

Business Practice Policy

STORA ENSO'S NEW BUSINESS PRACTISE POLICY

July 2011

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Business Practice Policy

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July 2011

1. Letter from the CEO

Dear Stora Enso Colleagues,

The world around us is going through profound changes, so is Stora Enso.

One of the outcomes of this change is that the expectations put on global companies like Stora Enso and our behaviour in the society are getting higher and extending further. We are not only expected to follow local rules and legislation, we are expected to go beyond that - and live one set of values and behaviour anywhere we operate. One set, not many - also when it means that we will have to sometimes give up business to live up to that promise.

I think that is so great. That is what all our stakeholders want, that is what I want.

I know it is easy to say, not so easy to get done. Therefore it is critically important that we have one clear document which we can study, understand and internalize and also turn to when we seek for guidance in our every day work. You have heard me often say business is a sport. It is a team sport and a sport you play fair and play by the rules. Here are then our one set of game rules - the new Stora Enso Business Practise Policy.

This Business Practice Principle, which forms part of Stora Enso Code of Conduct, brings together the key elements for running a responsible and sustainable Stora Enso business anywhere in the world. I am sure you share my view it is not the document, but us all living and working with these principles, that makes us the company we want to be and we can be proud of.

Finally I hope we all go home and tell our families this story - the story of a proud, humble company that learns every day, competes fairly and cares about the communities we operate in.

1 July 2011

Jouko Karvinen



Business Practice Policy

2. Introduction

Stora Enso is one of the world's oldest limited companies that has operated without interruption since its founding.

This would not have been possible without building accountability into the way we work, thus creating long-term value on an economically, socially and environmentally sustainable basis. Sustainability has been identified as one of the key success factors in our business strategy.

Legal compliance and fair business conduct are cornerstones of Stora Enso's way of doing business. Successful business is profoundly dependent upon accountability and a good reputation. Our reputation remains one of the Company's most important assets today. This reputation is not to be taken for granted.

This Business Practice Policy forms part of the Stora Enso Code of Conduct, which document summarises the essence of Stora Enso's policies, principles and guidelines relating to Stora Enso's operations.

The Business Practice Policy is aimed at providing Stora Enso employees with common guidelines for their daily decisions and activities. It provides a framework for what we consider responsible conduct, but it is not exhaustive. As a Stora Enso employee, you should always strive to exercise good judgment, care, and consideration and be guided by the following basic principles:

- avoid any conduct that could damage or risk Stora Enso's reputation;
- act legally and honestly;
- avoid any conflict of interests.

Ultimately, the responsibility for ensuring that our business activities are ethical and legal rests with each and every Stora Enso employee. Each individual must feel responsible and accountable for his or her own decisions and actions.

Each employee, regardless of location, is responsible for complying with all laws, regulations, and policies that apply to his or her work. If you are uncertain whether a particular activity is legally or ethically acceptable, it is your responsibility to consult with your immediate supervisor or Stora Enso Legal Services in advance of engaging in that activity.

All employees are required to report any suspected or observed violations of the law, of this Business Practice Policy or any other company policy – or if they are asked to do something that might be a violation. Reports may be made to your supervisor, to HR, to Stora Enso Legal Services or Internal Audit as further described in Section 4.

This Business Practice Policy applies to all officers and employees – including temporary personnel – of Stora Enso throughout the world and to the members of the Board of Directors of Stora Enso Oyj and of its subsidiaries. The Business Practice Policy also applies to all business partners of Stora Enso, as well as all Associated Persons (as defined in this Policy), including third party representatives, consultants, agents, sales representatives and distributors doing business with Stora Enso.

Reference in this Business Practice Policy to Stora Enso or the Company should be understood as Stora Enso Oyj, its affiliates and subsidiaries. Unless otherwise stated, all other capitalised terms used in this Business Practice Policy have the meaning set out in Section 6.



Business Practice Policy

The Business Practice Policy was adopted by the CEO, supported by the Group Executive Team during the spring of 2011. It replaces:

- Stora Enso Business Practice Guideline;
- Stora Enso Financial Code of Ethics;
- Stora Enso Rebate Policy; and
- Stora Enso Anti Fraud Policy.

and summarises:

- Stora Enso Insider Guidelines;
- Stora Enso Group's Disclosure Policy;
- Stora Enso Competition Law Compliance Program and
- Stora Enso Information Risk Management Policy.

3. Business Practice Policy

3.1 Compliance with Laws, Rules and Regulations

We comply with applicable local, national and international laws and regulations wherever we do business.

Compliance with all applicable local, national and international laws and regulations wherever we do business is critically important to the success of our Company.

Each Stora Enso employee must be familiar with, and act in accordance with the basic laws, regulations, and corporate policies that are relevant to his or her job and responsibilities.

