



UPM-Kymmene Corporation

PROPOSAL TO THE ANNUAL GENERAL MEETING

RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS
(Agenda item 11)

The Board of Directors' Nomination and Governance Committee proposes to the Annual General Meeting of UPM-Kymmene Corporation to be held on 29 March 2022 that the remuneration of the Chair of the Board of Directors be raised, and that the Chair of the Board of Directors be paid an annual base fee of EUR 200,000 (previously EUR 195,000). The Board of Directors' Nomination and Governance Committee proposes that the remuneration of the Deputy Chair of the Board and the other members of the Board remains unchanged and that the Deputy Chair of the Board be paid an annual base fee of EUR 140,000 and other members of the Board EUR 115,000.

The Nomination and Governance Committee further proposes that the remuneration of the Remuneration Committee Chair be raised and other annual committee fees remain unchanged and that the members of the Board of Directors' committees be paid annual fees as follows:

- Audit Committee: Chair EUR 35,000 and members EUR 15,000
- Remuneration Committee: Chair EUR 27,500 (previously EUR 20,000) and members EUR 10,000
- Nomination and Governance Committee: Chair EUR 20,000 and members EUR 10,000.

The annual base fee is proposed to be paid in Company shares and cash so that approximately 40% will be payable in the Company shares to be purchased on the Board members' behalf, and the rest in cash. The Company will pay any costs and transfer tax related to the purchase of the Company shares. Shares thus purchased may not be transferred within two years from the purchase date or until the director's membership in the Board has ended, whichever occurs first. The annual committee fees are proposed to be paid in cash. If the term of a member of the Board of Directors terminates before the Annual General Meeting of 2023, the Board has a right to decide upon potential reclaim of the annual fees as it deems appropriate.

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

Helsinki, 27 January 2022

UPM-Kymmene Corporation

BOARD OF DIRECTORS