audits, we strive to ensure that everyone in the unit being audited is familiar with and compliant with the laws, regulations and principles relating to their own work. In addition to Metso's management, the due course of operations is monitored by the Board's Audit Committee, which reports any misconduct to the Board.

Internal audit

Metso's internal audit assesses the efficiency and appropriateness of our operations and examines the functioning of internal controls. It seeks to ensure the correctness of financial and operational reporting, compliance with applicable laws and regulations, and proper management of the company's assets. In 2010 we included certain controls related to occupational health and safety and environmental aspects within the sphere of internal audit.

Additionally, internal audit proactively encourages the development of risk management in Metso's various operations. The head of internal audit reports administratively to the CFO, but has direct access also to the CEO and to the chairman of the Audit Committee.

» [SEE LINK 1](#)

Reporting suspected financial misconduct

Our guidelines on the prevention of financial misconduct define how suspected misconduct should be reported, how it is investigated and how the issue proceeds. Metso employees are encouraged to report suspected misconduct to their own supervisors, to

other management or, if necessary, directly to internal audit. Additionally, Metso employees and partners can report suspicions of financial misconduct confidentially via the Whistleblower channel, which is maintained by an independent party. The report can be submitted in several languages via the Internet, by phone or by email, and anonymously if necessary. Suspected misconduct is investigated immediately and confidentially. Internal audit decides on how the matter will be investigated and reports the suspicion to the Audit Committee. The legal affairs and HR functions together implement any measures consequential to the misconduct.

2010 We received eight reports of suspected financial misconduct via the Whistleblower channel. Additionally, internal audit received three direct contacts. Upon more careful investigation, one of the suspicions was classifiable as misconduct. There were no cases of misconduct revealed in conjunction with internal audits. The cases of misconduct were reviewed by the Audit Committee in line with our guidelines on reporting misconduct. The cases did not have significant impact on the financial results we reported.

Auditors

According to the Articles of Association, Metso has one auditor, which must be a firm of public accountants certified by the Finnish Central Chamber of Commerce. The Board's Audit Committee prepares the auditor selection process. Since 2008 the policy when electing the auditor has been that the aggregate duration of the consecutive terms of a principal auditor may not exceed seven years. This means that Metso's principal auditor Johan Kronberg can act in that capacity no later than for the audit of financial period 2014. There are no term limits regarding the duration of the auditing firm. The auditor's statutory obligation is to audit the company's accounting, the Board of Directors' report, financial statements and administration for the financial year. The parent company's auditor must also audit the consolidated financial statements and other mutual relationships between Group companies.

In conjunction with our annual financial statements, the auditor gives Metso's shareholders an Auditor's Report as required by law. The auditor reports primarily via the Audit Committee and at least once a year to the Board. The Audit Committee evaluates the performance and services of the independent auditors each year and decides if there is a need to arrange an open tender process.

2010 PricewaterhouseCoopers Oy, Authorized Public Accountants, has been our auditor since 1999. In 2010, the principal auditor was Johan Kronberg, who has been the company's principal auditor since 2005. Our auditor was last time put out to tender in 2004. The fees related to auditing work in 2010 amounted to 2.5 million euros.

Audit fees

EUR million	2008	2009	2010
Audit	2.7	2.5	2.5
Tax services	1.8	1.7	2.0
Other services	1.1	0.8	1.0
Total	5.6	5.0	5.5

Insiders

We comply with the NASDAQ OMX Helsinki Guidelines for Insiders. Our permanent insiders are not permitted to trade in Metso's issued securities during the 21 days immediately prior to the publication of a Metso interim review or financial statements release. The ownership of Metso securities by statutory insiders (insiders subject to the disclosure obligation) and their interest parties is public. Statutory insiders include the Chairman, Vice Chairman and members of the Board of Directors, the CEO and his deputy, the principally responsible auditor of a firm of public accountants and Executive Team members. Additionally, Metso also has permanent company-specific insiders and separately identified project-specific insiders whose securities ownership is not public. We update the register of our statutory insiders in the Euroclear Finland Ltd's Sire system, where information on the ownership of securities can be obtained directly from the book-entry system.

