



storaenso

Annual Report 2021

Governance

Part of Stora Enso's Annual Report 2021



storaenso

THE RENEWABLE MATERIALS COMPANY

Corporate Governance in Stora Enso 2021

Governance

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The duties of the various bodies within Stora Enso Oyj (“Stora Enso” or the “Company”) are determined by the laws of Finland and by the Company’s corporate governance policy, which complies with the Finnish Companies Act and the Finnish Securities Market Act. The rules and recommendations of the Nasdaq Helsinki Oy and Nasdaq Stockholm AB stock exchanges are also followed, where applicable. The corporate governance policy is approved by the Board of Directors (“Board”).

Stora Enso complies with the Finnish Corporate Governance Code 2020 issued by the Securities Market Association (the “Code”). The Code is available at cgfinland.fi. Stora Enso also complies with the Swedish Corporate Governance Code (“Swedish Code”), with the exception of the deviations listed in [Appendix 1](#) of this Corporate Governance Report. The deviations are due to differences between Swedish and Finnish legislation, governance code rules and practices, and in these cases Stora Enso follows the practice in its domicile. The Swedish Code is issued by the Swedish Corporate Governance Board and is available at corporategovernanceboard.se.

This Corporate Governance Report is available as a PDF document at storaenso.com/investors/governance.

General governance issues

The Board and the President and CEO are responsible for the management of the Company, the roles and responsibilities of which are described in more detail later in this report. Other governance bodies have an assisting and supporting role.

The Stora Enso group prepares Consolidated financial statements and Interim Reports conforming to International Financial Reporting Standards (IFRS), and

publishes Annual Financial Statements as well as Interim Reports in Finnish, Swedish, and English. Stora Enso Oyj prepares its Financial statements in accordance with the Finnish Accounting Act.

The Company’s head office is in Helsinki, Finland, and it also has head office functions in Stockholm, Sweden.

Stora Enso has one statutory auditor elected by the shareholders at the Annual General Meeting (AGM).

To the maximum extent possible, corporate actions and corporate records are taken and recorded in English.

Objectives and composition of governance bodies

The shareholders exercise their ownership rights through the shareholders’ meetings. The decision-making bodies responsible for managing the Company are the Board and the CEO, while the Group Leadership

Governance bodies



Shareholders’ meeting
Shareholders’ Nomination Board



Board of Directors
Financial and Audit Committee
Remuneration Committee
Sustainability and Ethics Committee



President and CEO
Ethics and Compliance
Management Committee –
Group Leadership Team (GLT)

Auditing

Internal Audit _____ External Audit _____

Team (GLT) supports the CEO in managing the Company.

The day-to-day operational responsibility rests with the GLT members and their operation teams are supported by various staff and service functions.

Shareholders’ meetings

The Annual General Meeting of shareholders (AGM) is held annually to present detailed information about the Company’s performance and to deal with matters such as adopting the annual accounts, setting the dividend (or distribution of funds) and its payment, and appointing the Chair, Vice Chair, and the members of the Board of Directors, as well as the Auditor.

Shareholders may exercise their voting rights and take part in the decision-making process of Stora Enso by participating in shareholders’ meetings. Shareholders also have the right to ask the Company’s management and Board of Directors questions at shareholders’ meetings. Major decisions are taken by the shareholders at Annual or Extraordinary General Meetings. At a shareholders’ meeting, each A share and every ten R shares carry one vote.

During 2020–2021 and the Covid-19 pandemic, it has been possible to carry out a number of the above-mentioned rights by pre-voting as well as the right to present counterproposals and ask questions in advance of the meeting, the answers to which have been presented on the Company’s website.

The Board of Directors convenes a shareholders’ meeting by publishing a notice of the meeting at the Company’s website not more than three months before the last day for advance notice of attendance mentioned in the notice of the meeting and not less than three weeks before the date of the meeting. In addition, the Company

publishes details on the date and location of the meeting, together with the address of the Company’s website, in at least two Finnish and two Swedish newspapers. Other regulatory notices to the shareholders are delivered in the same way.

The AGM shall be held annually by the end of June in Helsinki, Finland. The Finnish Companies Act and Stora Enso’s Articles of Association specify in detail that the following matters have to be dealt with at the AGM:

- presentation and adoption of the annual accounts
- presentation of the Board of Directors report and the Auditor’s report
- use of the result and distribution of funds to the shareholders
- resolution concerning discharge of the members of the Board and the CEO from liability
- presentation of the remuneration policy and/or report
- decision on the number and the remuneration of the members of the Board and the Auditor
- election of the Chair, Vice Chair, and other members of the Board and the Auditor
- any other matters notified separately in the notice of the meeting.

In addition, the AGM shall take decisions on matters proposed by the Board of Directors. A shareholder may also propose items for inclusion in the agenda provided that they are within the authority of the shareholders’ meeting and the Board of Directors was asked to include the items in the agenda no later than on the date set out by the Company, which must be not earlier than four weeks before the publication of the notice of the meeting and which will be announced at the Company’s website no later than by the end of the financial year preceding the AGM.

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An Extraordinary General Meeting of Shareholders is convened when considered necessary by the Board of Directors or when requested in writing by the Auditor or shareholders together holding a minimum of one tenth of all the shares to discuss a specified matter which they have indicated.

In 2021

Stora Enso's AGM was held on 19 March 2021 in Helsinki, Finland. The AGM was held with exceptional procedures based on a temporary legislative act approved by the Finnish Parliament to limit the spread of the Covid-19 pandemic. This meant that shareholders were able to participate in the meeting only through voting in advance as well as through making counterproposals and presenting questions in advance. Of all issued and outstanding shares in the Company, a total of 65.2% of all shares (59.3% in 2020) and a total of 82.7% of all votes (80.7%) were represented at the meeting, with 91.4% of all A shares (91.4%) and 57.7% of all R shares (50.1%) represented. The AGM, in addition to regular matters, authorised the Board to decide on a share issue or share repurchase covering a maximum of 2,000,000 R shares in order to carry out the Company's compensation or remuneration schemes. A virtual shareholder event was held after the AGM, where the shareholders were able to follow presentations by the Chair of the Board as well as the President and CEO, followed by an online Q&A session. No Extraordinary General Meetings of Shareholders were convened in 2021.

Shareholders' Nomination Board

Shareholders at the Annual General Meeting (AGM) have established a Shareholders' Nomination Board to exist until otherwise decided, and to annually prepare proposals to the shareholders' meeting concerning:

- the number of members of the Board;
- the Chair, Vice Chair, and other members of the Board;
- the remuneration for the Chair, Vice Chair, and members of the Board;
- the remuneration for the Chair and members of the committees of the Board.

The AGM has approved the Charter of the Shareholders' Nomination Board and shall approve any proposed amendments of the Charter, other than technical updates.

The Shareholder's Nomination Board according to its Charter comprises four members:

- the Chair of the Board;
- the Vice Chair of the Board;
- two members appointed annually by the two largest shareholders (one each) as of 31 August.

The Board through its Chair shall ensure that the annual appointment of the members to the Shareholders' Nomination Board is carried out as set out in the Charter as decided by the AGM. The Board Chair shall annually convene the first meeting of the Shareholders' Nomination Board, which shall elect its Chair amongst its members that are annually appointed by the Company's two largest shareholders.

The Shareholders' Nomination Board shall serve until further notice, unless the AGM decides otherwise. Its members are elected annually, and their term of office shall end when new members are elected to replace them.

In 2021

The Shareholders' Nomination Board comprised four members: Antti Mäkinen (Chair of the Board), Håkan Buskhe (Vice Chair of the Board) and two other members appointed by the two largest shareholders, namely Harri Sailas (Solidium Oy) and Marcus Wallenberg (FAM AB). Marcus Wallenberg was elected Chair of the Shareholders' Nomination Board.

The main tasks of the Shareholders' Nomination Board were to prepare the proposals for the AGM 2022 concerning Board members and their remuneration. During its working period 2021–2022, the Shareholders' Nomination Board convened five times. Each member of the Shareholders' Nomination Board attended all the meetings. Antti Mäkinen and Håkan Buskhe did not participate in the preparations or the decision-making regarding Board remuneration.

In its proposal for the AGM 2022, the Shareholders' Nomination Board proposes that of the current members of the Board of Directors Håkan Buskhe, Elisabeth Fleuriot, Hock Goh, Helena Hedblom, Christiane Kuehne, Antti Mäkinen, Richard Nilsson and Hans Sohlström be re-elected members of the Board of Directors until the end of the following AGM and that Kari Jordan be elected new member of the Board of Directors for the same term of office. It is proposed that Antti Mäkinen be elected Chair of the Board and Håkan Buskhe Vice Chair of the Board. Mikko Helander has informed the Shareholders' Nomination Board that he is not available for re-election. The Shareholders' Nomination Board also proposes that the annual remuneration for the Chair, Vice Chair, and members of the Board of Directors, as well as for the Chairs and members of Board Committees be increased by approximately 2.5–4 percent.

