

ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS

(Agenda item 12)

The Board of Directors' Nomination and Governance Committee proposes to the Annual General Meeting of UPM-Kymmene Corporation to be held on 4 April 2019 that all the incumbent directors, i.e. Berndt Brunow, Henrik Ehrnrooth, Piia-Noora Kauppi, Marjan Oudeman, Jussi Pesonen, Ari Puheloinen, Veli-Matti Reinikkala, Suzanne Thoma, Kim Wahl and Björn Wahlroos, be re-elected to the Board. The directors are elected for a one-year term and their term of office will end upon closure of the next Annual General Meeting. All director nominees have given their consent to the election.

The Board of Directors has assessed the director nominees' independence based on the Finnish Corporate Governance Code's independence criteria and other factors and circumstances to be taken into account in the overall evaluation from both the standpoint of the company and the nominees. The Board has also taken into account information provided by the nominees.

According to the evaluation carried out by the Board, all director nominees are independent of the Company's significant shareholders as none of the Company shareholders holds 10 percent or more of the Company's shares or votes attached thereto. In addition, according to the Board's director-specific overall evaluation, all non-executive director nominees are independent of the Company including Berndt Brunow, Veli-Matti Reinikkala and Björn Wahlroos, although they have been, if re-elected, non-executive directors for 10 consecutive years or more. Based on the Board's overall evaluation of these director nominees' independence, their independence is not compromised due to their long service history, and no other factors or circumstances have been identified that could impair their independence. As the President and CEO of the Company, Jussi Pesonen is not independent of it.

Helsinki, 31 January 2019

UPM-Kymmene Corporation

BOARD OF DIRECTORS