» SEE LINKS 2 AND 3

Management remuneration

The objective of remuneration at Metso is to encourage our employees as individuals and as team members to achieve the set financial and operational targets and to strive for excellent performance. Remuneration is aligned with Metso's financial performance, internal and external references and observing remuneration levels for similar positions among peer companies. Metso's remuneration package for executives includes a competitive salary and employee benefits according to local market practices, short-term incentives based on pre-defined annual performance indicators and long-term incentives that align the interests of the key executives and shareholders.

Remuneration of the Board

The Annual General Meeting decides on the remuneration to the members of the Board for one term of office at a time. The Annual General Meeting in 2010 decided to keep the fees paid to Board members unchanged, and the annual fees are:

- Chairman of the Board EUR 92,000
- Vice Chairman of the Board EUR 56,000
- Other Board members EUR 45,000.

In addition, a fee of EUR 600 per meeting is paid to all Board members for each Board and committee meeting they attended. Compensation for travel expenses and daily allowances is paid in accordance with Metso's travel policy.

Based on the decision of the Annual General Meeting in 2010, the Board members have used 40 percent

of their annual remuneration to buy Metso shares. The Board members acquired the shares from the market within two weeks of publication of the first-quarter 2010 interim report on April 29, 2010. Altogether 5,580 shares were acquired, which is 0.004 percent of Metso's total share capital. There are no special terms or conditions associated with owning these shares. Shares acquired in this conjunction by individual Board members are listed in the table below.

Board member	Number of shares
Jukka Viinanen	1,377
Maija-Liisa Friman	838
Mikael von Frenckell	673
Christer Gardell	673
Yrjö Neuvo	673
Erkki Pehu-Lehtonen	673
Pia Rudengren	673
Total	5,580

» SEE LINK 2

The serving members of our Board, none of whom are employees of Metso, were paid cash compensation totaling EUR 561,650 for the financial year that ended December 31, 2010. The Board members are not covered by Metso's bonus plans, share-based incentive schemes or pension plans.

Decision making process and main principles of remuneration of the CEO and other Executive Team members

The Board of Directors decides on the remuneration, benefits and other terms of employment of the President and CEO. The Board's Remuneration and HR Committee decides on the compensation and benefits of the other Executive Team members based on the CEO's proposal and general principles approved by the Board.

The remuneration of Executive Team members, including the CEO, comprises a monthly total salary (including monthly salary and customary fringe benefits such as a car, a mobile phone and, in some cases, an apartment) as well as both short- and long-term incentives. Short-term incentives are annual performance bonuses decided by the Board. As long-term incentives, the Executive Team members are included in share ownership plans that are decided and implemented by the Board and for which share repurchase and share issue authorizations are obtained from the Annual General Meeting. There are no options outstanding or available from any of Metso's prior option programs. Currently, we do not have guidelines on what portion of the annual total base salary executives should invest in Metso shares.

Additionally, management benefits include a supplementary defined contribution pension plan for all members of the new Executive Team (as of March 1, 2011) with the exception of President and CEO Matti Kähkönen, who has a defined benefit pension plan. President and CEO Jorma Eloranta had a company-paid supplementary defined benefit pension plan, which enabled him to

LINKS & NOTES

- 1 Internal audit charter at www.metso.com/audit
- 2 Ownership and trading information of Metso's insiders: www.metso.com/Insiders
- 3 Metso's corporate governance principles: www.metso.com/governance

retire at the age of 60. The Board has outlined that no new supplementary defined benefit pension plans will be introduced.

Performance bonuses

The Board annually confirms the terms and targets of our performance bonuses. The amount of bonus payment, if any, is based on achieving set financial performance targets, such as EBITA and cash flow, of Metso and/or the business in question. In addition to these, also individual and/or team targets are used. The Remuneration and HR Committee evaluates the achievement of the predefined targets of the CEO and other Executive Team members. For the CEO and for other Executive Team members, the maximum annual performance bonus is currently 40–60 percent of their annual total salary.