For the purpose of carrying out its tasks, the Shareholders' Nomination Board has received the results of the self-evaluation of the Board of Directors as well as the assessment of each director's independence of the Company and of significant shareholders. The Shareholders' Nomination Board has taken the results of the Board evaluation and the requirements relating to director independence into account in its work. The Shareholders' Nomination Board further considers the principles of the Board Diversity Policy in preparing its proposal. The Shareholders' Nomination Board has a Charter that defines its tasks and responsibilities in more detail.

Remuneration

No remuneration is paid for members of the Shareholders' Nomination Board as decided by the AGM. The Shareholders' Nomination Board Charter is presented at storaenso.com/investors/governance.

Composition of the Shareholders' Nomination Board in 2021

| Antti Mäkinen¹, member | Håkan Buskhe¹, member |
|--|--|
| Chair of Stora Enso's Board of Directors | Vice Chair of Stora Enso's Board of Directors |
| Marcus Wallenberg, Chair | Harri Sailas, member |
| Chair of Stora Enso's Shareholders' Nomination Board. Born 1956. B.Sc. (Foreign Service). Chair of the Board of Directors of FAM AB. | Member of Stora Enso's Shareholders' Nomination Board. Born 1951. M.Sc. (Econ.). Chair of the Board of Directors of Solidium Oy. |

¹ Curriculum vitae of Antti Mäkinen and Håkan Buskhe, see page 12.

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Board of Directors

Stora Enso is managed by the Board acting in accordance with the Finnish Companies Act as well as other applicable legislation.

According to the Company's Articles of Association, the Board comprises six to eleven ordinary members appointed by the shareholders at the AGM for a one-year term. The majority of the directors shall be independent of the Company. In addition, at least two of the directors comprising this majority shall be independent of significant shareholders of the Company. A significant shareholder is a shareholder that holds at least 10% of all the Company's shares or the votes carried by all the shares or a shareholder that has the right or the obligation to purchase the corresponding number of already issued shares. The independence is evaluated annually in accordance with the Finnish Corporate Governance Code.

All directors are required to deal at arm's length with the Company and its subsidiaries and to disclose circumstances that might be perceived as a conflict of interest.

The shareholders at the AGM decide the remuneration of the Board members (including the remuneration of the members of the Board committees).

The Board supervises the operation and management of Stora Enso and decides on significant matters relating to strategy, investments, organisation, and finance.

The Board is responsible for overseeing management and for the proper organisation of the Company's operations. Likewise, it is responsible for overseeing the proper supervision of accounting and the control of financial matters.

The Board has defined a working order, the principles of which are published on page 5 of this report and on the Company's website.

The AGM elects the Chair and Vice Chair of the Board. Should the Chair or Vice Chair of the Board of Directors resign or become otherwise unable to act as Chair or Vice Chair during their term of office, the Board may elect

In 2021

The Board had nine members at the end of 2021, all of them independent of the Company. The Board members are also independent of significant shareholders of the Company with the exception of Richard Nilsson (Investment Manager at FAM AB), Antti Mäkinen (CEO of Solidium Oy) and Håkan Buskhe (CEO of FAM AB).

The Board members nominated at the AGM in 2021 were Antti Mäkinen (Chair), Håkan Buskhe (Vice Chair), Elisabeth Fleuriot, Hock Goh, Helena Hedblom, Mikko Helander, Christiane Kuehne, Richard Nilsson and Hans Sohlström. The Board convened 15 times during the year. The members' participation rate in meetings amounted to 100%.

In its meeting after the AGM on 19 March 2021, the Board discussed focus areas for its work. The Board agreed that these areas for the year to come should be (1) Strategy, including implementation and review of the next steps, and (2) Operational performance in the present market situation. Various matters have been discussed, reviewed and decided in the Board based on the agenda. Further, on a monthly basis the CEO has reported progress on the same to the Board.

An external evaluation relating to the Board's work and to the work of the Committees has been conducted during 2021, which together with the evaluation of the Board members' independence has been provided to

a new Chair or Vice Chair from among its members for the remaining term of office.

The Board annually agrees on focus areas for the Board's work during the upcoming year constituting the Board Agenda.

The Board appoints the CEO, Chief Financial Officer (CFO), and other

the Shareholders' Nomination Board for information. A comprehensive, qualitative questionnaire and individual interviews were carried out by an external party. Overall assessment of the Board's work and performance – even during Covid-19 pandemic – has been effective and positive. The Board has worked according to all applicable rules and regulations. For detailed information about the Board members and their share ownerships, see pages 12–13.

Remuneration

Board remuneration is decided by the AGM each year. The AGM 2021 decided on an annual remuneration of EUR 197,000 for the Board Chair, EUR 112,000 for the Vice Chair and EUR 76,000 for other members, which is paid partly in Company shares as set out in the resolution of the AGM. In addition, remuneration may be paid based on Board Committee memberships.

Board Diversity in 2021

During 2021, the Board has been composed of nine members representing five different nationalities and a diverse range of experience from global companies and industrial sectors. All Board members have university degrees from different fields such as engineering, technology, finance, and law. All members have vast experience from global companies either from earlier operative positions or through board memberships. A detailed description of the educational and professional backgrounds of the Board members can be found on pages 12–13.

GLT members. The Board approves the main organisational structure of the Company.

The Board reviews and determines the remuneration of the CEO, which is described in the Annual Report and on the Company's website. The Board and each

The Board members represent a good knowledge of the operational environment of the Company as well as particular experience of amongst others sustainability, ESG, financial competence, and the business environment relevant to the operations of the Company. The age of the Board members during 2021 varied from 48 years to 66 years and the Board was composed of three women and six men.

In 2021, the Shareholders' Nomination Board has considered its previous evaluation of competencies that may be further strengthened in the long-term Board succession planning. In its proposal for the AGM 2022, the Shareholders' Nomination Board has proposed a Board composition that includes three women and six men in the age range of 48 years to 66 years and representing a total of five different nationalities. The proposed new Board member Kari Jordan would bring strong industrial, financial and management competence and experience to the Board, and would, 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 aim is to maintain or further strengthen a good and balanced gender distribution.

of its Committees evaluates its performance annually. The results of the Board's evaluation are reviewed by the Board and shall be communicated to the Shareholders' Nomination Board, which shall take the results of the Board evaluation into account in its work. The Board also reviews

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the corporate governance policy annually and amends it when required. The Board's work is supported through its committees – the Financial and Audit Committee, the Remuneration Committee and the Sustainability and Ethics Committee. Each committee's Chair and members are appointed by the Board annually.

The Board meets at least five times a year. The Board members meet regularly without management in connection with the Board meetings.

Board Diversity Policy

The Company has established a Board Diversity Policy setting out the principles concerning the diversity of the Board. The Shareholders' Nomination Board shall,

in connection with preparing its proposals for the nomination of directors to the AGM, consider the principles of the Company's Board Diversity Policy.

Directors shall be nominated on the basis of their merits and with consideration of the benefits of diversity and the principles that the Company refers to as Diversity of Thought, including, but not limited to, criteria of diversity such as gender, age, nationality, and individual differences both in professional and personal experiences. The merits of directors include knowledge of the operational environment of the Company, its markets and of the industry within which it operates, and may include elements such as financial, sustainability or other specific competency, geographical representation,

and business background as required in order to achieve the appropriate balance of diversity, skills, experience, and expertise of the Board collectively. The foremost criteria for nominating director candidates shall be the candidates' skills and experiences, industrial knowledge as well as personal qualities and integrity. The composition of the Board as a whole shall reflect the requirements set by the Company operations and its development stage. The number of directors and the composition of the Board shall be such that they enable the Board to see to its duties efficiently. Both genders shall be represented on the Board and the aim of the Company shall be to strive towards a good and balanced gender distribution.

The Shareholders' Nomination Board has taken the principles of the Board Diversity Policy into account in its work. The Shareholders' Nomination Board finds that the composition of the Board as proposed to the AGM 2022 reflects diversity and a good variety of skills and experiences among the Board members following the principles set out in the 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 to maintain or further strengthen a good and balanced gender distribution.

The Board Diversity Policy is presented at storaenso.com/investors/governance.