Specific laws and regulations apply to our participation in international business and operations. Employees involved in foreign business transactions must be familiar with, and adhere to, all applicable foreign and domestic laws and regulations.

Due to the complicated regulatory framework within which we conduct our business, issues of legal compliance may arise. On occasion, there may be disagreement as to whether or not Stora Enso is in full compliance with the law. Litigation may occur. At all times, we will act responsibly and abide by the final decisions rendered by the competent courts.

Compliance issues may also arise in connection with requirements of governmental agencies or other state representatives. It is important for Stora Enso's management to be informed of any such issues at an early date. If you believe that any practice or proposed conduct raises a compliance issue, or otherwise have any questions regarding the interpretation or application of any law, rule, regulation or policy, including this Business Practice Policy, please contact your supervisor or Stora Enso Legal Services immediately.



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In some countries, stricter or more comprehensive rules than those described in this Business Practice Policy may exist. Employees must, in those situations, adhere to the stricter standard applicable under the local regulations.

The violation of any laws and regulations can lead to severe consequences, including criminal convictions, financial penalties, and damage to Stora Enso's reputation, and shall, in all cases, be avoided.

3.2 Fraud/Fraudulent Activities

We promote an ethical work environment and responsibility in business. Fraudulent activities are strictly prohibited.

All employees play an integral role in the prevention and detection of fraudulent activities. Fraud is an intentional act or omission designed to deceive another individual or entity in order to achieve some benefit for oneself or a third party. Examples of fraudulent activities include, but are not limited to, the following:

- Intentional misstatements or omissions of material financial events, transactions, or other information;
- Falsification or manipulation of accounting records or documents, financial statements or other official business records;
- Any misappropriation or theft of company assets, resources, or employee time for personal gain.

It is our policy to ensure that any suspected incidents of fraudulent activity as relating to Stora Enso and associated companies are promptly reported to the Company, investigated, and, where appropriate, prosecuted. It is the responsibility of each unit to establish and maintain sufficient internal controls, which should give reasonable assurance that fraud related risks are properly identified, monitored, controlled and mitigated. Managers are required to communicate these controls to the personnel in each unit. Any suspected fraudulent activities of third parties with whom Stora Enso deals or has a relationship, such as customers and other commercial counterparties, should also be reported to Stora Enso Legal Services.

3.3 Competition Law

We cooperate with our stakeholders in an honest, open-minded and non-discriminatory way.

We support free and fair competition. Price-fixing, market sharing and similar anti-competitive practices are prohibited.



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Stora Enso is committed to free and open competition in the marketplace. We are successful because of the high quality and competitiveness of our products and services and the talent and commitment of our employees. We expect nothing less than strict adherence by all of our employees and agents to the letter and spirit of the competition laws (sometimes referred to as "antitrust laws") in all jurisdictions. The European Union's competition laws, the US antitrust laws and the laws of other countries are designed to preserve a competitive economy. We support such laws, which aim to ensure free markets and give everyone the opportunity to succeed on the basis of superior products. Infringement of competition laws not only violates our Business Practice Policy, it can also result in large financial penalties and possible criminal liability and imprisonment for individuals. Competition/antitrust law violations can also result in substantial diversion of management time and effort, and adverse publicity that damages the Company's reputation.

All Stora Enso employees should be aware of the requirements and also the competition laws of the countries where they carry out their business operations. In addition, all employees should be mindful that the competition laws of Europe or the US, for example, may also apply to business operations that take place elsewhere. Stora Enso Legal Services is ready to assist in this respect.

The bullet points below are only some of the fundamental rules concerning competition compliance in the European Union. Because of the complexity of this topic, whenever you have a competition law concern or question (especially executives, managers and sales or marketing professionals), you should consult with Stora Enso Legal Services.

- Agreements and concerted practices (informal arrangements or understandings) between independent competitors which may affect trade between EU states, and can restrict competition in the EU are prohibited. **The most serious anti-competitive practices are agreements with competitors on price fixing, output levels, market-sharing and customer allocation.**
- **Abuse of a dominant market position** held in the common market is prohibited. A dominant position means a position of economic strength (often indicated by a market share of 40% or more), which enables an undertaking to prevent effective competition and to behave substantially independently of the market and to restrict it. **Examples of abuse are predatory pricing (pricing below cost), loyalty rebate schemes, tying and selective pricing and other measures aimed at eliminating competitors from the marketplace.** Note that a dominant position (i.e. being a market leader), as such, is not prohibited.
- Infringements of the competition rules can lead to substantial fines as well as to claims for damages from third parties who suffer loss. In some countries, **infringements can be a criminal offence and the individuals responsible can be sentenced to imprisonment and fines.**
- We must act independently on our selling and purchasing markets. Stora Enso must avoid dealings with competitors in which it seeks agreement or understanding on how each will compete against each other in the future. Any joint selling or joint buying requires prior approval of Stora Enso Legal Services.
- We must take great care before engaging (a) in exclusive long term selling or purchasing agreements, or (b) in restrictions on a distributor determining its own selling prices or customers.
- In markets where it could be argued that Stora Enso has a dominant position, we must also take great care (a) in pricing below cost, (b) in applying rebates that do not reflect cost savings or other justifiable parameters, and which aim at tying the customer to buy all or most of its needs from Stora Enso, (c) in making any conclusion of a contract subject to acceptance by the other party of supplementary obligations which have no connection with the subject of such a contract ("**tying**"), (d) in refusing to



