

**PROPOSAL OF THE NOMINATION AND CORPORATE GOVERNANCE  
COMMITTEE OF THE BOARD OF DIRECTORS FOR THE REMUNERATION OF  
THE MEMBERS OF THE BOARD OF DIRECTORS**

The Nomination and Corporate Governance Committee of the Board of Directors proposes to the Annual General Meeting of shareholders of UPM-Kymmene Corporation to be held on 22 March 2010 that the fees of the Board and Committee members shall remain unchanged i.e. the fees for the Board and Committee members, who do not belong to the operative management, will be the following: EUR 175,000 per annum to the Chairman of the Board, EUR 120,000 per annum to the Deputy Chairman of the Board and to the Chairman of the Audit Committee and EUR 95,000 per annum to the other members.

A daily allowance will be paid in accordance with the Company's Travel Rule when the meeting is held outside the place of residence of a Board member. In addition, expenses incurred from travel and lodging will be payable against invoice. Of the annual fee, 60% will be payable in cash and 40% in the form of Company's shares to be purchased on the Board member's behalf.

In Helsinki, 2 February 2010

**NOMINATION AND CORPORATE GOVERNANCE COMMITTEE OF  
THE BOARD OF DIRECTORS**