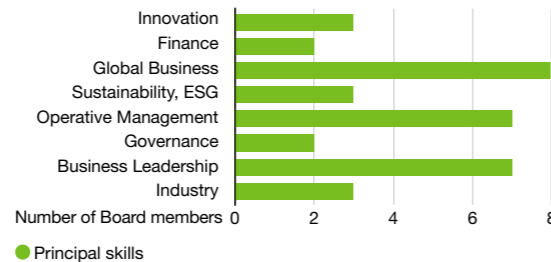
Board skills matrix

| Name | Director since | Principal skills | Independent of | | Committee memberships 2021 | | | Other current listed boards* |
|--------------------|----------------|--|----------------|--------|----------------------------|--------|--------|------------------------------|
| | | | Company | Owners | FAC | SECo | RemCo | |
| Antti Mäkinen | 2018 | Finance, Operative Management, Governance | ● | ● | | | Chair | 1 |
| Håkan Buskhe | 2020 | Innovation, Global Business, Business Leadership, Industry | ● | ● | | | Member | 2 |
| Elisabeth Fleuriot | 2013 | Global Business, Operative Management, Business Leadership, Sustainability & ESG | ● | ● | Member | | | |
| Hock Goh | 2012 | Global Business, Operative Management, Business Leadership, Sustainability & ESG | ● | ● | Member | | | 2 |
| Helena Hedblom | 2021 | Innovation, Business Leadership, Global Business, Operative management | ● | ● | | Member | | |
| Mikko Helander | 2019 | Global Business, Business Leadership, Operative Management, Industry | ● | ● | | Member | | |
| Christiane Kuehne | 2017 | Global Business, Operative Management, Business Leadership, Sustainability & ESG | ● | ● | | Chair | | |
| Richard Nilsson | 2014 | Finance, Industry, Governance, Global Business | ● | ● | Chair | | | |
| Hans Sohlström | 2021 | Global Business, Business Leadership, Operative Management, Innovation | ● | ● | | | Member | |

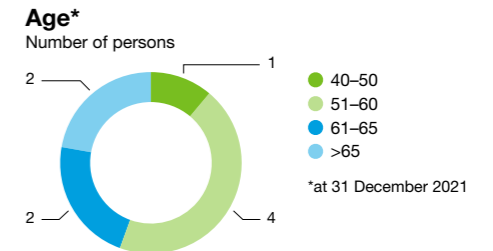
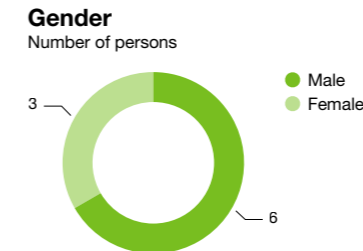
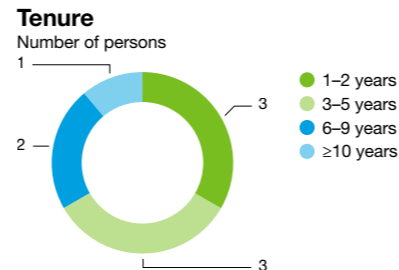
● yes ● no

The table sets out the primary skills of each Board member. The fact that an item is not highlighted for a Board member does not mean that such member does not possess that qualification or skill. *at 31 December 2021

Principal skills



Board diversity in figures



*at 31 December 2021

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Working order of the Board

The working order describes the working practices of the Board. A summary of key contents is presented below.

Board meetings

- occur regularly, at least five times a year, according to a schedule decided in advance;
- special Board meetings, if requested by a Board member or the CEO, are held within 14 days of the date of request;
- agenda and material shall be delivered to Board members one week before the meeting.

Information

- the Board shall receive information monthly concerning financial performance, the market situation, and significant events within the Company's and the group's operations;
- Board members shall be informed about all significant events immediately.

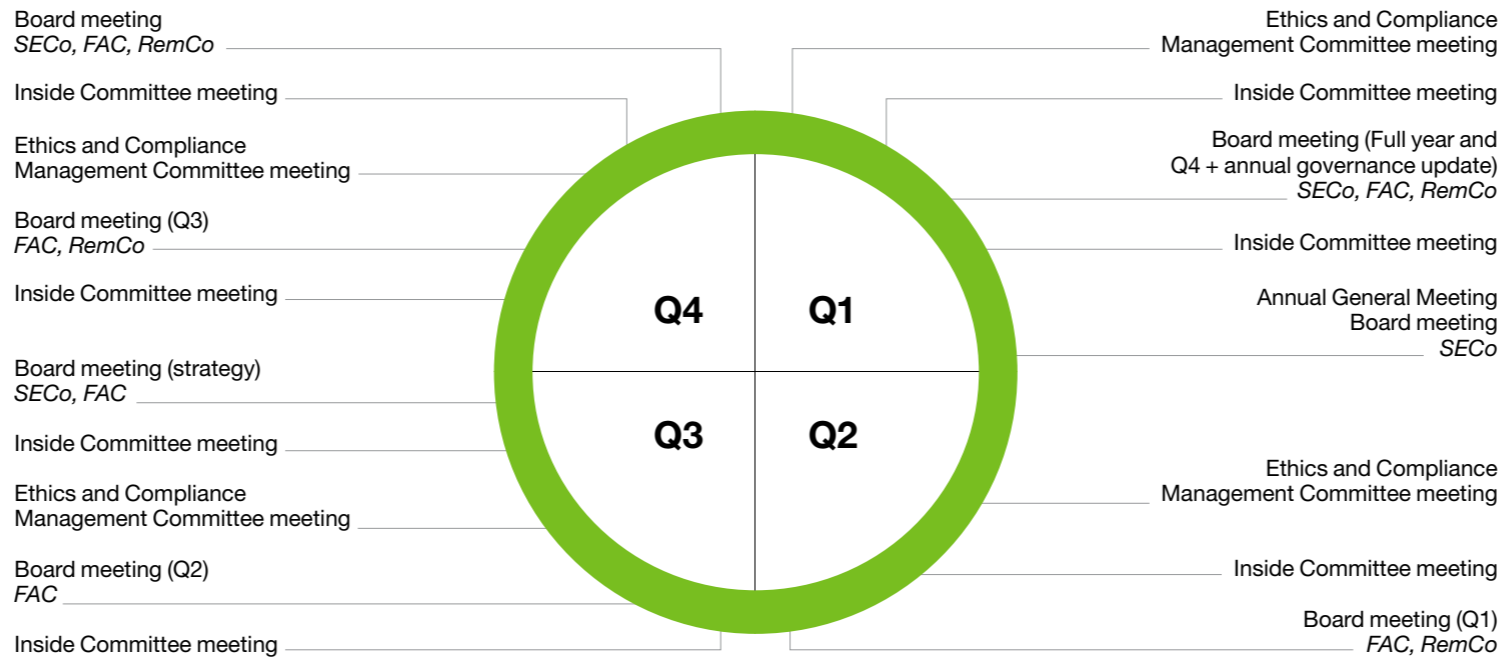
Matters to be handled at Board meetings

- matters specified by the Finnish Companies Act;
- approval of business strategy;
- organisational and personnel matters:

- decisions concerning the basic top management organisation;
- decisions concerning the composition of the GLT;
- remuneration of the CEO;
- appointment and dismissal of the CEO and approval of heads of divisions and other members based on the CEO's proposal belonging to the GLT;
- appointment of Committee Chairs and members;
- remuneration of GLT members based on the CEO's proposal;
- review talent management and succession planning process (in particular the CEO);

- economic and financial matters:
 - approval and review of the annual budget;
 - approval of loans and guarantees, excluding intra-group loans and guarantees;
 - approval of share repurchases, if any, as well as the report of share repurchases;
 - approval of Group Risk Management Policy according to the Financial and Audit Committee's proposal;
- investment matters:
 - approval of the investment policy of the group;
 - approval of major investments;
 - approval of major divestments;
 - receive relevant analyst meeting presentations and analyst reports;
- other matters:
 - report of the CEO on the group's operations;
 - reports of the Remuneration Committee, Financial and Audit Committee, and Sustainability and Ethics Committee by the chairs of the respective committees. The recommendations and proposals by the Shareholders' Nomination Board shall be reported to the Board by the Chair of the Board;
 - approval and regular review of the Corporate Governance Policy and the charters of the Board Committees;
 - annual self-assessment of Board work and performance as well as independence;
- other matters submitted by a member of the Board or the CEO.

The Board of Directors' and management's annual working cycle



| | | |
|--|---|---|
| <p>Quarterly</p> <ul style="list-style-type: none"> - Meetings with auditors - Divisional Business & Innovation Review meetings | <p>Monthly</p> <ul style="list-style-type: none"> - GLT meetings - Investment Working Group meetings | <p>SECo = Sustainability and Ethics Committee FAC = Financial and Audit Committee RemCo = Remuneration Committee</p> |
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Board committees

The tasks and responsibilities of the Board committees are defined in their charters, which are approved by the Board. All the committees evaluate their performance annually, are allowed to use external consultants and experts when necessary, and shall have access to all information required. Each committee's Chair and members are appointed by the Board annually.

Financial and Audit Committee

The Board has a Financial and Audit Committee to support the Board in maintaining the integrity of the Company's financial reporting and the Board's control functions. It regularly reviews and monitors the system of internal control and internal audit as well as its efficiency, the management and reporting of financial risks, the audit process, the Company's procedures for monitoring related party transactions, and the annual corporate governance statement. It makes recommendations regarding the appointment of external auditor for the Parent Company and the main subsidiaries, and monitors the auditor's independence.

The Committee comprises three to five Board members who are independent and not affiliated with the Company. The members of the Committee must have sufficient expertise and experience to be able to challenge and evaluate the Company's internal accounting function and internal and external audit functions. At least one member must have the relevant expertise in accounting and auditing as required by the applicable regulation. The Financial and Audit Committee meets regularly, at least four times a year. The Committee members meet the external and internal auditors regularly without the management being present. The Chair of the Committee presents a report on each Financial and Audit Committee meeting to the Board. The tasks and responsibilities of the Financial and Audit Committee are defined in its charter,

which is approved by the Board. Financial and Audit Committee members may receive remuneration solely based on their role as directors. The compensation is decided by the shareholders at the AGM.

In 2021

The Financial and Audit Committee comprised three members: Richard Nilsson (Chair), Elisabeth Fleuriot and Hock Goh.¹ The Committee convened six times. The members' participation rate in meetings amounted to 100%.