Share-based incentive plans

The Board decides and implements Metso's share-based incentive plans, which are part of the remuneration and commitment program for Metso management. The purpose of the plans is to align the goals of Metso's shareholders and management to enhance the value of the company. The plans also aim to ensure commitment of management and to offer them a competitive, ownership-based reward scheme. For years 2006–2008 we implemented share-based incentive plans in which Metso shares were allocated to the participants based on achieving targets set for operating profit. Now we have share ownership plans in place that require participants also to make a personal investment in Metso shares.

Share Ownership Plan 2009–2011 In October 2008, the Board approved a share-based incentive plan for our management, Metso Share Ownership Plan 2009–2011. The plan's purpose is to commit our CEO, MET members and management to our company and to enhance its value. Participation in the plan requires a personal investment in Metso shares. The plan includes one three-year earning period, which began on January 1, 2009 and will end on December 31, 2011. The Board targeted the plan initially to about 100 persons in management position, of which 88 were participating at the end of 2010. Members of the 2010 Executive Team may receive a

maximum of 77,400 shares as share rewards.

At the beginning of the earnings period, the participants invested in 54,850 Metso shares (initial investment) and the rewards that can be paid on the basis of the plan correspond to a maximum total of 369,925 Metso shares. The reward from the plan consists of grants of the base matching shares and performance shares. The amount of base matching shares is based on Metso share price development and it can be 2.5 or 1.25 times the number of shares in the initial investment. The potential reward in the form of performance shares is based on the combination of Metso's Total Shareholder Return (TSR) over the three-year period and on the annual earnings per share (EPS) in 2009–2011. If the TSR is zero or negative over the three-year period, no performance shares shall be distributed. The maximum ratio of the performance shares for the CEO is six, for the other MET members five and for other participants four times of the number of shares in the initial investment. In addition to meeting the performance targets, receiving the reward requires that the participant holds the initial investment for the entire earning period and is employed by Metso until the reward payment. The amount of the possible reward earned will be determined after the 2011 financial statements are published. The rewards will be paid in Metso shares in the first half of 2012. In countries where the employer has a payroll tax withholding obligation, Metso can pay a maximum of 60 percent of the reward in cash instead of shares. Any shares earned must be held for a minimum of one year after the reward payment. The shares for the plan are acquired through public trading, and therefore the incentive plan will have no diluting effect on the share value.

Share Ownership Plan 2010–2012 In October 2009 the Board approved a similar share-based incentive plan for management, Metso Share Ownership Plan 2010–2012. The plan includes one three-year earning period, which began on January 1, 2010 and will end on December 31, 2012. The plan was initially targeted to about 100 persons in management position, of which 91 were participating at the end of 2010. The participants have invested in 50,300 shares (initial investment) and the rewards that can be paid on the basis of the plan correspond to a maximum total of 339,350 Metso shares. The criteria for the reward payment and the terms and conditions of the

Remuneration paid to CEO, Deputy to CEO and other Executive Team members

EUR	Annual salary	Performance bonus paid in 2010	Fringe benefits	Share-based payment	2010 Total	2009 Total	2008 Total
President and CEO	550,790	263,752	12,812	-	827,354	705,240	1,046,374
Executive Vice President and Deputy to CEO ¹⁾	396,288	143,722	21,779	-	561,789	489,383	745,975
Other Executive Team members	1,364,759	322,783	56,817	-	1,744,359	1,657,680	2,307,941
Total	2,311,837	730,257	91,408	-	3,133,502	2,852,303	4,100,290

¹⁾ Olli Vaartimo until September 30, 2010 and Matti Kähkönen from October 1, 2010 onwards.

Additionally, in 2011 a bonus of about EUR 253,000 will be paid to President and CEO Jorma Eloranta and an estimated bonus of about EUR 192,000 to Executive Vice President Matti Kähkönen based on year 2010 performance.

Metso has subscribed pension plans for senior management for retirement at the age of 60–63, the beneficiaries include some members of the Metso Executive Team. For the years ended December 31, 2008, 2009 and 2010, the pension insurance premium payments totaled approximately EUR 2.3 million, EUR 3.0 million and EUR 3.0 million, respectively.

plan are essentially the same as in the plan for 2009–2011 described above. The amount of possible reward earned will be determined after the 2012 financial statements are published. The rewards will be paid in Metso shares and possibly partly in cash in the first half of 2013. The shares are acquired through public trading, and therefore the incentive plan will have no diluting effect on the share value. Members of the 2010 Executive Team may receive a maximum of 77,400 shares as share rewards.

