

Corporate Governance Report

Stora Enso 2011

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Corporate Governance in Stora Enso

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 OMX Helsinki and Stockholm stock exchanges are also followed, where applicable. This corporate governance policy is approved by the Board of Directors (“Board”).

Stora Enso’s Corporate Governance complies with the Finnish Corporate Governance Code (the “Code”) issued by the Securities Market Association that entered into force on 1 October 2010. The Code is available at the internet website www.cgfinland.fi. Stora Enso’s Corporate Governance also complies with the Swedish Corporate Governance Code (“Swedish Code”) which entered into force on 1 February 2010 (and applicable to Stora Enso as foreign company from 1 January 2011) with the exception of the deviations listed in Appendix 1 of this Corporate Governance Report. The deviations are due to differences between the 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 the internet website www.corporategovernanceboard.se.

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

General governance issues

The Board and the Chief Executive Officer (CEO) are responsible for the management of the Company. Other governance bodies have an assisting and supporting role.

Stora Enso prepares Consolidated Financial Statements and Interim Reviews conforming to International Financial Reporting Standards (IFRS), and Annual Reports, which are published in Finnish and English. The financial section of the Annual Report is also translated into German, and the Interim Reviews into Swedish, in addition to these languages.

The Company’s head office is in Helsinki, Finland. 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.

Governance Bodies



Objectives and composition of governance bodies

The shareholders exercise their ownership rights through the shareholders meetings. The decision-making bodies with responsibility for managing the Company are the Board and the CEO. The Group Executive Team (GET) supports the CEO in managing the Company.

Day-to-day operational responsibility rests with the GET members and their operation teams 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 members of the Board of Directors and the Auditor(s).

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

The Board of Directors convenes a shareholders’ meeting by publishing a notice to the meeting in at least two Finnish and two Swedish newspapers, not more than three (3) months before the last day for advance notice of attendance mentioned in the notice to the meeting and not less than twenty-one (21) days before the date of the meeting. Other regulatory notices to the shareholders are delivered in the same way.

The Annual General Meeting is held 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 report on operations and the Auditor's report
- use of the profit and distribution of funds to the shareholders
- resolution concerning discharge of the members of the Board and the Chief Executive Officer from liability
- decision on the number and the remuneration of the members of the Board and the Auditors
- election of the members of the Board and the Auditors
- any other matters notified separately in the notice to 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 at least four weeks before the publication of the notice to the meeting.

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

Nomination Board appointed by the shareholders

Shareholders at the AGM appoint a Nomination Board to 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;
- the remuneration for the Chairman and members of the committees of the Board.

The Nomination Board comprises four members:

- the Chairman of the Board;
- the Vice Chairman of the Board;
- two members appointed annually by the two largest shareholders (one each) as of 30 September.

The Chairman of the Board convenes the Nomination Board. A Nomination Board member who is also a member of the Board may

not be Chairman of the Nomination Board. The Nomination Board presents its proposals for the Annual General Meeting to the Board before 31 January.

The Nomination Board has a charter that defines its tasks and responsibilities in more detail. The Nomination Board approves the charter in its first meeting.

In 2011

The Nomination Board appointed by the AGM in 2011 comprised four members: the Chairman of the Board (Gunnar Brock), the Vice Chairman of the Board (Juha Rantanen) and two other members appointed by the two largest shareholders, namely Pekka Ala-Pietilä* (Solidium) and Claes Dahlbäck* (Foundation Asset Management).

Pekka Ala-Pietilä was elected Chairman of the Nomination Board at its first meeting. The main tasks of the Nomination Board were to prepare the proposals for the AGM in 2012 concerning Board members and their remuneration. The Nomination Board appointed by the AGM in 2011 convened six times (7 November 2011–7 February 2012). All the members attended all of the meetings.

The Nomination Board proposes in its proposal for the AGM in 2012 that of the current members of the Board of Directors, Gunnar Brock, Birgitta Kantola, Mikael Mäkinen, Juha Rantanen, Hans Stråberg, Matti Vuoria and Marcus Wallenberg shall be re-elected until the end of the following AGM and that Hock Goh be elected as a new member of the Board of Directors for the same term of office. The Nomination Board also presents a proposal to increase the Board remuneration and that the AGM in 2012 appoint a Nomination Board to present proposals for Board membership and remunerations to the AGM in 2013.

Remuneration

Remuneration of EUR 3 000 per annum is paid to members who are not members of the Board as decided by the AGM.

* Pekka Ala-Pietilä is Chairman of the Board of Solidium and Claes Dahlbäck a Senior Advisor of Foundation Asset Management.

Board of Directors (Board)

Stora Enso is managed by the Board according to International Corporate Governance Principles (based on OECD Principles of Corporate Governance 2004).

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. It is the policy of the Company that 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. The independence is evaluated in accordance with recommendation 15 of the Code. Currently the Board has seven ordinary members, who are all independent of the Company. The Board members are also independent of significant shareholders of the Company with the exception of Marcus Wallenberg (member of the investment committee of Foundation Asset Management). A significant shareholder is a shareholder that holds more than 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 10% of already issued shares.

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. It is likewise responsible for overseeing the proper supervision of accounting and control of financial matters.

The Board has defined a working order, the principles of which are published in the Annual Report and on the Company's website.

The Board elects a Chairman and a Vice Chairman from among the Board members and appoints the CEO, Chief Financial Officer (CFO) and other GET 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 the Company's website. The Board evaluates its performance annually. The Board also reviews the corporate governance policy annually and amends it when required.

The Board's work is supported through its committees – the Financial and Audit Committee and the Remuneration Committee. Each committee's chairman 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.