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supply existing customers on market terms, or (e) in applying selective pricing or other selective measures aimed at eliminating competitors from the marketplace.

- Benchmarking is the practice of comparing cost, practices, efficiencies, organisational structure, equipment or other competitive information against other organisations. The practice has risks when competitors are involved, and certain safeguards must be in place before these activities are undertaken. We have developed certain rules on how to perform benchmarking and instructions on how to request for approval. The rules and instructions are attached to the Business Practice Policy as [Appendix 1](#).
- Each Stora Enso employee must take great care when meeting with competitors in order to comply with the applicable competition rules. Discussions between Stora Enso personnel and personnel of competitors on market related issues (including e.g. pricing and other sales information as well as production cost, downtime and capacity utilisation) are prohibited. We have developed certain rules on competitor contacts and instructions regarding how to report competitor contacts. The rules and instructions are attached to the Business Practice Policy as [Appendix 2](#).
- Visits to mills and other production facilities ("mill visits") are permissible. However, certain safeguards must always be in place to avoid risks of misinterpretation. We have developed certain rules on how to act during mill visits and instructions on how to request approval. The rules and instructions are attached to the Business Practice Policy as [Appendix 3](#).
- Competition authorities have extensive powers, including the power to conduct on-site investigations on companies' premises without prior notification of the company (dawn raids) when investigating anti-competitive behaviour. Stora Enso has developed instructions on how to act during a dawn raid. The instructions are attached to the Business Practice Policy as [Appendix 4](#).
- Any enquiries from the competition authorities should be referred to and discussed with Stora Enso Legal Services in order to ensure that any investigation is conducted legally, properly and on time.

Stora Enso has developed a Competition Law Compliance Programme, which will give you further information and guidance.

3.4 Conflicts of Interest

Business transactions must be conducted with the best interests of Stora Enso in mind.

All employees are expected to avoid actual or apparent conflicts of interest. A "conflict of interest" occurs when a personal, professional or financial interest interferes, or even appears to interfere, with Stora Enso's best interests.

In general, you should avoid all situations in which personal interests, outside activities, financial interests, or relationships conflict with, or even appear to conflict with, the interests of Stora Enso. A conflict of interest can make it difficult for an employee to make impartial decisions that are in the best interest of Stora Enso. Business dealings on behalf of Stora Enso shall never be influenced by personal considerations or relationships.



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It is impossible to set forth all possible situations in which a conflict may arise. The basic factor in all conflict of interest situations is, however, the division of loyalty between Stora Enso's interest and your own interest. Here are some examples of potential conflicts of interest:

- Outside employment: Participating in an outside job that is similar to, and may conflict with, your job at Stora Enso, or working with an actual or potential competitor, supplier or customer of Stora Enso.
- Family members and close personal relationships: Contracting with a business that is managed or owned by a family member or unmarried partner.
- Investments: Acquiring an interest in property or companies that Stora Enso may have an interest in purchasing.
- Board memberships: Acting as a corporate director, officer or consultant of another company (other than a non-profit or charitable organisation).
- Significant ownership interests: Owning or having an interest in a supplier of goods or services to the Company, a customer or potential customer of the Company, or a competitor of the Company.

If you become aware of an actual or potential conflict of interest involving yourself, another employee, or a Stora Enso representative, you must immediately advise your supervisor or Stora Enso Legal Services.

3.5 Bribery

We compete and do business based only on quality and competence. We have zero tolerance for corrupt activities of any kind, whether committed by Stora Enso employees, officers, or third parties acting for or on behalf of the Company.

We are committed to doing business fairly, honestly and legally with our customers, business associates, suppliers and competitors. We compete vigorously, but always in compliance with anti-bribery laws applicable to the countries where Stora Enso operates. It is also our policy to require those agents, consultants and business partners who work on Stora Enso's behalf to comply with these same laws and practices.

Non-compliance with the anti-bribery legislation in the countries where we operate might have severe civil and criminal consequences for the Company and the individuals involved.