Share Ownership Plan 2011-2013 In September 2010, the Board approved a third, similar share-based incentive plan for management, Metso Share Ownership Plan 2011–2013. The plan includes one three-year earning period, which began on January 1, 2011 and will end on December 31, 2013. The plan was initially targeted to about 100 persons in management position, of which 74 had confirmed their participation by the end of 2010 and committed themselves to investing in 36,815 shares and the rewards that can be paid on the basis of the plan correspond to a maximum total of 251,698 Metso shares. Members of the new Metso Executive Team (as of March) may receive a maximum of 77,400 shares as a share rewards. The criteria for the reward payment and the terms and conditions of the plan are essentially the same as in the plans for 2009–2011 and for 2010–2012 described above. The amount of possible reward earned will be determined after the 2013 financial statements are published. The rewards will be paid in Metso shares and possibly partly in cash in the first half of 2014. The shares are acquired through public trading, and therefore the incentive plan will have no diluting effect on the share value.

The participant's annual reward payments (valued at the share's market price at the transfer date) from any or all share ownership plans of Metso cannot exceed in any year the participant's annual total salary, defined as taxable annual gross income without bonus and long-term incentives, multiplied by 1.5 at the time of matching.

Remuneration of the CEO

Current CEO until February 28, 2011 In addition to his annual total salary, the compensation paid to the CEO Jorma Eloranta includes a performance bonus (maximum 60 percent) that is tied to Metso's EBITA and cash conversion, and to personal targets possibly set for him by the Board. He is also included in all of Metso's share ownership plans and has a supplementary pension plan. The Board monitors and evaluates the performance of the CEO and decides upon his remuneration and benefits.

According to his executive contract, Jorma Eloranta is eligible to retire at the age of 60, and he will retire in accordance with the contract at the end of February 2011 upon turning 60 on February 1, 2011. His retirement pension is 60 percent of his pensionable compensation during the past four or ten service years, whichever results in a greater amount. Eloranta's supplementary pension plan is benefit-based.

The CEO's monthly total salary was increased by 0.5 percent in 2010. The amount of his performance bonus paid in 2010 corresponds to approximately six month's total salary. The amount of his performance bonus to be paid in 2011 will correspond to approximately six month's total salary.

» [SEE LINK 1](#)

CEO as of March 1, 2011 Matti Kähkönen assumed the duties of Metso CEO on March 1, 2011. As CEO, his monthly total salary is 41,100 euros, including a company car and a mobile phone as fringe benefits. The CEO is entitled to participate in Metso's short- and long-term incentive programs according to the respective terms and conditions of those programs. The terms and conditions are decided by the Board. Matti Kähkönen's retirement age is 63. The remuneration of Matti Kähkönen is described in more detail in the following table.

» [SEE LINK 1](#)

Employment terms and conditions of the new President and CEO Matti Kähkönen as of March 1, 2011

Base salary and fringe benefits	Monthly total salary EUR 41,100 including monthly salary and fringe benefits (company car and mobile phone).
Short-term incentive (annual bonus)	The annual bonus can be earned according to the criteria approve by the Board. The maximum bonus is 60 percent of annual total salary.
Long-term incentive	According to Metso's Share Ownership Plans. Annual reward payments cannot exceed in any year the annual total salary, defined as taxable annual gross income without annual bonus and long-term incentives multiplied by 1.5.
Pension	Retirement age is 63 years. Kähkönen has a supplementary defined benefit pension plan. His total pension is 60 percent of average monthly earnings during the past four full calendar years prior to the retirement, adjusted with pension index. If he transfers to another position inside Metso after having turned 60 years, the pension is defined based on the four years' earnings before the transfer.
Termination of assignment	Notice period on both parties six months. Severance pay (if the company terminates the agreement) is six months' notice period compensation plus severance pay corresponding to the last monthly total salary multiplied by 18.