In 2011

The Board had seven members at the end of 2011, all of them independent of the Company. The Board members are also independent of significant shareholders of the Company with the exception of Marcus Wallenberg (member of the investment committee of Foundation Asset Management). The Board members nominated at the AGM in 2011 were Gunnar Brock (Chairman), Juha Rantanen (Vice Chairman), Birgitta Kantola, Mikael Mäkinen, Hans Stråberg, Matti Vuoria and Marcus Wallenberg. Carla Grasso was a Board member until the AGM in 2011. The Board convened seven times during the year. On average, members attended 94.1% of the meetings. All members attended all the meetings except Mikael Mäkinen (6/7) and Carla Grasso, who did not join the meetings.

For detailed information about the Board members and their share ownerships, see [pages 16–17](#).

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 shall, if requested by a Board member or the CEO, be 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 Group Executive Team;
 - remuneration of the CEO;
 - appointment and dismissal of the CEO and approval of heads of Business Areas and other senior officers belonging to the GET;
 - appointment of Board committees (including chairmen);

- economic and financial matters
 - review of annual budget;
 - approval of loans and guarantees, excluding intra-Group loans and guarantees;
 - report of share repurchases, if any;
 - approval of Group Risk Management Policy according to Financial and Audit Committee's proposal;
- investment matters
 - approval of investment policy of the Group;
 - approval of major investments;
 - approval of major divestments;
- other matters
 - report of the CEO on the Group's operations;
 - reports of the Remuneration Committee and Financial and Audit Committee by the chairmen of the respective committees. The Nomination Board's recommendations and proposals shall be reported to the Board by the Chairman of the Board.
 - approval and regular review of Corporate Governance and the charters of the Board committees;
 - annual self-assessment of Board work and performance;
- other matters submitted by a member of the Board or the CEO.

Composition of the Board in 2011

	Elected	Position	Born	Nationality	Independent of the Company	Independent of significant shareholders
Board member						
Gunnar Brock	2005	Chairman	1950	Swedish	yes	yes
Juha Rantanen	2008	Vice Chairman	1952	Finnish	yes	yes
Birgitta Kantola	2005	Member	1948	Finnish	yes	yes
Mikael Mäkinen	2010	Member	1956	Finnish	yes	yes
Hans Stråberg	2009	Member	1957	Swedish	yes	yes
Matti Vuoria	2005	Member	1951	Finnish	yes	yes
Marcus Wallenberg	1998	Member	1956	Swedish	yes	no*
Former Board Member						
Carla Grasso	2010	Member	1962	Brazilian	yes	yes

* The Board members are independent of significant shareholders of the Company with the exception of Marcus Wallenberg (member of the investment committee of Foundation Asset Management). A significant shareholder is a shareholder that holds more than 10% of all Company shares or the votes carried by all the shares or has the right or obligation to purchase 10% of already issued shares. The Board has evaluated that Marcus Wallenberg is independent of the Company despite his 13-year membership of the Board of Directors.

Board Share Interests at 31 December 2011

	Shares Held*	
	A	R
Board Members at 31 December 2011		
Gunnar Brock, Chairman	-	25 318
Juha Rantanen, Vice Chairman	-	17 076
Birgitta Kantola	-	16 205
Mikael Mäkinen	-	6 893
Hans Stråberg	-	9 778
Matti Vuoria	-	21 705
Marcus Wallenberg	2 541	17 420
Total Shares Held	2 541	114 395

* Shares held by Board members and related parties. Marcus Wallenberg's 2 541 A shares and 4 715 R shares are held by related parties. Other Board members' related parties hold no Stora Enso shares.

Board Remuneration and Committee Memberships as Decided by AGM in 2011¹⁾

Board member	Board EUR	Financial and Audit Committee EUR	Remuneration Committee EUR
Gunnar Brock	135 000 ²⁾	14 000	10 000 ²⁾
Juha Rantanen	85 000	14 000	-
Birgitta Kantola	60 000	20 000 ²⁾	-
Mikael Mäkinen	60 000	-	-
Hans Stråberg	60 000	-	6 000
Matti Vuoria	60 000	-	6 000
Marcus Wallenberg	60 000	-	-

¹⁾ 40% of the Board remuneration in 2011 was paid in Stora Enso R shares purchased from the market and distributed as follows: Chairman 6 860 R shares, Vice Chairman 4 320 R shares and members 3 050 R shares each. The Company has no formal policy requirements for the Board members to retain shares received as remuneration.

²⁾ Chairman/Chairwoman.

Board Remuneration

EUR	2011*	2010*
Chairman	135 000	135 000
Vice Chairman	85 000	85 000
Board Member	60 000	60 000

* 40% of the Board remuneration in 2011 and 2010 was paid in Stora Enso R shares purchased from the market and distributed as follows: Chairman 6 860 R shares (8 646 R shares), Vice Chairman 4 320 R shares (5 444 R shares) and members 3 050 R shares (3 843 R shares) each.

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 needed. Each committee's chairman 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 the system of internal control, management and reporting of financial risks, the audit process and the annual corporate governance statement. It makes recommendations regarding the appointment of external auditors for the parent company and the main subsidiaries.

The Committee comprises three to five Board members, who are independent and not affiliated with the Company. At least one Committee member must be a financial expert who has significant knowledge and experience in accounting and accounting principles applicable to the Company. 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 Chairman 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 remuneration is decided upon by the shareholders at an AGM.

In 2011

The Financial and Audit Committee comprised three members in 2011: Birgitta Kantola (Chairwoman), Gunnar Brock and Juha Rantanen. The Committee convened seven times. All the members attended all of the meetings.

In addition to the regular tasks based on the Committee's charter, during 2011 the Committee focused on the effectiveness of internal controls over financial reporting and overseeing the progress of implementation of enterprise risk management.