The main task of the Committee is to support the Board in maintaining the integrity of Stora Enso's financial reporting and the Board's control functions. To fulfil its task, the Committee regularly reviews the Company's system of internal control, management, and reporting of financial and enterprise risks, as well as the audit process. During the year the Committee continued to follow-up the forest land valuation and put specific emphasis on follow-up on EU Taxonomy development and review of related reporting requirements. The Committee further reviews relevant material compliance related cases relating to the integrity of financial reporting or fraud investigations that have been reported to Internal Audit and Ethics and Compliance during the year.

Remuneration

Chair EUR 21,200 per annum and member EUR 14,800 per annum as decided by the AGM.

The Financial and Audit Committee Charter is presented at storaenso.com/investors/governance.

¹ The Committee prior to the AGM on 19 March 2021 comprised the following four members: Richard Nilsson (Chair), Jorma Eloranta, Elisabeth Fleuriot and Hock Goh.

Remuneration Committee

The Board has a Remuneration Committee which is responsible for recommending and evaluating executive nominations and remunerations (including reviewing and recommending the CEO's remuneration), evaluating the performance of the CEO, and making recommendations to the Board relating to management remuneration issues generally, including equity incentive remuneration plans. The Remuneration Committee also reviews the Remuneration Report and the Remuneration Policy. There is a Remuneration Committee representative present at the AGM to answer questions relating to management remuneration. The Board appoints the CEO and approves his/her remuneration as well

as the nomination and compensation of other members of the Group Leadership Team (GLT).

The Committee comprises three to four Board members who are independent and not affiliated with the Company. The Remuneration Committee meets regularly, at least once a year. The Chair of the Remuneration Committee presents a report on each Remuneration Committee meeting to the Board. The tasks and responsibilities of the Remuneration Committee are defined in its charter, which is approved by the Board. Remuneration Committee members may receive remuneration solely based on their role as directors. The compensation is decided by the shareholders at the AGM.

In 2021

The Remuneration Committee comprised three members: Antti Mäkinen (Chair), Håkan Buskhe and Hans Sohlström.¹ The Committee convened seven times. The members' participation rate in meetings amounted to 100%.

The main task of the Committee is to recommend, evaluate, and propose executive nominations and remunerations, review the Company's remuneration reporting, and to make recommendations to the Board relating to management remuneration in general, including short- and long-term incentive programmes. The main focus during the year has been to renew the Performance Management model at Stora Enso.

Remuneration

Chair EUR 10,600 and member EUR 6,400 per annum as decided by the AGM.

The Remuneration Committee Charter is presented at storaenso.com/investors/governance.

¹ The Committee prior to the AGM on 19 March 2021 comprised the following three members: Jorma Eloranta (Chair), Antti Mäkinen and Hans Stråberg.

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Sustainability and Ethics Committee

The Board has a Sustainability and Ethics Committee which is responsible for overseeing the Company's sustainability and ethical business conduct, its strive to be a responsible corporate citizen, and its contribution to sustainable development. The Committee regularly reviews Stora Enso's Sustainability Strategy and Ethics and Compliance Strategy and, in accordance with Stora Enso's corporate governance structure, oversees their effective implementation as well as reviews the Company's external sustainability reporting. In its work the Committee takes into consideration Stora Enso's Purpose and Values as well as the Stora Enso Code and Business Practice Policy. The topics of the Committee meetings include safety, sustainability (climate change, circularity and biodiversity) and ethics.

The Committee comprises two to four Board members who are nominated annually by the Board. The members are independent of and not affiliated with Stora Enso. At least one Committee member is expected to have sufficient prior knowledge and experience in handling sustainability and ethics matters.

The Committee meets regularly, at least twice a year. The Chair of the Committee presents a report on each Sustainability and Ethics Committee meeting to the Board. The tasks and responsibilities of the Committee are defined in its charter, which is approved by the Board. Sustainability and Ethics Committee members may receive remuneration solely based on their role as directors. The compensation is decided by the shareholders at the AGM.

Management of the Company

Chief Executive Officer (CEO)

The CEO is in charge of the day-to-day management of the Company in accordance with the Finnish Companies Act and the instructions and orders issued by the Board. It is the duty of the CEO to ensure that the Company's accounting principles comply with the law and that financial matters are handled in a reliable manner.

The Board approves the main organisation, including the functions reporting to the CEO. At the end of 2021 the CEO was directly in charge of the following functions, which also reported to her:

- Divisions (Packaging Materials, Packaging Solutions, Biomaterials, Wood Products, Forest and Paper)
- CFO (responsible for Accounting, Controlling, Efora*, Internal Audit, Investor Relations, Tax, Treasury)
- IT and Digitalisation
- Human Resources
- Legal, General Counsel
- Communications
- Sustainability
- Sourcing and Logistics
- Strategy and Innovation (responsible for Innovation and R&D, special strategic projects, Corporate Finance and M&A, Investment Process, Energy Services, Enterprise Risk Management)

The CEO is also responsible for preparatory work with regard to Board meetings. In addition, the CEO supervises decisions regarding key personnel and other important operational matters. One of the GLT members acts as deputy to the CEO as defined in the Finnish Companies Act.

Group Leadership Team (GLT)

The GLT is chaired by the CEO. The GLT members are appointed by the CEO and approved by the Board. At the 2021 year end, the thirteen GLT members were the CEO, the CFO, the heads of the divisions, HR, IT and Digitalisation, Legal (who is also General Counsel), Strategy and Innovation, and Sustainability. New Head of Brand and Communications was appointed and he joined GLT on 1 February 2022. The search for a new Head of Sourcing and Logistics has been initiated.

The GLT assists the CEO in supervising the Group and divisional performance against agreed targets, portfolio strategy, ensuring the availability and value-creating allocation of Group funds and capital, and statutory, governance, compliance, and listing issues and policies.

The GLT meets regularly every two weeks, and as required.

* As of 1 January 2022 Efora maintenance functions under Stora Enso's divisions and productions sites.

In 2021

The Sustainability and Ethics Committee comprised three members: Christiane Kuehne (Chair), Helena Hedblom and Mikko Helander.¹ The Committee convened four times. The members' participation rate in meetings amounted to 100%.

The Committee in each of its meetings reviews the areas relevant for the Committee's work, including safety and sustainability matters, as well as ethics and compliance matters. The Committee further reviews safety status and sustainability and ethics and compliance KPI's, sustainability reporting, as well as relevant sustainability and safety initiatives and processes carried out during the year. In 2021 the main topics were forest sustainability (including biodiversity), sustainability strategy, and sustainability risks. In addition, an important part of the Committee's work consisted of overseeing reported compliance cases.

Remuneration

Chair EUR 10,600 and member EUR 6,400 per annum as decided by the AGM.

The Sustainability and Ethics Committee Charter is presented at storaenso.com/investors/governance.

¹ The Committee prior to the AGM on 19 March 2021 comprised the following three members: Christiane Kuehne (Chair), Håkan Buskhe and Mikko Helander.

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In 2021
 The GLT had 13 members at the end of 2021. The GLT convened 24 times during the year. Important items on the agenda in 2021 were Covid-19 related scenarios and mitigation actions, safety issues, financial performance, strategy and transformation, sustainability, customer-driven innovation, reviewing the operations of the Group, planning and following up investment and other strategic projects, digitalisation, and preparatory work for Board meetings.

Divisions and other functions
 The divisions are responsible for their respective line of business and are organised and resourced to deal with all business issues. The CEO steers the divisions through quarterly and as required in Business Performance Reviews as well as the GLT meetings.
 Strategic investment projects are approved on the group level following the mandate by the CEO and Board of Directors. Each Division will in addition be granted an annual allocation intended for smaller annual replacement and development needs in relation to investments. All projects are reviewed by the Investment Working Group (IWG) comprising group and division representatives and headed by the CFO (in addition, the allocation proposals are made by IWG).