LINKS & NOTES

- 1 Up to date information on management ownership www.metso.com/insiders

Board of Directors



Jukka Viinanen



Yrjö Neuvo



Maija-Liisa Friman



Jukka Leppänen

Jukka Viinanen

Born 1948.
Finnish citizen.
Main occupation:
Chairman of the Board.
MSc. Chemical Engineering.
Independent of the company and of significant shareholders.
Board member since 2008.
Chairman of Metso's Board since 2009. Chairman of Remuneration and HR Committee.
Metso shares, on Dec 31, 2010:
2,377
Key experience:
President and CEO, Orion Corporation 2000–2007; various managerial positions, Neste Corporation 1980–1999, President and CEO and Vice Chairman of the Board 1997–1999.
» [SEE LINK 1](#)

Maija-Liisa Friman

Born 1952.
Finnish citizen.
Main occupation:
Board professional.
MSc. Chemical Engineering.
Independent of the company and of significant shareholders.
Board member since 2003.
Vice Chairman of Metso Board since 2010. Audit Committee member.
Metso shares, on Dec 31, 2010:
2,338
Key experience:
President and CEO, various companies 1993–2004 (Aspocomp Group Oyj, Vattenfall Oy, Gyproc Oy).
» [SEE LINK 1](#)

Christer Gardell

Born 1960.
Swedish citizen.
Main occupation:
CEO.
MBA.
Independent of the company, and of significant shareholders.
Metso Board member since 2006.
Member of Remuneration and HR Committee.
Metso shares, on Dec 31, 2010:
673
Key experience:
Founder and Managing Partner, Cevian Capital 2001–; CEO, AB Custos 1996–2001; Partner, Nordic Capital and McKinsey & Company.
» [SEE LINK 1](#)

Yrjö Neuvo

Born 1943.
Finnish citizen.
Main occupation:
Professor.
Ph.D. Cornell University.
Independent of the company and of significant shareholders.
Metso Board member since 2006.
Member of Remuneration and HR Committee.
Metso shares, on Dec 31, 2010:
7,773
Key experience:
Chief Technology Officer, member of Group Executive Board, Nokia Corporation 1993–2005; various professorial positions in different universities.
» [SEE LINK 1](#)



Mikael von Frenckell



Erkki Pehu-Lehtonen



Pia Rudengren



Christer Gardell

LINKS & NOTES

1 For up to date information on Metso Board of Directors www.metso.com/management

Pia Rudengren

Born 1965
Swedish citizen.
Main occupation:
Board professional.
MSc. Business Administration and Economics
Independent of the company and of significant shareholders.
Metso Board member since 2009.
Chairman of Audit Committee.
Metso shares, on Dec 31, 2010:
673
Key experience:
CFO, (member of management team 1998–2001) Investor AB 1990–2001; Executive Vice President, W Capital Management AB 2001–2005; Board Professional 2006–.
» **SEE LINK 1**

Mikael von Frenckell

Born 1947.
Finnish citizen.
Main occupation:
Chairman of the Board.
MSc. Soc.
Independent of the company and of significant shareholders.
Metso Board member since 2010.
Member of Remuneration and HR Committee.
Metso shares, on Dec 31, 2010:
100,673
Key experience:
Various managerial positions, Union Bank of Finland 1990–1995; various managerial positions (incl. Sponsor Oy, Ekström Oy).
» **SEE LINK 1**

Erkki Pehu-Lehtonen

Born 1950.
Finnish citizen.
Main occupation: -
MSc. Mechanical Engineering
Independent of the company and of significant shareholders.
Metso Board member since 2010.
Member of Audit Committee.
Metso shares, on Dec 31, 2010:
1,423
Key experience:
President and CEO, Pöyry Plc 1999–2008; other managerial positions, Pöyry Plc, Neles-Jamesbury Inc., Valmet Paper Machinery Inc.
» **SEE LINK 1**