The following rules apply to all permanent and temporary employees, personnel of contractors, business partners of Stora Enso and all Associated Persons, including third party representatives, consultants, agents, sales representatives and distributors doing business with Stora Enso, and its subsidiaries and branches worldwide, whether on a formal or informal basis. This section should be read in conjunction with the requirements set forth in Section 3.6 regarding Gifts, Hospitality and Expenses, and Section 3.7 regarding Rebates and Commissions.

We neither take nor give Bribes



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No person covered by this Business Practice Policy shall offer, provide, authorise, request or receive a "Bribe" (as defined herein), or anything that may be construed as a Bribe either directly, or indirectly through any third party.

In summary, a Bribe is any financial or other advantage, or anything of value, including any money, gift, loan, fee, or reward, which is offered, provided, authorised, requested or received to induce the recipient to act dishonestly or illegally, or to secure an improper advantage. To ensure that legitimate Gifts, Hospitality or Expenses are not interpreted as Bribes, compliance with Section 3.6 of this Business Practice Policy is required.

Bribery is not avoided merely because any financial or other advantage is provided *after* a service is provided; bribery can take place when you receive or give an award of some kind after the event. Bribery can also be committed even if a Bribe was not actually provided – the offer or promise to make an improper payment is enough. A financial or other advantage need not necessarily be of large value for it to constitute a Bribe. Anything that is given with the intent that you will get something in return ("quid pro quo") is an illegal bribe.

In the event you are offered a Bribe or receive a request for a Bribe, you should promptly make a report to Stora Enso Legal Services.

- Prohibition against bribery of Public Officials

Specific rules apply to dealing with "Public Officials" (as defined herein). It is important to note that Public Officials include any employees of government-owned or government-controlled entities. The risk of committing a bribery offence is particularly significant in business that involves Public Officials or government-owned or government-controlled entities.

We prohibit offering or providing anything of value to, or for the benefit of, any Public Official for the purpose of retaining or obtaining business or some other advantage, even if this would not involve the Public Official performing his job improperly. Before offering or providing any Public Official with any gift or hospitality for any other purpose, however small in value, you should carefully review Section 3.6 of this Business Practice Policy and obtain the necessary prior approval.

For the sake of clarity, payments which Stora Enso is legally required to make to public authorities generally (such as the payment of corporation taxes and utility charges or expenses of a tax authority incurred in conducting a tax audit) are permitted if they do not involve making payments directly to any particular public official. You should seek further guidance from Stora Enso legal Services if you are in any doubt as to whether a payment should be made.

- Prohibition against bribery of private individuals

The prohibition against accepting a Bribe from or providing a Bribe to any person extends also to private individuals acting in the course of business or in relation to the performance of their duties.

We never pay Facilitation Payments (sometimes referred to as "grease payments")

Stora Enso prohibits offering or paying "Facilitation Payments" (as defined herein) of any kind to any third party, including, but not limited to, Public Officials. Under many laws, facilitation payments are illegal bribes. We therefore prohibit Facilitation Payments even when they are considered usual business practice in a particular jurisdiction, essential to get business done, or allowed under local law.

You should promptly report any request for a Facilitation Payment to Stora Enso Legal Services.



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As with other violations of this Business Practice Policy, an individual that offers or makes any Facilitation Payment shall be subject to Stora Enso's disciplinary process. However, we recognise that there may be exceptional circumstances, where the health and safety of an employee could be at risk if a Facilitation Payment is not made. If you find yourself in danger, you may make the payment and promptly report it to Stora Enso Legal Services. Stora Enso shall not take disciplinary action against any officers or employees who make a payment in such circumstances if they genuinely believe that they would have been put in danger if they had not done so, provided that the employee promptly notifies Stora Enso Legal Services.

Kickbacks and similar corrupt practices are prohibited

Stora Enso prohibits the payment of any secret rebate or "Kickback" (as defined herein) of any portion of a contract to employees of other parties to the contract or to any other third party. We also prohibit the use of other vehicles, such as subcontracts, purchase orders, or consulting agreements, to channel payments to Public Officials, employees of other parties to a contract, their relatives or business associates, or any other third parties. All customer rebates and other similar customer credits must comply with Section 3.7 of this Business Practice Policy.

Charitable Contributions (Donations) and Sponsorships

We must ensure that Charitable Contributions and Sponsorships (as both defined herein) are not being used as a subterfuge for bribery.

