

PROPOSALS BY THE SHAREHOLDERS' NOMINATION BOARD FOR THE STORA ENSO AGM 2020

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

The Shareholders' Nomination Board in 2019 - 2020 comprised four members: Jorma Eloranta (Chair of the Board), Hans Stråberg (Vice Chair of the Board) and two other members appointed by the two largest shareholders, Harri Sailas (Solidium Oy) and Marcus Wallenberg (FAM AB). Marcus Wallenberg was elected Chair of the Shareholders' Nomination Board.

The Shareholders' Nomination Board during its working period 2019 - 2020 convened five (5) times and each member of the Shareholders' Nomination Board attended all the meetings. Shareholders' Nomination Board members Jorma Eloranta and Hans Stråberg have not participated in the decision-making regarding Board remuneration.

The Shareholders Nomination Board makes the following proposals to the Stora Enso AGM 2020:

Remuneration for the members of the Board of Directors

The Shareholders' Nomination Board proposes to the AGM that the annual remuneration for the Chair, Vice Chair and members of the Board of Directors be increased by approximately 2,5 – 3 percent and be paid as follows: Chair EUR 197 000 (2019: 192 000), Vice Chair EUR 112 000 (2019: 109 000) and members EUR 76 000 (2019: 74 000).

The Shareholders' Nomination Board also proposes that the annual remuneration for the members of the Board of Directors be paid in Company shares and cash so that 40% will be paid in Stora Enso R shares to be purchased on the Board members' behalf from the market at a price determined in public trading. The shares will be purchased within two weeks from the AGM, or as soon as possible in accordance with applicable legislation. The Company will pay any costs and transfer tax related to the purchase of Company shares.

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 increased by approximately 2,5 – 3 percent and be paid as follows: Chair of Financial and Audit Committee EUR 21 200 (2019: 20 600), members of Financial and Audit Committee EUR 14 800 (2019: 14 400), Chair of Remuneration Committee and Sustainability and Ethics Committee EUR 10 600 (2019: 10 300) and members of Remuneration Committee and Sustainability and Ethics Committee EUR 6 400 (2019: 6 200).

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 Jorma Eloranta, Elisabeth Fleuriot, Hock Goh, Mikko Helander, Christiane Kuehne, Antti Mäkinen, Richard Nilsson and Hans Stråberg be re-elected members of the Board of Directors until the end of the following AGM and that Håkan Buskhe be elected new member of the Board of Directors for the same term of office.

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

The Shareholders' Nomination Board proposes that Jorma Eloranta be elected Chair and Hans Stråberg be elected Vice Chair of the Board of Directors.

Håkan Buskhe, M.Sc. Eng., Licentiate of Engineering, born 1963, Swedish citizen, has a strong industrial operative background and management experience having acted as CEO of several leading Swedish companies and as of 12 February 2020 as CEO of FAM AB. Prior to his current position Buskhe has acted as CEO and President of SAAB AB (2010 - 2019) and E.ON Nordic (2008 – 2010). Previous working experience further includes executive positions in E.ON Sweden (2006 – 2008), acting as CEO of the logistics company Schenker North (2001 – 2006) as well as several positions in Storel AB (1998 – 2001), Carlsberg A/S (1994 – 1998) and Scansped AB (1988 – 1994). Buskhe has further held positions as Board member in several venture capital companies. He is independent of the company but not of its significant shareholders due to his position as CEO of FAM AB. Buskhe currently does not own shares in Stora Enso.

The Shareholders' Nomination Board has received and reviewed the results of the evaluation of the proposed Board member's independence as well as the results of the annual Board performance evaluation. The Board performance evaluation material has also included a report on Board member interviews by the Chair of the Board of Directors. 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.

The Shareholders' Nomination Board has in 2019 considered its previous evaluation of competencies that may be further strengthened in the long-term Board succession planning. In its proposal for the AGM 2020 the Shareholders' Nomination Board has proposed a Board composition that includes two women and seven men in the age range of 49 years to 69 years and representing a total of five different nationalities.

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 except as regards the aim to ensure a good and balanced gender diversity. The Shareholders' Nomination Board notes that the aim going forward is in particular to strengthen the gender diversity. Electing Håkan Buskhe as new member to the Board would bring a strong leadership and management as well as industrial competence and experience to the Board and in the view of the Shareholders' Nomination Board add strong value to the Board as a collective.

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 Shareholders' Nomination Board particularly notes that the aim going

forward is to strengthen the gender distribution of the Board with view of ensuring a good and balanced gender distribution in accordance with the Company's Board Diversity Policy.