**REPRESENTATIVE OF PERSONNEL
Jukka Leppänen**

Born 1949.
Finnish citizen.
Main occupation:
Testing Engineer.
Personnel representative in Metso Board. Participates in Metso Board meetings as an invited expert with no voting rights; term of office is the same as Board members' term.
Metso shares, on Dec 31, 2010:
520
Key experience:
Metso employee since 1976. Shop steward for senior clerical employees and industrial safety delegate.
» **SEE LINK 1**

Executive Team



LINKS & NOTES

1 For up to date information on Metso Executive Team www.metso.com/management

Group head office

President and CEO
 Jorma Eloranta/Matti Kähkönen
 Communications Jussi Ollila
 Legal Matters Aleksanteri Lebedeff

Human Resources Merja Kamppari

CFO Olli Vaartimo/Harri Nikunen
 Finance Reijo Kostainen
 Information Technology Pauli Nuutinen
 Internal Audit Jarmo Kääriäinen
 Investor Relations Johanna Henttonen
 Metso Shared Services Juha Seppälä
 Treasury Pekka Hölttä

Strategy and Corporate Development

Kalle Reponen
 Indirect Procurement Jouni Peltomäki
 Stakeholder Relations and Trade Policy
 Jukka Seppälä
 Sustainability and Technology Development
 Lennart Ohlsson

As of
Mar 1, 2011

Matti Kähkönen 3

Born 1956.
Finnish citizen.
MSc. Engineering.
As of March 1, 2011 President and CEO, Metso Corporation. Currently Executive Vice President and Deputy to the President and CEO, Vice Chairman of Executive Team and President, Mining and Construction Technology. Joined Metso in 1980. Member of Executive Team since 2001.

Metso shares, Dec 31, 2010:
12,328

Key experience:
President: Metso Minerals 2006–2008, Metso Automation 2001–2006.

» [SEE LINK 1](#)

Andrew Benko 2

Born 1949.
U.S. citizen.
MSc. Engineering
As of March 1, 2011 President, Mining and Construction Technology, Metso Corporation. Currently President, Equipment and Systems business line, Mining and Construction Technology.

Metso shares, Dec 31, 2010:
8,489

Key experience:
President: Metso's Mining and Minerals Processing business lines 2001–2009, Minerals Processing, Svedala 1998–2001, Grinding Division, Svedala 1993–1998.

» [SEE LINK 1](#)

Perttu Louhiluoto 1

Born 1964.
Finnish citizen.
Master of Laws, MSc. Economics
As of March 1, 2011 President, Energy and Environmental Technology. Currently Senior Vice President, EMEA market area, Mining and Construction Technology.

Metso shares, Dec 31, 2010:
1,650

Key experience:
Senior Vice President, Operational Excellence, Metso Corporation 2008–2009; Partner, McKinsey & Company (2000–2008), various positions 1991–1999.

» [SEE LINK 1](#)

Pasi Laine 6

Born 1963.
Finnish citizen.
MSc. Engineering.
As of March 1, 2011 Executive Vice President, Deputy to CEO, Metso Corporation, President, Paper and Fiber Technology. Currently President, Energy and Environmental Technology. Joined Metso in 1998. Member of the Executive Team since 2006.

Metso shares, Dec 31, 2010:
9,437

Key experience:
President: Metso Automation 2006–2008, Metso Automation's Field Systems business line 2003–2006.

» [SEE LINK 1](#)

Harri Nikunen 5

Born 1955.
Finnish citizen.
BA, Finance and Business Administration.
As of March 1, 2011 Metso Group's Chief Financial Officer. Currently Senior Vice President, Finance, Paper and Fiber Technology.

Metso shares, Dec 31, 2010:
3,331

Key experience:
Various senior management positions, Metso 1994–2005; various finance management positions, Rosenlew Group 1986–1994.

» [SEE LINK 1](#)

Merja Kamppari 4

Born 1958.
Finnish citizen.
MSc. Economics.
As of March 1, 2011 member of Metso Executive Team. Senior Vice President, Human Resources, Metso Group.

Metso shares, Dec 31, 2010:
1,400

Key experience:
Various top management HR-positions, Nokia Networks and Nokia Siemens Networks 1994–2009.