- Charitable Contributions and Sponsorships shall comply with local and regional laws and regulations and the Stora Enso Sponsoring and Donations policy.
- Charitable Contributions must be approved by the CEO or CFO and in some cases by the Board of Directors or the Annual General Meeting.
- All Charitable Contributions and Sponsorships made on behalf of or in the name of Stora Enso must be reported to Stora Enso Legal Services. A list of Stora Enso's Charitable Contributions and Sponsorships is distributed to the Board of Directors and the GET annually.
- Charitable Contributions and Sponsorships must be accurately and fairly reflected in the accounts of the Company.

Agents and business partners

Our business partners and Associated Persons who provide services, either formally or informally, to Stora Enso are expected to operate with integrity. They must refrain from paying or receiving any Bribes, Facilitation Payments or Kickbacks on behalf of Stora Enso, or as part of their business.

You, and all other persons covered by this Business Practice Policy must be vigilant in considering the risks presented by engaging, transacting with, or otherwise becoming concerned with business partners.

We take measures reasonably within our power to ensure that payment made to any agent or business partner represents no more than an appropriate remuneration for legitimate services rendered by such agent. We also take measures reasonably within our power to ensure that that no part of any such payment is passed on by the agent or business partner as a Bribe.



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Before entering into any relationship with any business partner or Associated Person, due diligence should be performed to ascertain any potential corruption risks. Due diligence should also be conducted on potential target entities in connection with mergers and acquisitions involving Stora Enso. The level of due diligence that is required depends on the potential risk, such as where business is being carried out in an area with a history of corruption.

The work and conduct of a business partner or Associated Person should be monitored throughout the relationship with Stora Enso to minimise the risk that corruption will occur after engagement.

Some red flags to look out for include:

- Business operations in a country with a high level of corruption.
- Suspiciously close ties to Public Officials, or an Associated Person who boasts about his connections to public officials or certain customers.
- The insistence by a Public Official or a customer that we use a specified agent, particularly one without relevant qualifications, or who is known to be a relative of the Public Official or customer.
- Previous allegations of corruption or unethical behaviour, or a lack of proportionality between the work done and compensation.
- A request for payment in cash, a request for payment to be made offshore or to multiple accounts, or a request for payment that is urgent, upfront or unexplained.
- A lack of transparency in the expenses and accounting records of an Associated Person, or the refusal of an Associated Person to provide a full explanation regarding the services that will be, or have been, performed on behalf of Stora Enso.
- Any indication that information has been deliberately omitted from documents on file.

If you have any questions or concerns regarding the conduct of a business partner or Associated Person, or the due diligence process, you should contact Stora Enso Legal Services.

All contracts between Stora Enso and an Associated Person must contain anti-corruption representations. You should contact Stora Enso Legal Services for more information regarding the language to be included in such contracts. You should not enter into any business relationship with an Associated Person who refuses to agree to anti-corruption provisions in an agreement.

Political Contributions

As a general rule, Stora Enso does not make Political Contributions (as defined herein).

- No individual or entity may make a Political Contribution on behalf of, or in the name of, Stora Enso without the prior approval of the CEO.
- Political Contributions can only be made in accordance with the applicable law.
- Political Contributions shall be openly, accurately and fairly reflected in the accounts of the Company and shall comply with public disclosure requirements.



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Employees have the right to participate as individuals in the political process and make personal political donations. However, employees cannot be reimbursed for any such contribution and employees must not use company time, property or equipment to carry out or support their personal political activities. Employees should also make clear that their views and actions are their own and not those of Stora Enso.

Lobbying

Although we do not directly participate in party politics, we may engage in policy debate on subjects of legitimate concern to our business, employees, customers and end users and the communities in which they operate, for example through lobbying.

Any employee who lobbies on behalf of Stora Enso must:

- Comply with all requirements of the law, regulation and internal policy regarding lobbying. This includes, but is not limited to, complying with the laws and regulations related to registering and reporting;
- Make themselves knowledgeable about the laws governing lobbying in the countries in which they operate; and
- Consult with their supervisor before any contact is made with government officials or employees.

Extortion

Persons covered by this Business Practice Policy shall reject any direct or indirect request by any third party (including, but not limited to, a Public Official) for a Bribe or Facilitation Payment, even if Stora Enso is threatened with adverse actions. Such requests must be promptly reported to Stora Enso Legal Services.

3.6 Gifts, Hospitality and Expenses

We never provide or accept Gifts, Hospitality or Expenses that might create the appearance of impropriety.

The offer or receipt of Gifts, Hospitality, or Expenses (each as defined herein), which includes, but is not limited to, goods, services, meals, entertainment and travel, is prohibited whenever such arrangements are not reasonable expenditures, or could inappropriately affect the outcome of business transactions. All persons subject to this Business Practice Policy must ensure that such expenditures are not, nor could they be, interpreted as bribes or improper inducement. The offer or receipt of cash or cash equivalents is never acceptable.

We always pay our own travel and accommodation expenses.