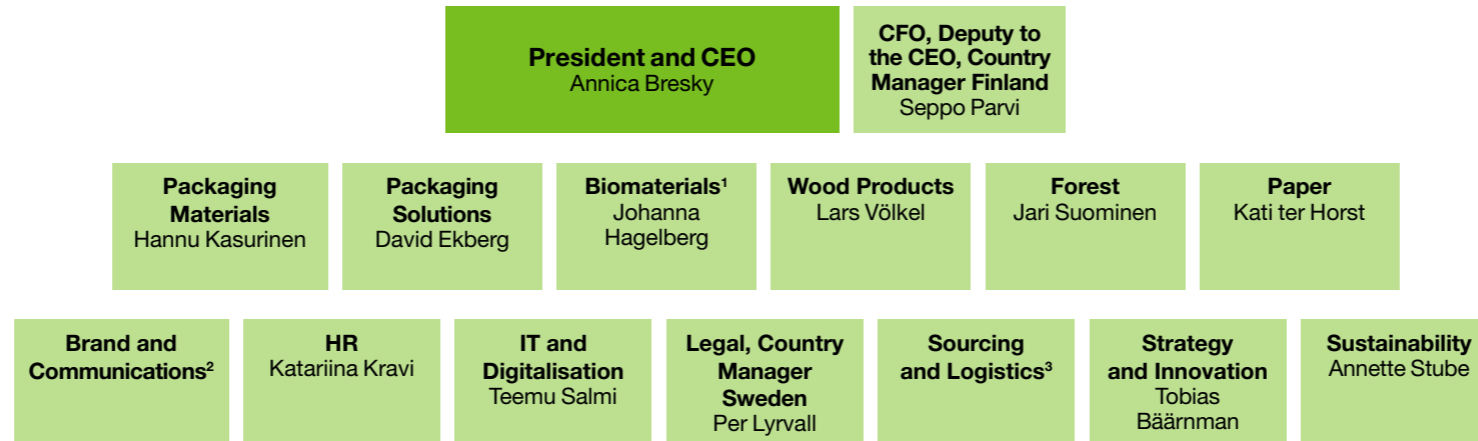
Innovation and R&D is organised in two structures. On the group level, the long-term research and company-wide collaborations with academia and external R&D providers are managed by a small team of experts. The innovation related to current and future offering of the businesses are executed within the divisions to drive market and customer focus. The progress of innovation efforts is evaluated in quarterly Business and Innovation Reviews with the CEO, CFO, the Head of Innovation and R&D, the division Head, and the division Innovation Head. The portfolio of potential transformational innovation projects is reviewed on a quarterly basis by the CEO, CFO, Chief Strategy and Innovation Officer, and the heads of divisions. Innovation funding is supported from the group level by both the innovation and the digitalisation fund, where divisions make proposals, which are then reviewed and decided by IWG.

At Stora Enso, sustainability work is led by the Executive Vice President (EVP), Sustainability, who reports directly to the CEO and is part of the Group Leadership Team (GLT). The CEO holds the ultimate responsibility for the successful implementation of our sustainability strategy. Everyday sustainability topics are managed by the Group Sustainability team together with the Human Resources, Legal, Group OHS, and Sourcing and Logistics functions, and Stora Enso’s six divisions. Each of the business divisions has its own Head of Sustainability. Other key functions, such as Sourcing and Logistics, have sustainability organisations to support their management teams. The everyday implementation of Stora Enso’s sustainability agenda is the responsibility of line management supported by functional experts at all levels. Stora Enso’s sustainability work during 2021 was steered by the Sustainability Council, which included Heads of sustainability from its divisions and Sourcing and Logistics function. Chaired by the EVP, Sustainability, its work involves identifying longer-term opportunities and challenges that may require a Group-wide response and sharing good practices. The Sustainability Council met 11 times during 2021. The GLT is regularly informed about specific sustainability developments, as is the Board of Directors when appropriate, through its Sustainability and Ethics Committee.

The Company has user boards for certain cross-functional service functions (Logistics, IT, Energy and parts of Wood Supply). These user boards consist of representatives of the divisions using these services. The user boards supervise and steer the operations of the respective functions.

The Company has established proper disclosure policies and controls, and a process for quarterly and other ongoing reporting.

Group Leadership Team as at 31 December 2021



¹ Markus Mannström, EVP Biomaterials, was a member of GLT until 13 December 2021.

² Ulrika Lilja, EVP Communications and Marketing, was a member of GLT until 15 September 2021. Carl Norell, acting Head of Communications 16 September 2021–31 January 2022, was not a member of GLT. René Hansen was appointed EVP, Head of Brand and Communications and a member of GLT. He joined Stora Enso on 1 February 2022.

³ Johanna Hagelberg, Head of Sourcing and Logistics until 13 December 2021. Tuomas Mustonen, acting Head Sourcing and Logistics, not a member of GLT. The search for a new Head of Sourcing and Logistics has been initiated.

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Other supervisory bodies and norms

Auditor

The AGM annually elects one auditor for Stora Enso. The Financial and Audit Committee monitors the auditor selection process and gives its recommendation as to who should serve as the auditor to the Board for the purpose of making the proposal to the shareholders at the AGM. The auditor shall be an authorised public accounting firm, which appoints the responsible auditor.

Auditor's fees and services

| EUR million | Year Ended 31 December | |
|---------------|------------------------|----------|
| | 2021 | 2020 |
| Audit fees | 4 | 4 |
| Audit-related | 0 | 0 |
| Tax fees | 0 | 0 |
| Other fees | 0 | 0 |
| Total | 4 | 4 |

In 2021

On the recommendation of the Financial and Audit Committee, the Board proposed that PricewaterhouseCoopers Oy be re-elected auditor by the AGM 2021 for the fourth year as the Company's auditors. The AGM 2021 elected PricewaterhouseCoopers Oy as auditor for a term of office expiring at the end of the AGM 2022.

Internal Audit

Stora Enso's Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve the operations of Stora Enso. The Internal Audit helps the organisation to accomplish its objectives by providing a systematic, disciplined approach to evaluate and improve the effectiveness of internal control, risk management and governance processes.

Internal Audit reports regularly about the status of the audits and key audit findings to the Financial and Audit Committee, the Board of Directors. Administratively, the Internal Audit reports to the CFO. The Financial and Audit Committee approves the appointment of the Head of the Internal Audit following the recommendation by the CEO.

The Internal Audit plan is risk and assurance-based and focuses on the core-processes in the Stora Enso value chain, supporting processes at the Group and site levels, and key strategic investments and projects in different divisions. In approved audit areas the compliance of Stora Enso policies and guidelines is also covered. The Internal Audit co-operates with other assurance functions during the year in order to avoid overlapping with assurance activities, and to be able to identify gaps. During the year, the Internal Audit executes possible special engagements based on a separate request and agreed with management and the Financial and Audit Committee. The Financial and Audit Committee approves the Internal Audit Annual Plan, Budget and Charter.

Ethics and Compliance Management Committee

Stora Enso's Ethics and Compliance Management Committee supervises and monitors legal and regulatory ethics and compliance related policies, the implementation and maintenance of processes and tools regarding the same, and concrete compliance issues and cases in the field of business practices. The Ethics and Compliance Management Committee consists of the General Counsel (Chair), CEO, CFO, Head of HR, Head of Communications, Head of Sustainability, and the Head of Internal Audit, with the Legal Counsel dedicated to compliance matters being the secretary. The Ethics and Compliance Management Committee shall convene at least four times every year.

Ethics and Compliance

Stora Enso is committed to taking responsibility for its actions, to complying with all applicable laws and regulations wherever it operates, and to creating and maintaining ethical relationships with its customers, suppliers and other stakeholders. The Stora Enso Code is a single set of values defined for all employees to provide guidance on the Company's approach to ethical business practices, environmental values, and human and labour rights. These same values are applied wherever Stora Enso operates. In 2011, the company established its Business Practice Policy to complement the Code, which further sets out Stora Enso's approach to ethical business practices and describes the processes for reporting on violations thereof. The Business Practice Policy was revised in 2016 in order to streamline and simplify policies and guidelines. Continuous e-learning, communication, face-to-face training, and sign-off are organised in order to ensure that these are part of the everyday decision-making and activities at Stora Enso.

In order to enhance the supervision and monitoring of legal and regulatory compliance related policies and issues, Stora Enso has established its Ethics and Compliance Management Committee. In addition, Compliance Forums, comprising heads of key functions in divisions, group functions and Chinese operations play an important role in risk assessing and monitoring compliance within their respective areas. The Compliance Forums use the Ethics and Compliance Self-Assessment Tool (T.E.S.T.) to give them a better overview of the progress their units are making in policy implementation, compliance measures taken, and possible gaps and risks in compliance. The results of the T.E.S.T. are covered in Compliance Forums and action plan are developed and followed up, accordingly.

Stora Enso's employees are encouraged to report any suspected cases of misconduct

or unethical behaviour to their own supervisor, or to Human Resources or Legal functions. Stora Enso uses an additional external service, The Speak Up Hotline, through which employees and any third party globally can anonymously report potential non-compliance cases by phone, mail, or online. This service, which covers all of Stora Enso's units, is available 24/7.

Insider administration

The Company complies with the EU and Finnish insider regulation as well as the guidelines of Nasdaq Helsinki Oy. The Company's internal insider guidelines are published and distributed throughout the group. Stora Enso's legal function and the General Counsel are responsible for the procedures relating to inside administration, including monitoring compliance with applicable regulation, the keeping of inside lists, and internal training. The Company has established an Inside Committee composed of the CEO, CFO as well as representatives of Communications and Marketing, IR and Legal for the purpose of continuously reviewing pending projects and the existence of inside information in the Company.

The Company expects the management and all its employees to act in the way required of an insider. All unpublished information relating to the Company's present and future business operations shall be kept strictly confidential.

Persons discharging managerial responsibilities (PDMR's) in Stora Enso are the members of the Board, the CEO and the CFO, as well as other members of the Group Leadership Team (GLT). PDMR's, as well as their closely related persons, are subject to a duty to notify the Company and the Finnish Financial Supervisory Authority of all transactions with the securities of the Company.

The Company also keeps a list of persons that are involved in the preparation of interim reports and financial results,

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which is approved by the General Counsel (Closed Period List). Persons included in the list are, e.g., members of the Division management teams, members of Financial Communications and Investor Relations, as well as the heads and certain team members of Treasury, Group Accounting and Controlling and Legal.

