

RULES OF PROCEDURE FOR METSÄ BOARD CORPORATION'S NOMINATION AND HR COMMITTEE**1. Purpose of the Nomination and HR Committee**

The purpose of the Nomination and HR Committee is to assist the Board of Directors in (i) managing the nomination and remuneration of the CEO and other senior management, (ii) preparing HR processes and personnel remuneration schemes, (iii) the management's succession planning and the preparation of the management development process, and (iv) the management of nominations and remuneration of the members of the Board of Directors.

2. Composition and term of office of the Committee

The Committee shall consist of three to five (3–5) members, who are appointed by the Board of Directors from among its members after the Annual General Meeting for a term of one year. The members of the Committee must have sufficient experience of the terms of employment of senior management, personnel management and various remuneration schemes. The majority of committee members must be independent of the Company.

The Chair of the Board of Directors shall act as the Chair of the Committee, and the secretary of the Board of Directors shall act as the secretary.

3. Duties of the Committee

The duties of the Nomination and HR Committee are to:

1. prepare the nomination of the CEO and any deputy CEO and the terms and conditions for their employment;
2. seek candidates to succeed the CEO and their deputy if any and evaluate their experience and competence to act in this position;
3. assist the CEO in the nomination of executives who report to the CEO, and counsel the CEO on their remuneration;
4. prepare management succession planning and the deputy system, and inspect the effectiveness of management systems;
5. prepare the forms of remuneration and incentive schemes for senior management and the entire personnel, and approve their key principles and criteria;
6. evaluate the effectiveness of human resource management processes (such as occupational health, safety and health at

- work, and the wellbeing and development of personnel) and review the results of employee surveys;
7. evaluate the ethical performance of the activities and review the results of studies measuring the ethics of the activities;
 8. evaluate proposals for Board members made by the Company's shareholders and request additional information when required;
 9. propose to the Annual General Meeting the composition of the Board of Directors. As part of the preparation of the proposal:
 - i. annually investigate and review the Board members' independence, experience and competence, diversity, and their availability to work as a Board member;
 - ii. seek candidates for the Board of Directors and assess their experience and capability to act as Board members;
 10. monitor the implementation of social responsibility in remuneration, nominations and other company operations, including human rights and personnel wellbeing;
 11. and present the Company's remuneration policy and remuneration report at the Annual General Meeting.

In its work, the Committee shall take into account the purpose of the Company's operations and its adopted values, and the requirements for responsible and sustainable business.

4. Work of the Committee

The Chair of the Nomination and HR Committee shall convene Committee meetings at regular intervals, in principle quarterly. However, the Committee must have no fewer than three (3) meetings each year. At the meetings, the matters that are the duties of the Committee must be dealt with.

A detailed agenda for the Committee meetings is drawn up and distributed approximately one week in advance. Minutes are kept of Committee meetings and sent to all Board members and the CEO for information.

The Committee may consult shareholders with significant voting rights to establish their opinion on a proposal under preparation.

Minutes of the Committee's meetings shall be delivered to the members of the Board of Directors. In addition, the Chair shall report on the Committee's

meetings to the Board at the Board meeting following each Committee meeting.

The Committee shall review these Rules of Procedure at regular intervals and the Board of Directors shall decide on any changes thereto if necessary.