

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is given to the shareholders of UPM-Kymmene Corporation of the Annual General Meeting to be held on Thursday, 9 April 2015 starting at 14.00 (EET) at the Exhibition & Convention Centre, Messuaukio 1, Helsinki, Finland (Congress Wing Entrance). The reception of persons who have preregistered for the meeting and the distribution of voting tickets will commence at 13.00 (EET).

A. Matters on the agenda of the Annual General Meeting

- 1. Opening of the meeting**
- 2. Calling the meeting to order**
- 3. Election of persons to scrutinize the minutes and to supervise the counting of votes**
- 4. Recording the legality of the meeting**
- 5. Recording the attendance at the meeting and adoption of the list of votes**
- 6. Presentation of the Financial Statements, the Report of the Board of Directors and the Auditor's Report for the year 2014**
 - Review by the President and CEO
- 7. Adoption of the Financial Statements**
- 8. Resolution on the use of the profit shown on the balance sheet and the payment of dividend**

The Board of Directors proposes that a dividend of EUR 0.70 per share be paid based on the balance sheet to be adopted for the financial year ending 31 December 2014. The dividend will be paid to a shareholder who is registered in the Company's shareholders' register held by Euroclear Finland Ltd on the dividend record date of 13 April 2015. The Board of Directors proposes that the dividend be paid on 23 April 2015.

- 9. Resolution on the discharge of the members of the Board of Directors and the President and CEO from liability**
- 10. Resolution on the remuneration of the members of the Board of Directors**

The Board of Directors' Nomination and Governance Committee proposes 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% will be

payable in 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 place of residence of a Board member will be paid against invoice.

11. Resolution on the number of members of the Board of Directors

The Board of Directors' Nomination and Governance Committee proposes that the number of members of the Board of Directors be resolved to be ten (10) instead of the current nine (9).

12. Election of members of the Board of Directors

The Board of Directors' Nomination and Governance Committee proposes that the current Board members Berndt Brunow, Piia-Noora Kauppi, Wendy E. Lane, Jussi Pesonen, Ari Puheloinen, Veli-Matti Reinikkala, Kim Wahl and Björn Wahlroos be re-elected and that Suzanne Thoma and Henrik Ehrnrooth be elected as new members to the Board for a term continuing until the end of the next Annual General Meeting. Said Director nominees have given their consents to the election. The nominees' personal details are available on the corporate website.

Matti Alahuhta, UPM's Director since 2008, has informed that following his seven-year directorship he will now concentrate on his other engagements and does not stand for re-election.

The new Director nominee Suzanne Thoma (born 1962) is a Swiss citizen and holds a doctor's degree in chemical engineering, and bachelor's degree in business administration. She is the Chief Executive Officer of BKW Group, one of Switzerland's largest energy companies, where she earlier headed the Group's networks business. Prior to that, she led the WICOR Group's automotive supply business and was involved in high-tech industry as the CEO of Rolic Technologies Ltd. She started her career in chemical industry working in various positions at Ciba Specialty Chemicals Corporation. Dr Thoma holds non-executive director positions at Schaffner Holding (Switzerland) and Beckers Group (Sweden).

The second new Director nominee Henrik Ehrnrooth (born 1969) is a Finnish citizen and holds a master's degree in economics. He is the President and CEO of KONE Corporation, a globally operating elevator and escalator company with headquarters in Finland. He has previously served as the Chief Financial Officer of KONE Corporation and prior to that, in investment banking and financing business at Goldman Sachs International and UBS Limited in London.

The Nomination and Governance Committee has assessed the independence of the Director nominees on the basis of the independence criteria of the Finnish Corporate Governance Code. According to the Committee's assessment, the Director nominees are independent of both the Company and its significant shareholders with the exception of Jussi Pesonen, who as the President and CEO of the Company is not independent of it. According to the Board Charter, the President and CEO may not be a member of any of the Board committees.

13. Resolution on the remuneration of the auditor

The Board of Directors' Audit Committee proposes that the remuneration of the Company's auditor be paid against invoices approved by the Board of Directors' Audit Committee.

For the year 2014, the Company's auditor was paid EUR 2.0 million as audit fee, EUR 0.6 million for tax consulting services and EUR 0.5 million for other services.

14. Election of auditor

The Board of Directors' Audit Committee proposes that PricewaterhouseCoopers Oy, Authorised Public Accountants, be re-elected as the Company's auditor for a term that will continue until the end of the next Annual General Meeting. PricewaterhouseCoopers Oy has notified the Company that Authorised Public Accountant Merja Lindh would continue as the auditor in charge.

15. Authorising the Board of Directors to decide on the repurchase of the Company's own shares

The Board of Directors proposes that the Board be authorised to decide on the repurchase of no more than 50,000,000 of the Company's own shares. The proposed maximum number of shares corresponds to 9.4 per cent of the Company's registered number of shares at the time of the proposal. The authorisation would also include the right to accept the Company's own shares as a pledge.