Persons who participate in the development and preparation of a project that constitutes inside information, are considered project specific insiders. A separate project-specific insider register is established when required by the decision of the General Counsel.

The insider guidelines do not permit Stora Enso PDMR's or persons involved in the preparation of interim reports or financial results and entered into the Closed Period List to buy or sell any of the Company's securities (i.e., shares, options and synthetic options) during the closed period defined below or when they possess information that could have a material impact on the Stora Enso share price.

Closed period

Stora Enso's closed period starts when the reporting period ends or 30 days prior to the announcement of the results, whichever is earlier, and lasts until the results are announced. The dates are published in the financial calendar at storaenso.com/investors.

During the closed periods, Stora Enso PDMR's or persons entered into the Company's Closed Period List are not allowed to trade in Company securities.

Guidelines for Related Party Transactions

The principles applicable to the monitoring of Stora Enso related party transactions are set out in Stora Enso's Guideline for Related Party Transactions. The Guideline defines Stora Enso related parties and sets out the decision-making order and principles for monitoring related party transactions, including a description of Stora Enso

internal controls with regards to related party transactions. Information on material transactions with related parties is set out in **Note 31** of Stora Enso's consolidated financial statements.

Stora Enso business activities may include regular or less frequent transactions with related parties. Transactions with related parties shall always promote the purpose of the Company and be concluded on acceptable terms and in the interest of the Company, as well as in compliance with prevailing regulation. Internal controls have been designed to ensure that related party transactions are duly monitored and identified.

Related party transactions, which are part of the ordinary course of business and undertaken on market terms are approved in accordance with the Company's internal guidelines. Any transaction which would not meet these terms must be reported to the Financial and Audit Committee and be approved by the Board of Directors. The Board of Directors is responsible for overseeing the processes established for monitoring related party transactions.

Internal control and risk management related to financial reporting

Internal control over financial reporting

The system of internal control related to financial reporting in the Stora Enso group is based upon the framework issued by the Committee of Sponsoring Organisations (COSO) and comprises five principal components of internal control: the control environment, risk assessment, control activities, information and communication, and monitoring.

The internal controls related to financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with applicable laws and regulations, generally

accepted accounting principles, and other requirements for listed companies.

Control environment

Stora Enso's control environment sets the tone of the organisation providing the company purpose and values, policies, processes and structures as a foundation for carrying out internal control across the organisation. Stora Enso has a formal Code that sets forth its rules. To complement the Code, Stora Enso has a Business Practice Policy which further sets out the Company's approach to ethical business practices and describes the processes for reporting on violations thereof. All employees are expected to comply with the Code and the Business Practice Policy. Continuous e-learning, face-to-face training and sign-off are organised in order to ensure that these are part of the everyday decision-making and activities at Stora Enso.

The Board, supported by the Financial and Audit Committee, has the overall responsibility for setting up an effective system of internal control and risk management. Responsibility for maintaining effective risk management and internal controls over financial reporting is delegated to the CEO. The GLT and senior management issue corporate guidelines in accordance with Stora Enso's policy management process. These guidelines stipulate responsibilities and authority and constitute the control environment for specific areas, such as finance, accounting, investments, purchasing, and sales. These responsibilities have been described in Stora Enso's Risk and Internal Control Policy which also outlines the responsibilities of the first and second line of defence. Group Internal Control function, under the CFO's supervision, is responsible for internal control governance, processes, tools, training, and internal control reporting over financial reporting, whereas divisions, various support and service functions are accountable for operating effective internal controls.

Risk assessment

Stora Enso's management specifies objectives relating to the preparation of financial statements. The Company applies an annual process to establish the overall materiality and to identify significant financial statements accounts and disclosures. Relevant objectives and risks for processes are identified and evaluated to determine Stora Enso's minimum internal control requirements for all business units and support functions. The assessment of risks includes risks related to fraud and irregularities as well as the risk of loss or the misappropriation of assets. Information on the development of essential risk areas and executed and planned activities in these areas are regularly communicated to the Financial and Audit Committee. A comprehensive description of Stora Enso's risk management can be found at storaenso.com/investors.

Control activities

Stora Enso's control activities are the policies, guidelines, procedures and organisational structures in place to ensure that management directives are carried out and that necessary action is taken to address risks related to the achievement of objectives relating to financial reporting. Stora Enso's minimum internal control requirements are aimed at preventing, detecting, and correcting material accounting and disclosure errors and irregularities and are performed on all company levels. They include a range of activities such as approvals, authorisations, verifications, reconciliations, reviews of operating performance, the security of assets, and the segregation of duties, as well as general IT controls.

Information and communication

The Company's information and communication channels support the completeness and correctness of financial reporting. For example,

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the management communicates information about Stora Enso’s financial reporting objectives, financial control requirements, policies and procedures regarding accounting and financial reporting to all employees concerned. The management also communicates regular updates and briefings regarding changes in accounting policies and reporting and disclosure requirements. Subsidiaries and operational units make regular financial and management reports to the management, including the analysis of and comments on financial performance and risks. The Board receives monthly financial reports. The Company has internal and external procedures for the anonymous reporting of violations

related to accounting, internal controls, and auditing matters.

Monitoring

The Company’s financial performance is reviewed at each Board meeting. The Financial and Audit Committee reviews all Interim Reports and the Board approves them before they are released by the CEO. The annual financial statements and the Report of the Board of Directors are reviewed by the Financial and Audit Committee and approved by the Board. The effectiveness of the process for assessing risks and the execution of control activities are monitored continuously at various levels. Information on the development

of essential risk areas and executed and planned activities in these areas are regularly communicated to the Financial and Audit Committee. Monitoring involves both formal and informal procedures applied by management, including reviews of results which are compared against the set budgets and plans, analytical procedures, and key performance indicators. Stora Enso Group Internal Control function monitors internal control processes, control performance, continuous control monitoring, and prepares quarterly internal control reporting to management. In 2021, Stora Enso increased its control validation testing scope amplified with more transparent control performance reporting for both divisions and group

functions. Also, the Group/Company completed an employee role redesign program with improved governance model to reduce access and segregation of duty risks.

In addition to the Group Internal Control function, the Stora Enso Internal Audit has an independent oversight role on internal control governance. The Internal Audit regularly evaluates the implementation level of policies and guidelines as well as the effectiveness and efficiency of Stora Enso’s governance, risk management and system of internal control over financial reporting according to the Internal Audit charter, approved by The Financial and Audit Committee.



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Members of the Board of Directors



Antti Mäkinen

Born 1961. LL.M.

Position

Chair of Stora Enso's Board of Directors since March 2021. Member since March 2018. Chair of the Remuneration Committee since March 2021 and member since March 2019.

Board memberships

Member of the Board of Rake Oy and Metso Outotec Oyj. Chair of the shareholders' nomination board of Outokumpu Oyj and Nokian Renkaat Oyj.

Principal work experience and other information

CEO of Solidium Oy since 2017. Several leading management positions within Nordea Corporate & Investment Banking, most notably as Head of Corporate Finance in Finland, Head of Strategic Coverage unit and as Co-Head for Corporate & Investment Banking, Finland 2010–2017. CEO of eQ Corporation and its main subsidiary eQ Bank Ltd. 2005–2009.

| | |
|---|---------------------|
| Total remuneration 2021, EUR¹ | 207,600 |
| Meeting attendance | 15/15 |
| FAC attendance | |
| RemCo attendance | 7/7 ● |
| SECo attendance | |
| Shareholding in Stora Enso² | 12,244 R shares |
| Independent member | Yes/no ³ |



Håkan Buskhe

Born 1963. M.Sc. (Eng.), Licentiate of Engineering.

Position

Vice Chair of Stora Enso's Board of Directors since March 2021. Member since June 2020. Member of the Remuneration Committee since March 2021.

Board memberships

Chair of the Board of Directors of IPCO AB. Member of the Board of AB SKF, Munters AB, Kopparfors Skogar AB and The Grand Group.

Principal work experience and other information

CEO of FAM AB. CEO and President of SAAB AB 2010–2019 and E.ON Nordic 2008–2010. Executive positions in E.ON Sweden 2006–2008, 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.

| | |
|---|---------------------|
| Total remuneration 2021, EUR¹ | 118,400 |
| Meeting attendance | 15/15 |
| FAC attendance | |
| RemCo attendance | 5/5 ⁴ ● |
| SECo attendance | |
| Shareholding in Stora Enso² | 5,479 R shares |
| Independent member | Yes/no ³ |



Elisabeth Fleuriot

Born 1956. M.Sc. (Econ.).

Position

Member of Stora Enso's Board of Directors since April 2013. Member of the Financial and Audit Committee since March 2019.

Board memberships

Chair of the Board of Ynsect and Foundation Caritas.

Principal work experience and other information

Senior advisor at Astanor Venture Capital. President and CEO of Thai Union Europe Africa 2013–2017. Senior Vice President, Emerging Markets and Regional Vice President, France, Benelux, Russia and Turkey, in Kellogg Company 2001–2013. General Manager, Europe, in Yoplait, Sodiaal Group 1998–2001. Several management positions in Danone Group 1979–1997.

| | |
|---|-----------------|
| Total remuneration 2021, EUR¹ | 90,800 |
| Meeting attendance | 15/15 |
| FAC attendance | 6/6 ● |
| RemCo attendance | |
| SECo attendance | |
| Shareholding in Stora Enso² | 28,343 R shares |
| Independent member | Yes |



Hock Goh

Born 1955. B. Eng. (Hons) in Mechanical Engineering.