Remuneration

Chairwoman EUR 20 000 per annum and member EUR 14 000 per annum as decided by the AGM.

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

Remuneration Committee

The Board has a Remuneration Committee which is responsible for recommending, evaluating and approving 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. There is a Remuneration Committee representative present at the AGM to answer questions relating to the management remuneration. The Board appoints the CEO and approves his/her remuneration.

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 Chairman 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.

In 2011

The Remuneration Committee comprised three members in 2011. The members were Gunnar Brock (Chairman), Hans Stråberg and Matti Vuoria. The Committee convened three times. On average, members attended 88.9% of the meetings. All the members attended all of the meetings except Matti Vuoria (2/3).

During 2011, the main tasks were to recommend, evaluate and approve executive nominations and remunerations, and to make recommendations to the Board relating to management remuneration in general.

Remuneration

Chairman EUR 10 000 per annum and member EUR 6 000 per annum as decided by the AGM.

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

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 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. In 2011 the CEO was directly in charge of the following functions, which also reported to him:

- Business Areas (Packaging, Publication Paper, Fine Paper and Wood Products)
- CFO (responsible for IT, Accounting & Controlling, Treasury, Risk Management, Taxes, Internal Audit, Investor Relations, Corporate Finance and M&A)
- Human Resources
- Technology and Strategy
- Latin America
- Global Responsibility and Communications
- Legal Services

The CEO is also responsible for preparatory work with regard to Board meetings. In addition, he/she supervises decisions regarding key personnel and other important operational matters.

The CFO acts as deputy to the CEO as defined in the Finnish Companies Act.

Group Executive Team (GET)

The GET is chaired by the CEO. The GET members are appointed by the CEO and approved by the Board. Currently, the nine GET members are the CEO, the CFO, and the heads of the four Business Areas, Technology & Strategy, Human Resources and Latin America.

The GET's tasks and responsibilities are: review of key day-to-day operations and operational decisions, key leadership issues, investment proposals, planning and follow-up, control of mergers, acquisitions and divestments, preparation of strategic guidelines, sustainability policies, allocation of resources and preparatory work with regard to Board meetings.

The GET meets regularly every month, and as required.

In 2011

The GET had nine members at the end of 2011. The GET convened 18 times during the year, 12 times in person and six times over the telephone. Important items on the agenda in 2011 were reviewing the operations of the Group, planning and following up on investment and other strategic projects, and preparatory work for Board meetings.

Other responsibilities

The investment planning is carried out by the Business Areas and reviewed by the Investment Working Group, consisting of Group and Business Area representatives. The CEO and GET are responsible for the investment allocations and decisions, as well as proposals to the Board of Directors.

The GET is responsible for all policy issues relating to sustainability. Everyday sustainability issues are handled by Stora Enso's Global Responsibility function together with the Business Areas, which are responsible for the operational management of responsibility issues. The role of the Global Responsibility function is to develop, support and follow up on Stora Enso's sustainability strategy, and ensure that policies, targets and priorities are duly realised.

The Group R&D is responsible for the Group-level R&D projects and new businesses, as well as certain services. The Business Areas have their own R&D organisations for ongoing business development and research.

The Company has established user boards for certain cross-functional service units (Wood Supply, Purchasing, Logistics and Energy). These user boards consist of representatives of the Business Areas using these services. The user boards supervise and steer the operations of the service units in question.

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

Remuneration in Stora Enso

Remuneration principles

Stora Enso aims to provide a level of remuneration that motivates, encourages, attracts and retains employees of the highest calibre. To maximise the effectiveness of the remuneration policy, careful consideration will be given to aligning the remuneration package with shareholder interests and best market practice.

A fundamental element in the remuneration principles is the concept of pay-for-performance, and an important aspect of Stora Enso's approach to remuneration is to look at the total remuneration provided to employees.

The Stora Enso's total remuneration mix consists of:

- Annual fixed salary
- Variable pay components as short-term incentives (cash) and long-term incentives (shares when applicable)
- Long-term employee benefits (pension, medical and health benefits)
- Other benefits (car, housing, etc. when applicable)

The Group Executive Team annually reviews the performance and potential ratings as well as the succession planning of its top management in order to secure global principles with local applications.

Stora Enso's full remuneration policy is presented at www.storaenso.com/remuneration

Management remuneration and share interests

The Remuneration Committee is responsible for recommending, evaluating and approving 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 Board appoints the CEO and approves his/her remuneration. The CEO approves the remunerations of other executives after they have been reviewed by the Remuneration Committee.

Shown in Financial Report 2011 publication in Note 22 Employee Variable Compensation and Equity Incentive Schemes are details of total executive remuneration share and share option interests and incentive schemes for the GET with further information provided in respect of the Chief Executive Officer (CEO). The actual cash or cash equivalent received in the year is disclosed in the remuneration table for options and share awards that vested in the year. The Company has no formal policy requirements for the CEO or other executives to retain shares received as remuneration. Additional information relating

to the cost of options and share awards as calculated in accordance with International Financial Reporting Standards is also disclosed in the text.

The aggregate cost of GET remuneration in 2011 amounted to EUR 15.3 (EUR 6.8) million of which EUR 2.4 (EUR 0.1) million related to deferred Short Term Incentives. The rest of the increase is mainly due to the fulfilment of the incentive-related financial performance criteria for 2010 and the increase of the number of GET members as described below.

The total number of GET members increased from eight to nine in 2011 with the appointment of Juan Carlos Bueno, Executive Vice President for the Group's operations in Latin America.

In accordance with their respective pension arrangements, GET members may retire at sixty or sixty-five years of age with pensions consistent with local practices in their respective home countries. Contracts of employment provide for notice of six months prior to termination with severance compensation of twelve months basic salary if the termination is at the Company's request. Executives appointed before 2007 receive a further optional twelve months salary depending on employment.

