



UPM-Kymmene Corporation

PROPOSAL TO THE ANNUAL GENERAL MEETING

ELECTION OF THE AUDITOR FOR THE FINANCIAL YEAR 2024

(Agenda item 16)

The Company has an obligation to organise an audit firm selection procedure in accordance with the EU Audit Regulation (537/2014) concerning the audit for the financial year 2024 (mandatory auditor rotation). To prepare for the mandatory rotation, the Annual General Meeting held on 29 March 2022 resolved on amending the article 8 of the Articles of Association to allow the Annual General Meeting to elect the auditor also in advance for a term of one financial year. The election of an auditor for the financial year 2024 already in this Annual General Meeting would give the elected auditor time to prepare for the new audit engagement.

The Board's Audit Committee has prepared its recommendation in accordance with the EU Audit Regulation and organised a statutory audit firm selection procedure. The Committee has reviewed potential audit firm candidates and identified Ernst & Young Oy and Deloitte Oy as the best candidates for the global audit engagement of the Company. These candidates have been evaluated against a variety of selection criteria such as proposed audit plan and methodology, experience and composition of the audit team, audit quality, and price. The selection process included multiple rounds of information submissions, testing of technological capabilities, interviews and presentations by the candidates as well as external reference checks. After careful consideration based on the selection criteria, Ernst & Young Oy became the Committee's preference and recommended audit firm for the financial year 2024. The Audit Committee confirms that its recommendation is free from influence by a third party and that no clause of the kind referred to in paragraph 6 of Article 16 of the EU Audit Regulation, which would restrict the choice by the Annual General Meeting as regards the appointment of the auditor, has been imposed upon it.

Based on the recommendation of the Audit Committee, the Board proposes to the Annual General Meeting of UPM-Kymmene Corporation to be held on 12 April 2023 that Ernst & Young Oy, a firm of authorised public accountants, be elected as the Company's auditor for the financial year 2024. Ernst & Young Oy has informed the Company that in the event it is elected as the auditor, the lead audit partner will be Authorised Public Accountant (KHT) Heikki Ilkka.

Provided that the Annual General Meeting resolves to elect Ernst & Young Oy as the auditor for the financial year 2024, the Board intends in forthcoming Annual General Meetings to continue to make a proposal for the election of the auditor in the same sequence, whereby each Annual General Meeting would elect the auditor for the financial year commencing next after the election.

Helsinki, 2 February 2023

UPM-Kymmene Corporation

BOARD OF DIRECTORS