Position

Member of Stora Enso's Board of Directors since April 2012. Member of the Financial and Audit Committee since June 2020.

Board memberships

Member of the Board of AB SKF and Santos Australia.

Principal work experience and other information

Operating Partner of Baird Capital Partners Asia 2005–2012. President of Network and Infrastructure Solutions, Schlumberger Ltd 2002–2005 and President Asia, Schlumberger Ltd 1998–2002.

| | |
|---|-----------------|
| Total remuneration 2021, EUR¹ | 90,800 |
| Meeting attendance | 15/15 |
| FAC attendance | 6/6 ● |
| RemCo attendance | |
| SECo attendance | |
| Shareholding in Stora Enso² | 33,096 R shares |
| Independent member | Yes |



Helena Hedblom

Born 1973. M.Sc. (Material Tech.).

Position

Member of Stora Enso's Board of Directors since March 2021. Member of the Sustainability and Ethics Committee since March 2021.

Board memberships

-

Principal work experience and other information

President and CEO of Epiroc since 2020. Prior to her current position she was Senior Executive Vice President Mining and Infrastructure at Epiroc. Various General Management and Research and development positions in Atlas Copco, since 2017 President for Atlas Copco's Mining and Rock Excavation Technique business area.

| | |
|---|--------------------|
| Total remuneration 2021, EUR¹ | 82,400 |
| Meeting attendance | 10/10 ⁶ |
| FAC attendance | |
| RemCo attendance | |
| SECo attendance | 2/2 ⁷ ● |
| Shareholding in Stora Enso² | 1,831 R shares |
| Independent member | Yes |

FAC = Financial and Audit Committee
RemCo = Remuneration Committee
SECo = Sustainability and Ethics Committee

● Chair ● Member

¹ Detailed description of remuneration for Board and Committee memberships as decided by the AGM in 2021 in Remuneration Report on page 5.

² Shares held by Board members and related parties.

³ Antti Mäkinen is independent of the company but not of its significant shareholders due to his position as the CEO of Solidium Oy.

⁴ Meetings attended out of the meetings held after election as RemCo member.

⁵ Håkan Buskhe is independent of the company but not of its significant shareholders due to his position as the CEO of FAM AB.

⁶ Meetings attended out of the meetings held after election as Board member.

⁷ Meetings attended out of the meetings held after election as SECo member.

The independence is evaluated in accordance with Recommendation 10 of the Finnish Corporate Governance Code 2020. The full recommendation can be found at cgfinland.fi.

A significant shareholder according to the recommendation is a shareholder that holds at least 10% of all company shares or the votes carried by all the shares or a shareholder that has the right or the obligation to purchase the corresponding number of already issued shares.



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Mikko Helander

Born 1960. M.Sc. (Tech.).

Position

Member of Stora Enso's Board of Directors since March 2019. Member of the Sustainability and Ethics Committee since June 2020.

Board memberships

Vice Chair of the Board of the Confederation of Finnish Industries EK and Finnish Commerce Federation. Chair of the Board of Rajamme Vartijain Säätiö foundation. Member of the Board of Climate Leadership Coalition. Member of the Delegation of Finnish Business and Policy Forum EVA. Member of the supervisory Board of Finnish Fair Foundation.

Principal work experience and other information

President and CEO of Kesko Oyj since 2015. CEO of Metsä Board Oyj 2006–2014 and Metsä Tissue Oyj 2003–2006. Several management positions in Valmet Oyj 1984–1990 and 1993–2003. Managing Director of Kasten Hövik Oy 1990–1993.

| | |
|---|----------------|
| Total remuneration 2021, EUR¹ | 82,400 |
| Meeting attendance | 15/15 |
| FAC attendance | |
| RemCo attendance | |
| SECo attendance | 4/4 ● |
| Shareholding in Stora Enso² | 8,910 R shares |
| Independent member | Yes |



Christiane Kuehne

Born 1955. LL.M., B.B.A.

Position

Member of Stora Enso's Board of Directors since April 2017. Chair of the Sustainability and Ethics Committee since March 2019.

Board memberships

Member of the Board of James Finlays Ltd, Wetter Foundation and Foundation Pierre du Bois.

Principal work experience and other information

Operative roles within the Nestlé Group 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.

| | |
|---|-----------------|
| Total remuneration 2021, EUR¹ | 86,600 |
| Meeting attendance | 15/15 |
| FAC attendance | |
| RemCo attendance | |
| SECo attendance | 4/4 ● |
| Shareholding in Stora Enso² | 12,904 R shares |
| Independent member | Yes |



Richard Nilsson

Born 1970. B.Sc. (BA and Econ.).

Position

Member of Stora Enso's Board of Directors since April 2014. Chair of the Financial and Audit Committee since April 2016 and member since April 2015.

Board memberships

Member of the Board of Directors of IPCO AB and group companies, and Cinder Invest AB. Member of the supervisory Board of GROPYUS AG.

Principal work experience and other information

Investment Manager at FAM AB since 2008. Pulp & paper research analyst at SEB Enskilda 2000–2008, Alfred Berg 1995–2000 and Handelsbanken 1994–1995.

| | |
|---|---------------------|
| Total remuneration 2021, EUR¹ | 97,200 |
| Meeting attendance | 15/15 |
| FAC attendance | 6/6 ● |
| RemCo attendance | |
| SECo attendance | |
| Shareholding in Stora Enso² | 25,446 R shares |
| Independent member | Yes/no ³ |



Hans Sohlström

Born 1964. M.Sc. (Tech.), M.Sc. (Econ.).

Position

Member of Stora Enso's Board of Directors since March 2021. Member of the Remuneration Committee since March 2021.

Board memberships

Member of the Advisory Council in Nordea Bank Finland and a member of the Business Council of International Chamber of Commerce Finland.

Principal work experience and other information

President and CEO of Ahlstrom-Munksjö Oyj since 2018. Prior to his current position, he was President and CEO of Ahlström Capital 2016–2018 and of Rettig Group Oy 2012–2016. Before that, he was a member of UPM-Kymmene Corporation's Group Executive Team since 2004, responsible for Marketing 2004–2007, New Businesses and Biofuels 2007–2008, and Corporate Relations and Development 2008–2012. In 1990–2004 he held several managerial positions at UPM leading profit units, mills and sales.

| | |
|---|---|
| Total remuneration 2021, EUR¹ | 82,400 |
| Meeting attendance | 10/10 ⁴ |
| FAC attendance | |
| RemCo attendance | 5/5 ⁵ ● |
| SECo attendance | |
| Shareholding in Stora Enso² | 11,831 R shares directly, 179 R shares through related persons (spouse) |
| Independent member | Yes |

FAC = Financial and Audit Committee
RemCo = Remuneration Committee
SECo = Sustainability and Ethics Committee

● Chair ● Member

¹ Detailed description of remuneration for Board and Committee memberships as decided by the AGM in 2021 in Remuneration Report on page 5.

² Shares held by Board members and related parties.

³ Richard Nilsson is independent of the company but not of its significant shareholders due to his employment at FAM AB.

⁴ Meetings attended out of the meetings held after election as Board member.

⁵ Meetings attended out of the meetings held after election as RemCo member.

The independence is evaluated in accordance with Recommendation 10 of the Finnish Corporate Governance Code 2020. The full recommendation can be found at cgfinland.fi.

A significant shareholder according to the recommendation is a shareholder that holds at least 10% of all company shares or the votes carried by all the shares or a shareholder that has the right or the obligation to purchase the corresponding number of already issued shares.

Jorma Eloranta was Chair of Stora Enso's Board of Directors since April 2017 (and Vice Chair since April 2016) until his resignation on 19 March 2021. Eloranta has participated in all Board and relevant Committee meetings held during 2021 prior to his resignation. He was independent of the company and the significant shareholders.

Hans Stråberg was Vice Chair of Stora Enso's Board of Directors since April 2017 (and Member since April 2009) until his resignation on 19 March 2021. Stråberg has participated in all Board and relevant Committee meetings held during 2021 prior to his resignation. He was independent of the company and the significant shareholders.

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Members of the Group Leadership Team



Annica Bresky
Born 1975. M.Sc. (Engineering), MBA.

Position
President and Chief Executive Officer (CEO). Member of the GLT since 2017. Joined the company in 2017. President and CEO since 2019.

Board memberships, principal work experience and other information
EVP, Consumer Board Division 2017–2019. President and CEO of Iggesund Paperboard AB, part of the Swedish Holmen Group 2013–2017. Mill Director at BillerudKorsnäs AB 2010–2013. Prior to that engineering and superintendent positions at Stora Enso's Kvarnsveden Mill in 2001–2010. Member of the Board of AB Fagerhult.

Shareholding in Stora Enso
19,763 R shares



Seppo Parvi
Born 1964. M.Sc. (Econ.).

Position
Chief Financial Officer (CFO), Deputy CEO. Country Manager Finland and member of the GLT since 2014. Joined the company in 2014.