The ordinary annual salary review was effective as normal from 1 March. The outcome of the financial targets relating to the Short Term and Long Term Incentive programmes was reviewed and confirmed by the Remuneration Committee.

Executives other than CEO

Short Term Incentive (STI) programmes for management

GET members have STI programmes with up to a maximum of 50% of their annual fixed salary, payable the year after the performance period. The STI for 2011 was based 70% on financial measures and 30% on Individual Key Targets.

Option programmes for management

No options have been awarded since 2007. During 2011, 46 250 options relating to the 2004 programme lapsed and no others were exercised. In 2010 no options were exercised.

Long Term Incentive (LTI) programmes for management

GET members participate in a number of share-based LTI programmes. In 2007/2008 a Senior Executive section of the Performance Share programme was introduced. The shares granted under this programme will vest over a four-year period (2009–2012). The vesting date is 1 March each year. Since 2009 new LTI programmes with a three-year vesting period have been launched each year. All programmes can vest up to an absolute maximum vesting level of 150% of the number of shares awarded provided that the result of the performance criterion

exceeds the target. The performance criterion for 2011 was based solely on financial measures.

Under the Performance Share Plan 2011 GET members received awards of 207 193 shares assuming annually defined performance conditions will be met.

Under the accounting rules for share-based payments, the non-cash charge for the executive options and restricted share awards is calculated at the vesting value of shares and options granted in the year plus any fair value movement in the year on previous awards. The accounting charges will not agree with the actual cash costs on a year-to-year basis though the totals will match when they have all been vested, cashed, expired or lapsed. The figures in the Group Executive Team Remuneration table refer to individuals who were executives at the time of either grant or settlement.

During the year the number of shares settled on executives from previous awards derived from Restricted Share Programmes and Performance Share Programmes amounted to 495 758 having a cash value at the 1 March 2011 settlement date of EUR 4 047 864 based on the share price of EUR 8.165 at that date.

GET members other than Juan Carlos Bueno were not eligible for new Restricted Share Awards in 2011. For GET members the aggregate number of outstanding shares derived from Restricted Share Programmes of previous years to be settled in 2012 is 20 160. The corresponding number to be settled in 2013 is 15 120.

Chief Executive Officer – Jouko Karvinen

The CEO has been employed since 1 January 2007 and took office following the 2007 Annual General Meeting on 29 March 2007. His contract was approved by the Board on his appointment. It has a notice period of six months with a severance payment of twelve months salary on termination by the Company but with no contractual payments on any change of control. Benefits include a car allowance and pension provision under a Company defined contribution plan that has acceptance from the UK Inland Revenue (RPS). During 2010 a complementary scheme was introduced (EFRBS). Both schemes are defined contribution: the pension depends on the contribution paid and the investment result. The Company and CEO contribute to both schemes in total a fixed contribution of 40% of the CEO's basic salary, of which the Company contributes 35% of the basic salary and the CEO contributes 5% of the basic salary. The CEO retires at sixty.

Short Term Incentive (STI) programme for CEO

The CEO is entitled to a STI programme decided by the Board each year giving a maximum of 75% of annual fixed salary. The STI for

2011 was based 70% on financial measures and 30% on Individual Key Targets.

Option programmes for CEO

No options have been awarded since 2007. In 2007 the CEO was granted 157 646 options on joining Stora Enso with the estimated value at the grant date of 2 January 2007 as calculated by the option pricing model being EUR 365 000. During 2011 the CEO did not exercise any of these options.

Long Term Incentive (LTI) programmes for CEO

The CEO participates in a number of share based LTI programmes. As of 2007 the CEO participates in the Senior Executive section of the Performance Share Plan. The shares granted under this programme will vest over a four-year period (2009–2012). The vesting date is 1 March each year. The CEO received an award under the Performance Share Plan 2011 of 75 114 shares with the valuation at the grant date of 1 March 2011 being EUR 613 306 based on the share price at the grant date of EUR 8.165 and assuming targets will be met. These programmes can vest up to an absolute maximum vesting level of 150% of the number of shares awarded provided that the result of the performance criterion exceeds the target. The performance criterion for 2011 was based solely on financial measures.

The CEO received in addition a performance award for the performance period November 2011–December 2013. Award size is 70 000 shares with the valuation at the grant date of 1 November 2011 being EUR 304 780 based on the share price at the grant date of EUR 4.354 and subject to if the specifically defined performance targets will be met. The shares granted under this programme can vest up to an absolute maximum of 100% of the shares awarded. The shares granted under this programme will vest at 1 March 2015.

During the year the number of shares settled on the CEO from earlier awards derived from Restricted Share Programmes and Performance Share Programmes amounted to 261 851, including deferred STI from performance years 2007, 2008 and 2009, having a cash value of EUR 2 138 013 at the 1 March 2011 settlement date based on the share price of EUR 8.165 at that date.

The CEO did not receive any new Restricted Share Award in 2011. The aggregate number of outstanding shares derived from restricted share programmes of previous years to be settled in 2012 is 9 415.

The CEO has a cap on total variable pay components that will be applicable for STI and LTI payments made in 2013 and onwards such that if the aggregate outcome of STI and LTI would exceed 100% of the CEO's annual basic salary the LTI outcome would then be reduced accordingly. The additional performance award is not subject to the cap.

