

**RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF
DIRECTORS**

(Agenda item 10)

The Board of Directors' Nomination and Governance Committee proposes to the Annual General Meeting of UPM-Kymmene Corporation to be held on 7 April 2016 that the remuneration of the members of the Board of Directors remain unchanged and that Chairman of the Board of Directors be paid an annual fee of EUR 175,000, Deputy Chairman of the Board and Chairman of the Audit Committee EUR 120,000 and other members of the Board EUR 95,000. No annual fee shall be paid to a member of the Board of Directors belonging to the executive management of the Company.

The annual fee is proposed to be paid in Company shares and cash so that 40% of the fee will be paid in the Company shares to be acquired on the Board members' behalf, and the rest in cash. The Company will pay any costs and transfer tax related to the acquisition of the Company shares.

In addition, the Board of Directors' Nomination and Governance Committee proposes that travel and lodging expenses incurred from meetings held elsewhere than in the Board member's place of residence will be paid against invoice.

Helsinki, 2 February 2016

UPM-Kymmene Corporation

NOMINATION AND GOVERNANCE COMMITTEE
OF
THE BOARD OF DIRECTORS