Gifts, Hospitality and Expenses relating to Public Officials



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When dealing with Public Officials, even small, bonafide, legitimate Gifts, Hospitality, or Expenses may be misinterpreted as illegal bribes. Nothing of value should ever be offered or provided for the purpose of retaining or obtaining business or some other advantage. For all other purposes, you must receive written approval from Stora Enso Legal Services before providing a Gift, Hospitality or Expense, regardless of the value, to a Public Official.

Gifts, Hospitality and Expenses relating to private individuals

Normal business entertainment, such as a meal, drinks or a sporting or cultural event, is permissible for private individuals only if the business entertainment is of a reasonable nature and its purpose is to hold bona fide, legitimate business discussions.

All business entertainment involving private individuals that is above the sum of EUR 200 per person (subject to lower limits stipulated locally) must be reported to and approved by the immediate supervisor.

Any Gifts or Hospitality offered, accepted or provided by persons under this Business Practice Policy shall meet the following requirements:

- A gift or hospitality must comply with any applicable laws;
- A gift or hospitality must never be cash or a cash equivalent;
- A gift or hospitality shall not make the recipient think that he or she owes the giver anything, or that the giver expects something in return;
- The offer or acceptance of a gift or hospitality shall be done openly in front of others because there is nothing to hide;
- The offer of a gift or hospitality shall be made in good faith and be reasonable and infrequent;
- A gift or hospitality should be small and fit within the Company limits for value. It must not be lavish or extravagant;
- A gift or hospitality should constitute a normal business courtesy, such as paying for a meal or sharing a taxi; and
- Gifts and hospitality must be approved as set forth above.

All Gifts, Hospitality and Expenses must be recorded accurately and fairly in the accounts of the Company.

3.7 Rebates and Commissions

We must ensure that payments of Rebates and other retrospective refunds or credits are paid to the correct party. If paid to the wrong party, or for wrong reasons, such payments can be interpreted as bribes or illegal kickbacks.

Payments or agreements regarding Rebates and other retrospective refunds or credits can be sensitive for Stora Enso for ethical, legal or tax reasons. We have developed rules to prohibit practices that might be harmful for Stora Enso and to provide guidance on defining responsibilities for administration of customer rebates and service fees.



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Common principles

Rebates (as defined herein) or other similar credits must be awarded to the legal entity which will be invoiced for the relevant supply of goods (in this chapter defined as the "Customer".) It is prohibited to award Rebates to third parties unless the exceptions listed below apply.

a) Remuneration of Marketing Service Fees or Consulting Fees and Market Support Payments to third parties

The payment is remuneration in consideration for services provided by the relevant third party to Stora Enso. In this scenario a service agreement between Stora Enso and the third party is required, which specifies the real services to be provided by the third party (i.e. market support, marketing services or consulting services). This agreement must be made in writing, include detailed terms and conditions, and be confirmed by authorised signatories. The consideration must be in proportion to the services performed. Stora Enso strictly forbids overpriced remunerations or remunerations for services which are agreed but not ultimately provided.

b) Payment of Rebates and Discounts to third parties with Customer approval

It is agreed in writing that the beneficiary of the payment is the Customer, as defined herein, and not the third party (i.e. affiliate of the customer) and the Customer has approved that the payment is made to the third party with the effect of full discharge for Stora Enso. The credit note shall indicate that the beneficiary of the payment is the Customer and not the third party.

Any payments made in reliance on the above exceptions may only be made once approval of the general arrangements in place with the relevant third party has been received from Stora Enso Legal Services. A BA head may give instructions on the details of agreements, authorisations and payments of rebates or other similar credits in specific cases once the general arrangements have been approved by Stora Enso Legal Services, but may never deviate from the principles of this Business Practice Policy. A BA head is prohibited from delegating his or her above authority.

Fees and Rebates paid to Stora Enso

Marketing Service Fees, Consulting Service Fees and Market Service Fees as well as Rebates and Discounts must always be paid to the legal entity within the SE Group that will be invoiced for the relevant supply of goods or services, unless Group Tax Services has been informed in advance.

Financial accounting and taxation

The financial accounts of the Company must reflect the real content of an agreement.

Rebates and Discounts (as defined herein) reduce sales (turnover) and are included in the net sales value. Rebates and similar credits are documented for financial accounting and payment in the form of a credit note.

Marketing Service Fees, Consulting Fees and Market Support Payments (each as defined herein) are considered expense (fixed costs) items and therefore do not reduce the net sales value.

If in doubt about compliance with the supplying company's local corporate and value added tax rules, advice should be sought from Stora Enso Group Tax Services.



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Payments

Credit notes can be issued only in favour of the parties cited in the contract.

A reference to the contract and the sales invoices must be included in the credit note.

