

PROPOSALS BY THE SHAREHOLDERS' NOMINATION BOARD FOR THE STORA ENSO AGM 2017

Stora Enso Shareholders' Nomination Board has been appointed by the AGM 2016 to annually prepare proposals concerning the number of members of the Board, the members of the Board, the remuneration for the Chairman, Vice Chairman and members of the Board as well as the remuneration for the Chairman and members of the committees of the Board.

The Shareholders' Nomination Board in 2016 comprised four members: Gunnar Brock (Chairman of the Board), Jorma Eloranta (Vice Chairman of the Board) and two other members appointed by the two largest shareholders, namely Kari Järvinen (Solidium) and Marcus Wallenberg (FAM AB). Prior to the AGM 2016, Juha Rantanen acted as Vice Chairman of the Board and as member of the Shareholders' Nomination Board in place of Jorma Eloranta. Kari Järvinen was elected Chairman of the Shareholders' Nomination Board.

The Shareholders' Nomination Board during its working period 2016-2017 convened 4 times and each member of the Shareholders' Nomination Board attended all the meetings.

The Shareholders Nomination Board makes the following proposals to the Stora Enso AGM 2017:

Remuneration for the members of the Board of Directors

The Shareholders' Nomination Board proposes to the AGM that the annual remuneration for the members of the Board of Directors be maintained at the 2016 level as follows: Chairman EUR 170 000, Vice Chairman EUR 100 000 and members EUR 70 000.

The Shareholders' Nomination Board also proposes that the members of the Board of Directors, based on the AGM's decision, use 40% of the above mentioned annual remuneration for purchasing Stora Enso R shares from the market and that the purchases will be carried out within two weeks from the AGM.

It is further proposed that the annual remuneration for the members of the Financial and Audit Committee, the Remuneration Committee and the Sustainability and Ethics Committee be kept at its present level, as follows: Chairman of Financial and Audit Committee EUR 20 000, members of Financial and Audit Committee EUR 14 000, Chairman of Remuneration Committee and Sustainability and Ethics Committee EUR 10 000 and members of Remuneration Committee and Sustainability and Ethics Committee EUR 6 000.

Remuneration shall, however, not be paid to such chairmen or members of the Board and Board Committees who are employed on a full time basis by the company or its subsidiaries.

Number of members of the Board of Directors

The Shareholders' Nomination Board proposes to the AGM that the Board of Directors shall have nine (9) members.

Election of members of the Board of Directors

The Shareholders' Nomination Board proposes to the AGM that of the current members of the Board of Directors – Anne Brunila, Jorma Eloranta, Elisabeth Fleuriot, Hock Goh, Mikael Mäkinen, Richard Nilsson and Hans Stråberg be re-elected members of the Board of Directors until the end of the following AGM and that Christiane Kuehne and Göran Sandberg be elected new members of the Board of Directors for the same term of office.

Gunnar Brock has announced that he is not available for re-election to the Board of Directors.

If the above mentioned candidates are elected, the Shareholders' Nomination Board recommends to the Board of Directors that Jorma Eloranta be nominated Chairman and Hans Stråberg be nominated Vice Chairman of the Board of Directors.

Christiane Kuehne, LL.M., B.B.A., born 1955, Swiss/German citizen, is a seasoned senior executive with international and multicultural background and with broad experience from operative roles within the Nestlé Group both strategically and operationally between the years 1977 – 2015. Her last operative role at Nestlé was as Head of Strategic Business Unit Food with strategic responsibility for the food business of Nestlé at global level. She possesses strong international experience from both the European as well as the Asian and African market. Ms Kuehne is Board member of the UK company James Finlays Ltd. and served between 2012 – 2016 as Board member and as member of the Audit Committee of L'Oreal S.A. She also acts as Board member of the Wetter Foundation, Morges/Switzerland. Ms Kuehne is independent of the Company and of its significant shareholders.

Göran Sandberg, Ph.D, born 1955¹, Swedish citizen, is professor in Plant Biology and professor at the Swedish University of Agricultural Science and the Umeå University since 1989. He also acts as executive director of the Knut and Alice Wallenberg Foundation and the Marianne and Marcus Wallenberg Foundation. Sandberg is Board member of the Marcus Wallenberg Foundation for Promoting Scientific Research in the Forest Industry and the Wallenberg Foundations AB. His previous positions include Vice chancellor of Umeå University 2005-2010, Chairman of Umeå Plant Science Center 1996-2004, Chairman of SciLifeLab Sweden 2013-2016 as well as Board member of the Human Protein Atlas project and the Wallenberg Wood Science Center. Mr. Sandberg is elected member of the Royal Swedish Academy of Science, the Royal Swedish Academy for Agriculture and Forestry Sciences and the Royal Swedish Academy of Engineering Sciences. Mr Sandberg is independent of the Company but not of its significant shareholders due to his position as executive director of majority shareholders of FAM AB, a significant shareholder of the Company.

The Shareholders' Nomination Board has received and reviewed the results of the evaluation of the proposed Board members independence as well as the results of the annual Board performance evaluation. The Shareholders' Nomination Board has taken these as well as the Company's Board Diversity Policy into account in its work when preparing the above proposal.

¹ 12 April 2017: incorrect reference to year of birth corrected.

The Shareholders' Nomination Board has in 2016 considered its previous evaluation of competencies that may be further strengthened in the long term Board succession planning as well as the aim to take action to further strive towards a good and balanced gender distribution. In its proposal for the AGM 2017 the Shareholders' Nomination Board has proposed a Board composition that includes three women and six men in the age range of 46 years to 66 years and representing a total of five different nationalities. The proposal aims at strengthening the Board's competence in the fields of biosciences and operative customer and sales experience as well as the cultural diversity and diverse background experience of the Board members.

The Shareholders' Nomination Board finds that the proposed composition of the Board reflects diversity and a good variety of skills and experiences among the Board members following the principles set out in the Company's Board Diversity Policy.

The aim of the Shareholders' Nomination Board going forward is to continuously evaluate the long-term competencies that would benefit the Board work as well as ensure that a Diversity of Thought is maintained on the Board. The aim is further to maintain or strengthen a good and balanced gender distribution.