Board memberships, principal work experience and other information
CFO and EVP, Food and Medical Business Area at Ahlstrom Corporation 2009–2014. CFO for Metsä Board (M-real) 2006–2009. Prior to that various line management positions at Huhtamäki, including responsibilities such as paper manufacturing within Rigid Packaging Europe and General Manager for Turkey. Chair of the Board of the Finnish Forest Industries Federation. Deputy Chair of the Board of Pohjolan Voima Oy. Member of the Board of Ilmarinen, East Office of Finnish Industries Oy and Teollisuuden Voima Oyj. Member of the Advisory Board of Coesia S.p.A.

Shareholding in Stora Enso
50,924 R shares



Tobias Bäärnman
Born 1977. M.Sc. (Econ.).

Position
Chief Strategy and Innovation Officer. Member of the GLT since 2020. Joined the company in 2017.

Board memberships, principal work experience and other information
SVP Controlling, Strategy and IT for Consumer Board division 2017–2019. Prior to that Finance Director at Iggesund Paperboard and various positions at Statoil and Procter and Gamble.

Shareholding in Stora Enso
1,207 R shares



David Ekberg
Born 1975. B.Sc. (Business Administration).

Position
Executive Vice President, Packaging Solutions Division. Member of the GLT since 2020. Joined the company in 2017.

Board memberships, principal work experience and other information
SVP and Head of Business Unit Nordic Packaging 2018–2019. SVP and Head of Finance and IT Packaging Solutions 2017–2018. EVP / CFO / COO at Climeon AB 2015–2017. Several management positions at Ericsson Group 1997–2015.

Shareholding in Stora Enso
625 R shares



Johanna Hagelberg
Born 1972. M.Sc. (Industrial Eng. & Mgmt) and M.Sc. (Eng. and Mgmt of Manufacturing Systems).

Position
Executive Vice President, Biomaterials Division. Member of the GLT since 2014. Joined the company in 2013.

Board memberships, principal work experience and other information
EVP, Sourcing and Logistics 2014–2021. SVP Sourcing, Stora Enso Printing and Living 2013–2014. Chief Procurement Officer at Vattenfall AB 2010–2013. Prior to that leading Sourcing positions at NCC, RSA Scandinavia and within the Automotive Industry for Scania, Saab and General Motors. Member of the Board of Bufab AB and Höegh Autoliners AS.

Shareholding in Stora Enso
28,146 R shares

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Kati ter Horst

Born 1968. MBA (International Business), M.Sc. (Econ.).

Position

Executive Vice President, Paper Division. Member of the GLT since 2014. Joined the company in 1996.

Board memberships, principal work experience and other information

SVP, Paper Sales, Stora Enso Printing and Living until 2014. Prior to that several managerial positions in the paper business. Chairman of the Board of EURO-GRAPH asbl. Member of the Board of Outokumpu Oyj and Finnish Forest Industries Federation. Vice Member of the Board of Climate Leadership Coalition. Member of the Supervisory Board of Wienerberger AG.

Shareholding in Stora Enso

61,996 R shares



Hannu Kasurinen

Born 1963. M.Sc. (Econ.).

Position

Executive Vice President, Packaging Materials Division. Member of the GLT since 2019. Joined the company in 1993.

Board memberships, principal work experience and other information

Several leadership positions in Stora Enso, including EVP and SVP, Liquid Packaging and Carton Board in Consumer Board Division, Group Treasurer, SVP of Strategy and EVP of Wood Products Division.

Shareholding in Stora Enso

37,189 R shares



Katariina Kravi

Born 1967. LL.M., Trained on the Bench.

Position

Executive Vice President, HR. Member of the GLT since 2020. Joined the company in 2020.

Board memberships, principal work experience and other information

EVP, HR and Chief People and Culture Officer at Tieto Oyj 2012–2020. Prior to that several HR management positions at Nokia.

Shareholding in Stora Enso

0



Per Lyrvall

Born 1959. LL.M.

Position

Executive Vice President, Legal, General Counsel. Country Manager Sweden since 2013. Member of the GLT since 2012. General Counsel since 2008. Joined the company in 1994.

Board memberships, principal work experience and other information

Legal Counsel 1994–2008. Prior to joining Stora Enso legal positions at Swedish courts, law firms and Assi Domän. Member of the Board of Montes del Plata and Antidoping Sverige AB. Deputy Member of the Board of Skogsindustrierna.

Shareholding in Stora Enso

73,383 R shares directly, 1,257 R shares through related persons (spouse)



Teemu Salmi

Born 1973. B.Sc. (Computer Science).

Position

CIO, Head of IT & Digitalisation. Member of the GLT since 2020. Joined the company in 2017.

Board memberships, principal work experience and other information

Various executive positions at Ericsson, most recently as SVP and Head of business unit IT & Cloud in Middle East & Africa.

Shareholding in Stora Enso

9,034 R shares

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Annette Stube

Born 1967. Master's degree in psychology.

Position

Executive Vice President, Sustainability. Member of the GLT since 2020. Joined the company in 2020.

Board memberships, principal work experience and other information

Head of Sustainability in A.P. Moller-Maersk 2008–2020. Prior to that Director of Sustainability programmes in Novo Nordisk. Member of the Board of Fortum.

Shareholding in Stora Enso

0



Jari Suominen

Born 1969. M.Sc. (BA).

Position

Executive Vice President, Forest Division. Member of the GLT since 2014. Joined the company in 1995.

Board memberships, principal work experience and other information

EVP, Wood Products Division until 2019. SVP, Head of Building and Living Business Area until 2014. Prior to that several managerial positions in paper and wood products businesses. Member of the supervisory board of Varma Mutual Pension Insurance Company. Deputy Member of the Board of East Office of Finnish Industries Oy.

Shareholding in Stora Enso

53,168 R shares



Lars Völkel

Born 1975. M.Sc. (BA).

Position

Executive Vice President, Wood Products Division. Member of the GLT since 2020. Joined the company in 2020.

Board memberships, principal work experience and other information

CEO of Ambibox GmbH 2018–2020. CEO of Franke Kitchen Systems 2014–2017. EVP Luxury retail & CEO of Poggenpohl at Nobia 2011–2014. Has held various managerial positions at Electrolux incl. VP Western Europe.

Shareholding in Stora Enso

0

Ulrika Lilja, EVP Communications and Marketing, was a member of GLT until 15 September 2021. Carl Norell, acting Head of Communications 16 September 2021–31 January 2022, was not a member of GLT. René Hansen was appointed EVP, Head of Brand and Communications and a member of GLT. He joined Stora Enso on 1 February 2022.

Markus Mannström, EVP Biomaterials, was a member of GLT until 13 December 2021.

Johanna Hagelberg, Head of Sourcing and Logistics until 13 December 2021. Tuomas Mustonen, acting Head Sourcing and Logistics, not a member of GLT. The search for a new Head of Sourcing and Logistics has been initiated.

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Due to differences between Swedish and Finnish legislation, governance code rules and corporate governance practices Stora Enso’s Corporate Governance deviates in the following aspects from the Swedish Corporate Governance Code:

Rule 1.3 The company’s nomination committee is to propose a chair for the annual general meeting. The proposal is to be presented in the notice of the meeting.

- According to Finnish annual general meeting (AGM) practice, the Chair of the Board of Directors opens the meeting and proposes the chair for the AGM. The proposed chair is normally an attorney-at-law.

Rule 2.1 The nomination committee is also to make proposals on the election and remuneration of the statutory auditor.

- According to the Finnish Code, the Financial and Audit Committee shall make a recommendation on the auditor election for the Board, which shall give its proposal on the matter to the AGM.

Rule 9.6 The shareholders’ meeting is to decide on all share and share-price related incentive schemes for the executive management.

- The company’s incentive schemes are established by the Board of Directors. If the programmes include the issuance of new shares or disposal of shares held by the Company, then such issuance of shares or an authorisation to the Board of Directors to decide on such issuance of shares will be subject to shareholder approval.

Rule 9.9 Guidelines regarding remuneration to the board and executive management are also to cover salary and other remuneration to other members of the executive management.

- According to the Finnish Code, the remuneration guidelines (called policy according to the Finnish Code) is not to cover other executives than the CEO and Deputy CEO, and shall cover all Board remuneration.

Rule 10.5 The remuneration report is to contain a reference to where in the company’s annual report the information required by Chapter 5, Sections 40–44 of the Swedish Annual Accounts Act (1995:1554) is to be found.

- The Company reports in accordance with the Finnish accounting regulation and therefore does not include this note in its remuneration report.



Stora Enso Oyj

P.O. Box 309
FI-00101 Helsinki, Finland
Visiting address: Salmisaarenaukio 2
Tel. +358 2046 111

Stora Enso AB

P.O. Box 70395
SE-107 24 Stockholm, Sweden
Visiting address: World Trade Center
Klarabergsviadukten 70, C4
Tel. +46 1046 46 000

storaenso.com
group.communications@storaenso.com

Concept and design: Miltton Oy

Photography: Magnus Bergström, Magnus Glans, Christopher Hunt,
Alexandra Lechner, Kimmo Metsäranta, Niklas Sandström, Heidi Strengell, Fond&Fond,
Tobisch & Guzzmann Photographers

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