The Company's own shares will be repurchased in public trading otherwise than in proportion to the existing shareholdings of the Company's shareholders at the market price quoted at the time of purchase on the trading places where the Company's shares or the certificates entitling to its shares are traded, using the Company's unrestricted shareholders' equity.

The shares will be repurchased to be used as consideration in potential corporate acquisitions, investments or other business-related transactions, to develop the Company's capital structure, or as a part of the Company's incentive programmes, or to be retained by the Company as treasury shares, transferred or cancelled.

The Board shall decide on all other matters related to the repurchase of the Company's own shares. The authorisation is proposed to be valid for 18 months from the date of the resolution of the Annual General Meeting. If this authorisation is granted, it will revoke the repurchase authorisation granted by the Annual General Meeting on 8 April 2014.

16. Authorising the Board of Directors to decide on charitable contributions

The Board of Directors proposes that the Board be authorised to decide on contributions not exceeding a total of EUR 250,000 for charitable or corresponding purposes and that the Board be authorised to determine the recipients, purposes and other terms and conditions of the contributions. The authorisation is proposed to be valid for 12 months from the date of the resolution of the Annual General Meeting.

17. Closing of the meeting

B. Documents of the Annual General Meeting

The proposals for the decisions on the matters on the agenda of the Annual General Meeting as well as this notice are available on UPM-Kymmene Corporation's website at www.upm.com. The Annual Report of UPM-Kymmene Corporation, including the Company's Financial Statements, the Report of the Board of Directors and the Auditor's Report, is available on the above-mentioned

website as of 3 March 2015. The proposals for the decisions and the Financial Statements are also available at the Annual General Meeting. The minutes of the Annual General Meeting will be available on the above-mentioned website as of 23 April 2015 at the latest.

C. Instructions for the participants of the Annual General Meeting

1. The right to participate and registration

Each shareholder, who is registered on 26 March 2015 in the shareholders' register of the Company held by Euroclear Finland Ltd, has the right to participate in the Annual General Meeting. A shareholder, whose shares are registered on his/her personal Finnish book-entry account, is registered in the shareholders' register of the Company.

A shareholder, who is registered in the shareholders' register of the Company and who wishes to participate in the Annual General Meeting, shall preregister for the meeting no later than 1 April 2015 by 16.00 (EET) by giving a prior notice of participation, which shall be received by the Company no later than on the above-mentioned date and time. Such notice can be given:

- a) on the corporate website www.upm.com;
- b) by telephone 020 770 6861 from Monday to Friday from 9.00 to 16.00 (EET) or
- c) by ordinary mail to UPM-Kymmene Corporation, Legal Function, PO Box 380 (Alvar Aallon katu 1), FI-00101 Helsinki.

In connection with the registration, a shareholder shall notify his/her name, personal/business identification number, address, telephone number, the name of a possible assistant and the name and personal identification number of a possible proxy representative. The personal data is used only in connection with the Annual General Meeting and processing of related registrations.

2. Holders of nominee registered shares

A holder of nominee registered shares has the right to participate in the Annual General Meeting by virtue of such shares, based on which he/she on the record date of the Annual General Meeting, i.e. on 26 March 2015, would be entitled to be registered in the shareholders' register of the Company held by Euroclear Finland Ltd. The right to participate in the Annual General Meeting requires, in addition, that the shareholder on the basis of such shares has been temporarily preregistered in the shareholders' register held by Euroclear Finland Ltd by 10.00 (EET) on 2 April 2015 at the latest. As regards nominee registered shares, this constitutes due registration for the Annual General Meeting.

A holder of nominee registered shares is advised to request without delay necessary instructions regarding the temporary registration in the shareholders' register of the Company, the issuing of proxy documents and preregistration for the Annual General Meeting from his/her custodian bank. The account manager of the custodian bank has to register a holder of nominee registered shares, who wishes to participate in the Annual General Meeting, temporarily in the shareholders' register of the Company by the time stated above at the latest.

3. Proxy representative and powers of attorney

A shareholder may participate in the Annual General Meeting and exercise his/her rights at the meeting by way of proxy representation. A proxy representative shall produce a dated proxy

document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder at the Annual General Meeting.

Holders of ADRs may authorise the ADR depositary bank, JPMorgan Chase Bank, to act as a proxy representative and exercise their rights according to the shares represented by their respective ADRs.

When a shareholder participates in the Annual General Meeting by means of several proxy representatives representing the shareholder with shares at different book-entry accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration for the Annual General Meeting.

Possible proxy documents should be delivered in originals to UPM-Kymmene Corporation, Legal Function, PO Box 380 (Alvar Aallon katu 1), FI-00101 Helsinki, Finland, prior to the end of the preregistration period.

4. Other information

Pursuant to Chapter 5, Section 25 of the Finnish Companies Act, a shareholder who is present at the Annual General Meeting has the right to request information with respect to the matters to be considered at the meeting.

On the date of this notice of the Annual General Meeting, 3 February 2015, the total number of shares and votes in UPM-Kymmene Corporation is 533,735,699.

Helsinki, 3 February 2015

UPM-KYMMENE CORPORATION

BOARD OF DIRECTORS