Separate instructions on the details of payment of credit notes may be given by the SE Group Controlling or Treasury, however such instructions shall not deviate from the principles of this Business Practice Policy.

Rebate agreements

A rebate agreement shall be signed and, at a minimum, include the following details:

- Parties to the agreement, i.e. legal entities, buyer and seller;
- Product details;
- Terms and conditions of awarding and calculating the rebate; and
- Term and termination of an agreement.

3.8 Money Laundering

We are committed to complying fully with all anti-money laundering laws throughout the world.

Money Laundering is an attempt by an individual or organisations to hide the proceeds of a crime or to make those proceeds appear legitimate. Stora Enso strictly forbids knowingly engaging in transactions that facilitate money laundering or otherwise result in the unlawful diversion of assets. We are committed to conducting business only with customers involved in legitimate business activities, with funds derived from legitimate sources.

Stora Enso employees play an integral role in helping the Company detect customer relationships and transactions that may involve money laundering. Such relationships and transactions could seriously jeopardise the Company's integrity and reputation. Employees must be alert to any of the following types of activity, which may indicate that money laundering is involved:

- A customer, agent, or proposed business partner who is reluctant to provide complete information or who provides suspicious information;
- Requests to make or accept payment in cash;
- Structuring of transactions to avoid record keeping or reporting obligations;
- Unusually favourable payment terms;
- Orders or purchases that are inconsistent with a customer's normal business;
- Requests to make payments to, or accept payments from, third parties;
- Unusual fund transfers to or from countries unrelated to the transaction;
- Unusually complex deal structures, payment patterns that reflect no real business purpose; or
- Transactions involving foreign Shell Bank or Offshore Banks, unlicensed money remitters or currency.

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Should you become aware of any suspicious activity, immediately raise your concern with Stora Enso Legal Services. You should not proceed with any transaction that you believe raises any money laundering concerns until those concerns have been resolved by the appropriate individuals or departments.

3.9 Insider Regulations

We expect all Stora Enso employees to act in the way required of insiders. All information relating to Stora Enso's present and future business operations shall be kept strictly confidential.

"Inside information" is information relating to Stora Enso that has not been made public and which can affect the value of Stora Enso shares or any other publicly traded Stora Enso securities. The effect may be positive or negative. Below are some examples of inside information:

- mergers and acquisitions;
- investments and divestments under preparation;
- larger projects under preparation;
- unpublished interim reviews and financial statements;
- profit estimates or warnings; and
- market outlook forecasts.

Under many laws, it is illegal to use inside information to make a profit, or avoid a loss, in the trading of public securities, including Stora Enso's securities or the securities of other public companies, where there is a likelihood that a reasonable investor would consider the inside information important in making an investment decision.

All Stora Enso employees are prohibited from abusing and disclosing inside information, regardless of how that information was obtained. Inside information can be obtained at work, in meetings, at seminars or by accident, such as overhearing someone else's conversation. Anyone who has unpublished information that is likely to affect the Company's share price is considered an insider.

The aim of prohibiting insider trading is to build confidence towards financial markets and improve Stora Enso's reputation as a good investment. We are committed to the belief that market participants should have the opportunity to trade securities on equal terms based on similar information.

Therefore:

- It is in our best interest that Stora Enso's shares reputation is not tarnished by insider trading.
- Insider regulations properly followed by Stora Enso enhance confidence about the Company in the financial markets.
- It is in our interest to avoid share price movements due to rumours or speculation based on inside information.



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- We wish to prevent harmful consequences to any person or to Stora Enso from insider trading, or from abuse or disclosure of inside information.

We expect all Stora Enso employees to act in the way required of insiders. All information relating to Stora Enso's present and future business operations shall be kept strictly confidential. Employees, as well as members of their immediate family, are not permitted to abuse inside information to gain economic benefit from securities transactions for themselves or for third parties.

In addition, employees are prohibited from disclosing inside information unless the disclosure is made in the normal course of the employee's exercise of his or her employment, profession or duties.

Additional policies and guidelines:

- Stora Enso's Insider Guidelines; and
- Stora Enso Group's Disclosure Policy

3.10 Safeguarding Corporate Assets and Corporate Identity

We deal with Company property, products and resources responsibly and appropriately and use them only for their intended business purposes.

Safeguarding Stora Enso's assets, both tangible and intangible (such as intellectual property rights), as well as its proprietary information – is vital to our business success. Stora Enso's assets should be used to achieve Stora Enso's business goals, and should be protected to preserve their value. Remember that we hold the assets of our Company in trust for Stora Enso's shareholders. Limited personal use is permissible only to the extent that such use does not conflict with the interests of Stora Enso, this Business Practice Policy, or Stora Enso's other policies and guidelines. All Company assets and proprietary information must be returned to Stora Enso at the completion of your employment with Stora Enso.