Group Executive Team Remuneration

EUR thousand	Year Ended 31 December					
	2011			2010		
	CEO	Others	GET Total	CEO	Others ¹⁾	GET Total
Remuneration						
Annual salary	1 081	3 351	4 432	1 035	2 640	3 675
Local housing (actual costs)	-	179	179	21	53	74
Other benefits	13	473	486	14	102	116
Short Term Incentive programme	655	1 147 ²⁾	1 802	- ³⁾	218 ⁴⁾	218
Long Term Incentive programme	1 248	2 509	3 757	222	736	958
	2 997	7 659	10 656	1 292	3 749	5 041
Pension Costs						
Mandatory Company plans	-	624	624	-	102	102
Stora Enso voluntary plans	416	1 211	1 627	341	1 193	1 534
	416	1 835	2 251	341	1 295	1 636
Total Compensation, Excluding Deferred Short Term Incentives	3 413	9 494	12 907	1 633	5 044	6 677
Deferred Short Term Incentives	890 ⁵⁾	1 539 ⁶⁾	2 429	87 ⁷⁾	-	87
Total Compensation	4 303	11 033	15 336	1 720	5 044	6 764

¹⁾ The amounts below include payment related to Elisabet Salander Björklund until leaving the Company.

²⁾ The amount includes payment related to Elisabet Salander Björklund's Short Term Incentive for performance year 2010.

³⁾ The Short Term Incentive result for performance years 2008 and 2009 (originally payable in 2009 and 2010) was converted to Restricted Share Awards and deferred one to three years.

⁴⁾ The Short Term Incentive result for performance year 2009 (originally payable in 2010) was converted to Restricted Share Awards and deferred to March 2011. Settled in cash for individuals leaving the Group Executive Team during the year.

⁵⁾ Settlement of deferred Short Term Incentive for performance years 2007, 2008 and 2009, converted to Restricted Share Awards.

⁶⁾ Settlement of deferred Short Term Incentive for performance year 2009, converted to Restricted Share Awards.

⁷⁾ Settlement of deferred Short Term Incentive for performance years 2007 and 2008, converted to Restricted Share Awards.

Group Executive Team Share Interests and Options

Executives in Office at the Year End	R Shares Held ^{1,2)}	Synthetic Options 2005–2007	Performance Share Awards	Restricted Share Awards
Hannu Alalauri	50 324	30 000	63 063	-
Juan Carlos Bueno	-	-	27 216	50 400 ³⁾
Lars Häggström	-	-	18 193	-
Jouko Karvinen, CEO	211 616	157 646	263 051	9 415 ⁴⁾
Hannu Kasurinen	46 411	26 250	56 909	-
Mats Nordlander	59 080	30 000	93 548	-
Markus Rauramo, CFO	60 388	20 000	59 960	-
Bernd Rettig	69 503	45 000	69 664	-
Juha Vanhainen	52 940	30 000	68 949	-
Total, Serving Officers⁵⁾	550 262	338 896	720 553	59 815

¹⁾ None of the GET members holds A shares.

²⁾ In addition, Hannu Alalauri's related parties hold 300 R shares and Markus Rauramo's related parties hold 200 R shares.

³⁾ Shares awarded in connection with contract start.

⁴⁾ In exchange for STI relating performance year 2008.

⁵⁾ The Company has no formal policy requirements for the GET members to retain shares received as remuneration.

Other supervisory bodies and norms

Auditors

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 auditor to the Board and to the shareholders at the AGM. The auditor shall be an authorised public accounting firm, which appoints the responsible auditor.

Internal Audit

Stora Enso has a separate internal auditing organisation. The role of Internal Audit is to provide independent, objective assurance and consulting services that add value and improve the Group's operations. Internal Audit helps the Group to accomplish its objectives by providing a systematic, disciplined approach to evaluate and improve the effectiveness of internal control, risk management and governance processes.

To ensure the independence of the Internal Audit department, its personnel report to the head of Internal Audit, who reports functionally to the Financial and Audit Committee and CEO, and administratively to the CFO. The head of Internal Audit is appointed by the CEO. The CEO shall seek approval of the appointment from the Financial and Audit Committee.

Internal Audit conducts regular audits at mills, subsidiaries and other Company units, implementing an annual audit plan approved by the Financial and Audit Committee, including any special tasks or projects requested by management and the Financial and Audit Committee.

Insider guidelines

The Company complies with the insider guidelines of NASDAQ OMX Helsinki. The Company's internal insider guidelines are published and distributed throughout the Group.

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.

Public insiders

According to the Finnish Securities Markets Act, public insiders or persons subject to disclosure requirement are persons in the following positions: members of the Board of Directors, the CEO and the CFO, and person(s) with main responsibility for the audit. The CEO has decided that other public insiders are the members of the Group Executive Team (GET) and persons responsible for Legal Services, Investor Relations and Communications.

The list of public insiders is approved by the CEO. The Company's public insider register is publicly available and is maintained by Euroclear Finland Oy.

Company-specific insiders

Company-specific insiders are persons who regularly receive inside information or who could have an opportunity to gain access to insider information through the nature of their work and who are not in the public insider register. Company-specific insiders are the Business Area Management Teams, the personal assistants/secretaries to the members of the GET and Business Area Management Teams and the representatives of the employees. The heads and all members of the Investor Relations, Global Communications and Group Strategy teams are also regarded as company-specific insiders, as well as the heads and certain team members of Treasury, Group Controlling and Legal Services.

The company-specific insider register is a non-public permanent register. Persons included in a company-specific insider register are informed either by letter or by e-mail. The list of persons included in the continuously updated company-specific insider register is approved by the General Counsel.

Project-specific insider register

When a large project such as a merger or acquisition is under preparation, persons who are involved in that project and receive inside information are also considered insiders. In these cases a separate project-specific insider register is established. The General Counsel or the Assistant General Counsel will decide case-by-case in which projects such a register shall be established.