» [SEE LINK 1](#)

Kalle Reponen 9

Born 1965.
Finnish citizen.
MSc. Economics
Senior Vice President, Strategy and M&A. Joined Metso in 2006. Member of Executive Team since 2008.

Metso shares, Dec 31, 2010:
4,155

Key experience:
Partner, MCF Corporate Finance 2003–2006; Head of Capital Goods, Nordea Corporate Finance 2000–2003; various positions, Wärtsilä Corporation 1991–2000.

» [SEE LINK 1](#)

Until
Feb 28, 2011

Jorma Eloranta 7

Born 1951.
Finnish citizen.
Main occupation:
President and CEO.
MSc. Technology.
Joined Metso in 2004. Chairman of Metso Executive Team since 2004. Chairman of Metso Executive Forum since 2008.

Metso shares, Dec 31, 2010:
32,185

Key experience:
President and CEO: Kvaerner Masa-Yards Inc. 2001–2003, Patria Industries Group 1997–2000, Finvest Ltd 1985–1995. Deputy Chief Executive, Finvest Group and Jaakko Pöyry Group 1996.

» [SEE LINK 1](#)

Olli Vaartimo 8

Born 1950.
Finnish citizen.
Main occupation:
CFO and Member of the Executive Team.
MSc. Economics and Business Administration.
Joined the company in 1974. Member of Metso Executive Team since 1999.

Executive Vice President and CFO 2003–2010.

Metso shares, Dec 31, 2010:
12,277

Key experience:
Acting President and CEO, Metso Corporation 09/2003–03/2004, President, Metso Minerals 1993–2003, Executive Vice President, Rauma Corporation 1991–1998.

» [SEE LINK 1](#)

Bertel Langenskiöld 10

Born 1950.
Finnish citizen.
Main occupation:
President, Paper and Fiber Technology and Member of the Executive Team.

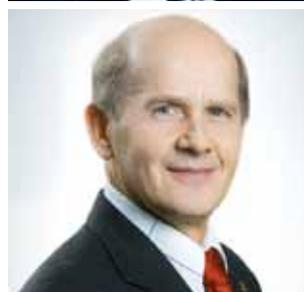
MSc. Engineering.
Joined the company in 2003. Member of Metso Executive Team since 2003.

Metso shares, Dec, 31 2010:
10,454

Key experience:
President: Metso Paper 2007–2008, Metso Paper's Fiber Business Line 2006–2007, Metso Minerals 2003–2006, Fiskars Corporation 2001–2003, Tampella Power/Kvaerner Pulping, Power Division 1994–2000.

» [SEE LINK 1](#)

Metso Executive Forum Dec 31, 2010



First row from left to right Andrew Benko, João Ney Colagrossi, Jorma Eloranta, Per-Åke Färnstrand.
Second row from left to right Ari Harmaala, Merja Kamppari, Matti Kähkönen, Pasi Laine.
Third row from left to right Bertel Langenskiöld, Hannu Mälkiä, Lennart Ohlsson, Kalle Reponen.
Fourth row from left to right Sudhir Srivastava, Celso Tacla, Olli Vaartimo.

João Ney Colagrossi

Born 1955
President, Services business line
MSc. Engineering, MSc. Economics
Brazilian citizen
Joined the company in 1979

Per-Åke Färnstrand

Born 1951
President, Fiber business line
MSc. Engineering
Swedish citizen
Joined the company in 2006

Ari Harmaala

Born 1961
President of Metso operations in China
Engineer (grad)
Finnish citizen
Joined the company in 1986

Hannu Mälkiä

Born 1952
President, Paper business line
MSc. Engineering
Finnish citizen
Joined the company in 1978

Lennart Ohlsson

Born 1952
Senior Vice President, Sustainability and Technology Development
MSc. Engineering
Swedish citizen
Joined the company in 2006

Sudhir Srivastava

Born 1954
Senior Vice President, Asia-Pacific, Mining and Construction Technology
Engineer
Indian citizen
Joined the company in 1993

Celso Tacla

Born 1964
President of the South American operations of Metso's Paper and Fiber Technology
Engineer (grad), Chemical Engineering and MSc. Business Administration
Brazilian citizen
Joined the company in 1992