A project-specific insider register is a temporary register. Persons included in a project-specific insider register are informed either by letter or by e-mail.

Closed period

During the closed period insiders are not allowed to trade in the Company's securities. The period starts when the reporting period ends. The dates are published in the financial calendar at www.storaenso.com/investors.

Internal control and risk management related to financial reporting

Internal control over financial reporting

In the Company, the system of internal control and risk management related to financial reporting is 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.

The system of internal control 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.

Control environment

The control environment sets the tone of the organisation, influencing the control consciousness of employees. It is the foundation for all other components of internal control, providing discipline and structure.

The Board has the overall responsibility for setting up an effective system of internal control and risk management. The roles and responsibilities of governance bodies are defined in the Corporate Governance policy of the Company.

Responsibility for maintaining an effective control environment and operating the system for risk management and internal control of financial reporting is delegated to the CEO. The internal control in the Company is based on the Group's structure, whereby the Group's operations are organised into four Business Areas and various support and service functions. Group functions prepare and the CEO and GET issue corporate guidelines that stipulate responsibilities and authority, and constitute the control environment for specific areas, such as finance, accounting, investments, purchasing and sales. The Company has proper processes to ensure the reliability of the Company's financial reporting and disclosure processes.

The Company has a formal code of conduct and other policies regarding acceptable business practice, conflicts of interest and expected standards of ethical and moral behaviour. These policies are translated into relevant languages. Standard requirements have been defined for internal control over financial reporting and self assessment is used as a tool to facilitate the evaluation of controls in individual business units and support functions.

The management expects all employees to maintain high moral and ethical standards and those expectations are communicated to employees through internal communication channels and are

reinforced through training. The management philosophy is based on principles whereby performance targets do not test an employee's ability to adhere to ethical values.

Risk assessment

Risk assessment is the identification and analysis of relevant risks to the achievement of objectives, forming a basis for determining how the risks should be managed. In the Company the major risks affecting internal control over financial reporting have been identified in a baseline risk assessment and at different levels, such as Group, Business Area, unit or function and process. The assessment of risk includes risks related to fraud and irregularities, as well as the risk of loss or misappropriation of assets. Information on development of essential risk areas and executed and planned activities in these areas are communicated regularly to the Financial and Audit Committee.

Control activities

Control activities are the policies and procedures that help ensure management directives are carried out. They help ensure that necessary actions are taken to address risks related to the achievement of the organisation's objectives, and they are aimed at preventing, detecting and correcting errors and irregularities. Control activities, which fulfil the control objectives identified in risk assessment, occur throughout the organisation, at all levels and in all functions. Besides the general computer controls, they include a range of activities such as approvals, authorisations, verifications, reconciliations, reviews of operating performance, security of assets and segregation of duties.

Information and communication

The Company's information and communication channels support completeness and correctness of financial reporting, for example, by making internal instructions and policies regarding accounting and financial reporting widely known and accessible to all employees concerned, as well as through regular updates and briefing documents regarding changes in accounting policies and reporting and disclosure requirements. Subsidiaries and operations units make regular financial and management reports to the management, including analysis and comments on financial performance and risks. The Board receives financial reports monthly. The Financial and Audit Committee has established a procedure for 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 handles and the Board reviews all Interim Reviews 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. Monitoring involves both formal and informal procedures applied by management and processes owners, including reviews of results in comparison with budgets and plans, analytical procedures, and key performance indicators.

The Company has a separate internal auditing organisation. The role, responsibilities and organisation of Internal Audit are described under Other Supervisory Bodies and Norms.

Members of the Board of Directors



Gunnar Brock

Chairman of Stora Enso's Board of Directors since March 2010. Member of Stora Enso's Board of Directors since March 2005. Independent of the Company and the significant shareholders.

Born 1950. M.Sc. (Econ.). Swedish citizen. Member of Stora Enso's Financial and Audit Committee and Chairman of the Remuneration Committee since March 2010. Member of the Nomination Board. Chairman of Mölnlycke Healthcare AB and Rolling Optics. Member of the Board of Total SA, Investor AB, SOS-Children's Villages, Sweden, Stockholm School of Economics, GreenGold Capital AB and Stena AB. Member of the Royal Swedish Academy of Engineering Sciences (IVA). President and CEO of Atlas Copco Group 2002–2009, President of Thule International 2001–2002, President and CEO of Tetra Pak Group 1994–2000, President and CEO of Alfa Laval 1992–1994.

Owns 25 318 R shares in Stora Enso.



Juha Rantanen

Vice Chairman of Stora Enso's Board of Directors since March 2010. Member of Stora Enso's Board of Directors since March 2008. Independent of the Company and the significant shareholders.

Born 1952. M.Sc. (Econ.). Finnish citizen. Member of Stora Enso's Financial and Audit Committee since March 2010. Member of the Nomination Board. Chairman of the Board of Fennovoima Oy. Member of the Board of Crisis Management Initiative – the Ahtisaari Centre, Suomen Messut – Finnexpo and Stalutube Oy. President and CEO of Outokumpu Group 2005–2011, President and CEO of Ahlstrom Corporation 1998–2004, CEO of Borealis A/S 1994–1997.

Owns 17 076 R shares in Stora Enso.



Birgitta Kantola

Member of Stora Enso's Board of Directors since March 2005. Independent of the Company and the significant shareholders.

Born 1948. LL.M., Econ.Dr.H.C. Finnish citizen. Member of Stora Enso's Financial and Audit Committee since March 2005 and Chair of the Committee since April 2009. Member of the Board of Skandinaviska Enskilda Banken AB (publ), Nobina AB and NASDAQ OMX. Vice President and CFO of International Finance Corporation (World Bank Group), Washington D.C. 1995–2000. Executive Vice President of Nordic Investment Bank 1991–1995.

Owns 16 205 R shares in Stora Enso.



Mikael Mäkinen

Member of Stora Enso's Board of Directors since March 2010. Independent of the Company and the significant shareholders.

Born 1956. M.Sc. (Eng.). Finnish citizen. Chairman of the International Chamber of Commerce Finland from January 2012 (member until December 2011). Member of the Board of Lemminkäinen Corporation. Member of the Federation of Finnish Technology Industries until December 2011. Member of the Board of Finpro until December 2011 (chairman in 2010). President and CEO of Cargotec Oyj since 2006. Group Vice President, Ship Power, Wärtsilä 1999–2006. Managing Director of Wärtsilä NSD Singapore 1997–1998, Vice President, Marine, Wärtsilä SACM Diesel 1992–1997.

Owns 6 893 R shares in Stora Enso.



Hans Stråberg

Member of Stora Enso's Board of Directors since April 2009. Independent of the Company and the significant shareholders.

Born 1957. M.Sc. (Eng.). Swedish citizen. Member of Stora Enso's Remuneration Committee since March 2010. Chairman of Roxtec AB, Orchid First Holding AB and CTEK AB. Member of the Board of Investor AB, Association of Swedish Engineering Industries, N Holding AB and Confederation of Swedish Enterprise. President and CEO of AB Electrolux 2002–2010. Several management positions at Electrolux in Sweden and the USA 1983–2002.

Owens 9 778 R shares in Stora Enso.



Matti Vuoria

Member of Stora Enso's Board of Directors since March 2005. Independent of the Company and the significant shareholders.

Born 1951. LL.M., B.Sc. (Arts). Finnish citizen. Member of Stora Enso's Remuneration Committee since March 2005. President and CEO of Varma Mutual Pension Insurance Company. Vice Chairman of the Board of Sampo plc and Wärtsilä Oyj Abp. Executive Vice President of Varma Mutual Pension Insurance Company from January 2004 to May 2004. Executive Chairman of the Board of Fortum Corporation 1998–2003. Secretary General of Ministry of Trade and Industry 1992–1997.

Owens 21 705 R shares in Stora Enso.



Marcus Wallenberg

Member of Stora Enso's Board of Directors since December 1998. Independent of the Company.*

Born 1956. B.Sc. (Foreign Service). Swedish citizen. Member of Stora's Board of Directors from March 1998 until the merger with Enso in 1998. Chairman of the Board of Skandinaviska Enskilda Banken AB, AB Electrolux, Saab AB and LKAB. Member of the Board of AstraZeneca PLC, Knut and Alice Wallenberg Foundation and Temasek Holdings Limited. President and CEO of Investor AB 1999–2005. Vice President of Stora Feldmühle AG, a Stora subsidiary, 1990–1993.

Owens 2 541 A and 17 420 R shares in Stora Enso.

Carla Grasso, member of Stora Enso's Board of Directors since March 2010 until her resignation on 20 April 2011. She was independent of the Company and the significant shareholders.

The independence is evaluated in accordance with Recommendation 15 of the Finnish Corporate Governance Code. The full recommendation can be found at www.cgfinland.fi. A significant shareholder according to the Recommendation is a shareholder that holds more than 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 10% of already issued shares.

* **Marcus Wallenberg** (member of the investment committee of Foundation Asset Management) is not independent of significant shareholders of the Company.

Photography: Visuamo / Jenni-Justiina Niemi

Members of the Group Executive Team (GET)*



Jouko Karvinen

Chief Executive Officer (CEO) of Stora Enso

Born 1957. M.Sc. (Eng.). Finnish citizen. Joined Stora Enso in January 2007. President and CEO, Philips Medical Systems, USA, from June 2002 to November 2006. Appointed to the Board of Management, Royal Philips Electronics, the Netherlands, in April 2006. Before joining Philips, employed by ABB Group Limited from 1987 serving in several international positions. Head of the Automation Technology Products Division and member of the ABB Executive Committee from 2000 to 2002. Member of the Board of the Finnish Forest Industries Federation, Confederation of European Paper Industries (CEPI), member of the Business Co-Operation Council and Co-Chairman of the Forest Industry Task Force, EU-Russia Industrialists' Round Table (IRT). Member of the Board of Nokia Corporation, SKF Group, Montes del Plata and Veracel Celulose S.A.

Owns 211 616 R shares and has 157 646 (2005–2007) options/synthetic options in Stora Enso.

Markus Rauramo

Chief Financial Officer (CFO) of Stora Enso

Born 1968. M.Sc. (Econ. and Pol. Hist.). Finnish citizen. Member of the GET since October 2008. Joined the company in 1993. Has held several managerial positions in Financial Services, Strategy and Investments, and Group Treasury. Member of the Board of Wärsilä Oyj Abp, Oy Proselectum AB, Tornator Oy and Bergvik Skog AB. Member of the Supervisory Board of Varma Mutual Pension Insurance Company.

Owns 60 388 R shares and has 20 000 (2005–2007) options/synthetic options in Stora Enso.

Hannu Alalauri

Executive Vice President, Fine Paper

Born 1959. M.Sc. (Chem.), eMBA. Finnish citizen. Member of the GET since September 2007. Joined the company in 1985. Has held several managerial positions in Office Papers, Graphic Papers, Corrugated Packaging Business, HR Finland and HR Packaging Boards, and Magazine Paper.

Owns 50 324 R shares and has 30 000 (2005–2007) options/synthetic options in Stora Enso.

Juan Carlos Bueno

Executive Vice President, Biomaterials, Head of Latin America

Born 1968. M.Sc. (Industrial Eng.). Colombian citizen. Member of the GET since April 2011. Joined Stora Enso in April 2011. EVP, Stora Enso Latin America until 16 January 2012. Vice President of DuPont Agricultural Products in Brazil 2006–2011. Prior to that several finance, sales, marketing and general business management positions in DuPont in other Latin American countries, United States, Europe, Middle East and Africa. Chairman of the Board of Montes del Plata and member of the Board of Veracel.

Does not own any Stora Enso shares nor options.

Lars Häggström

Executive Vice President, Human Resources

Born 1968. B.Sc. (HR Development and Labour Relations). Swedish citizen. Member of the GET since October 2010. Joined Stora Enso in October 2010. Head of Group HR at Nordea Bank AB from June 2008 to September 2010. Prior to that several managerial HR positions in Gambro AB, AstraZeneca and Telia, and various HR positions at Eli Lilly & Co. from 1995 to 2002, including Director of Human Resources in Latin America.

Does not own any Stora Enso shares nor options.



Hannu Kasurinen

Executive Vice President, Building and Living

Born 1963. M.Sc. (Econ.). Finnish citizen. Member of the GET since August 2008. Joined the company in 1993. EVP, Wood Products until 16 January 2012. Has held several managerial positions in Financial Services, Group Treasury, Risk Management, Strategy and Business Development, Profit Improvement, Speciality Papers, and Group Strategy. Member of the Board of Directors of several Stora Enso subsidiaries. Member of the Board of European Organisation for the Sawmill Industry (EOS). Member of the Board of Arktos until 24 January 2012.

Owns 46 411 R shares and has 26 250 (2005–2007) options/synthetic options in Stora Enso.

Mats Nordlander

Executive Vice President, Renewable Packaging, Regional responsibility for Asia Pacific, and Country Manager Sweden

Born 1961. Dipl.Eng. Swedish citizen. Member of the GET since September 2007. Joined the company in 1994. EVP, Packaging until 16 January 2012. Has held several managerial positions in Papyrus, Fine Paper, Consumer Board, Market Services, and Asia Pacific. Chairman of the Board of Inventionia. Member of Swedish Industrial Board of Axcel private equity fund. Vice Chairman of the Board of Swedish Forest Industries Federation. Member of the Board of Industrikraft, BasEl and Arbio.

Owns 59 080 R shares and has 30 000 (2005–2007) options/synthetic options in Stora Enso.

Bernd Rettig

Executive Vice President, R&D, Technology, Energy, Logistics and Investments, Country Manager Germany

Born 1956. M.Sc. (Eng.). German citizen. Member of the GET since February 1999. Joined the company in 1982. Has held several managerial positions in Magazine Paper and Publication Paper. Member of the Executive Committee and the Board of Confederation of European Paper Industries (CEPI). Member of the Board of VDP, German paper industry association.

Owns 69 503 R shares and has 45 000 (2005–2007) options/synthetic options in Stora Enso.

Juha Vanhainen

Executive Vice President, Printing and Reading, Country Manager Finland

Born 1961. M.Sc. (Eng.). Finnish citizen. Member of the GET since September 2007. Joined the company in 1990. EVP, Publication Paper until 16 January 2012. Has held several managerial positions in Office Paper, Fine Paper, and Newsprint and Book Paper. Member of the Board of Directors of several subsidiaries and associated companies. Deputy Chairman of the Board of Pohjolan Voima Oy. Chairman of the Board of Finnish Forest Industries Federation as of 1 January 2012 and Deputy Chairman until December 2011. Member of the Supervisory Board of Ilmarinen Mutual Pension Insurance Company, member of the Body of Representatives of the Confederation of Finnish Industries (EK), member of the Board of Efora Oy.

Owns 52 940 R shares and has 30 000 (2005–2007) options/synthetic options in Stora Enso.

Options/synthetic options were issued annually between 1999 and 2007. Stora and Enso merged in December 1998.

* GET in 2011. However, the titles of some GET members are their new titles under the new Business Area and reporting segment structure announced on 17 January 2012.

Photography: Visuamo / Jenni-Justiina Niemi

Appendix 1

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

- Rule 1.4 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 Chairman of the Board of Directors opens the meeting and proposes the chairman. The proposed chairman is normally an attorney-at-law.
- Rule 1.5 The shareholders' meeting is to be conducted in Swedish and the material presented is to be available in Swedish.
 - The meeting is conducted in Finnish with the simultaneous interpretation to Swedish and English. The meeting materials are also available in both Swedish and English and shareholders may present questions in Swedish.
- Rule 2.1 The nomination committee is also to make proposals on the election and remuneration of the statutory auditor.
 - Financial and Audit Committee prepares these proposals for the shareholder approval in line with the Finnish Code.
- Rule 6.1 The chair of the board is to be elected by the shareholders' meeting.
 - The Board of Directors shall elect one of its members as Chairman and one of its members Vice Chairman according to Stora Enso's Articles of Association.
- Rule 9.1 The board is to establish a remuneration committee, whose main tasks are to monitor and evaluate the application of the guidelines for remuneration that the annual general meeting is legally obliged to establish, as well as the current remuneration structures and levels in the company. Rule 10.3 No later than two weeks before the annual general meeting, the board is also to report the results of the evaluation required by bullets two and three of Code rule 9.1 on the company's website.
 - In accordance with Finnish law, the remuneration of the CEO and management is the responsibility of the Board of Directors. The guidelines for and information on remuneration is presented in this Corporate Governance Report and company's webpages.
- Rule 9.7 The shareholders' meeting is to decide on all share and share-price related incentive schemes for the executive management.
 - The incentive schemes are established by the Board of Directors. If the programmes include the issuance of new shares or disposal of the shares held by the company then the programme will be subject to shareholder approval. Current programmes of the Company do not include such elements.