As an employee of Stora Enso:

- **You** are responsible for the proper use and protection of proprietary and confidential information belonging to Stora Enso or entrusted to the company by others. Such confidential information includes, but is not limited to, price-sensitive information, trade secrets, such as know-how, formulae, and processes, sales figures, marketing plans and strategy.
- **You** are responsible for the security of, authorised access to, and proper use of Stora Enso's physical and intangible assets under your control, and of third parties' assets in your care.
- **You** should not disclose proprietary or confidential information to anyone outside Stora Enso without the express permission of your manager or without execution of a confidentiality or non-disclosure agreement prior to the disclosure. Never discuss confidential information in public places —such as elevators, restaurants, or airports — where it may be overheard.

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- **Your** obligation to protect Stora Enso's confidential information continues even after you leave your employment.

Additional policies and guidelines:

- Stora Enso Information Risk Management Policy

3.11 Accounting and Reporting

We reflect our business transactions openly, accurately and fairly in the accounts of the Company.

We are committed to providing full, fair, accurate, timely and understandable information in the Company's public reports and other communications. Since the Company is listed on NASDAQ OMX Helsinki and NASDAQ OMX Stockholm, it must comply with the regulations of these stock exchanges.

Records and other documents are maintained in accordance with Stora Enso's record management programmes in compliance with each company's statutory, regulatory and/or contractual requirements. Stora Enso prohibits any employee from altering or destroying company records except as authorised by policies and procedures. We also prohibit any employee from assisting or encouraging the independent accountant in destroying corporate audit records. Employees can contact Internal Audit or Stora Enso Legal Services for further information on Stora Enso's record management policy.

The Consolidated Financial Statements of Stora Enso are prepared in accordance with International Financial Reporting Standards ("IFRS"), including International Accounting Standards ("IAS") and Interpretations issued by the International Accounting Standards Board ("IASB"). We seek to maintain a high standard of accuracy and completeness in our financial records. Transactions are recorded according to Accounting Principles issued in financial statements and according to Stora Enso's IFRS Accounting Manual and other reporting instructions.

Stora Enso employees are required to accurately record and properly document all accounting entries. Stora Enso's internal control over financial reporting shall assure that transactions are properly authorised, executed, recorded, processed, summarised and reported. You must report any significant deficiencies or material weaknesses or any concerns regarding questionable accounting or auditing matters to Internal Audit or Stora Enso Legal Services, which will treat such issues confidentially.

Financial Records are available for inspection by management and auditors. Internal Audit reports its findings to the management, the external auditors and the Financial and Audit Committee.

For further information, please contact Internal Audit, Corporate Accounting or Stora Enso Legal Services.

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3.12 Communication and Financial Information

We communicate clearly and on time.

Stora Enso Oyj is a listed company domiciled in Finland. It is the parent company of the Stora Enso Group. Stora Enso Oyj has its primary listing on NASDAQ OMX Helsinki and secondary listing on NASDAQ OMX Stockholm. The Stora Enso Group complies with stock market, securities and other legislation of Finland, and relevant legislation of Sweden.

The Disclosure Policy of the Stora Enso Group emphasises the importance of transparency, credibility, responsibility, proactivity and interaction. Publication of information is governed by the rules and regulations of stock markets and requirements concerning the disclosure of financial information. This relevant information is distributed simultaneously and promptly to all stakeholders including stock exchanges and the media.

We are committed to ensuring that our businesses comply with relevant competition laws. Stora Enso's communication practices must therefore be such that they cannot be perceived as improper market signalling between competitors.

We fully comply with the insider guidelines of NASDAQ OMX Helsinki and with the insider guidelines of NASDAQ OMX Stockholm to the extent these rules apply to Stora Enso. Our internal insider guidelines are published and regularly distributed throughout the organisation. The Company expects all of its employees to act as required by an insider.

Stora Enso's closed period starts on the day immediately following the last day of each reporting period and lasts up to the announcement of its results. Stora Enso will therefore not comment on financial related information or meet capital market representatives during the closed period preceding the announcement of its full year or interim results.

The CEO of Stora Enso is responsible for the Company's communications. He has delegated the execution of some tasks to Stora Enso Investor Relations and Stora Enso Group Communications.

Stora Enso Group Communications is responsible for the Company's communication and Stora Enso Investor Relations is responsible for the relations with the financial world, including shareholders, equity investors and analysts. Group Treasury is responsible for the relations with debt investors, rating agencies, debt analysts and financing banks.

The IR team and Group Communications monitor any information leaks and events or routines that might cause an information leak. The IR team, under the leadership of the CEO, determines what measures should be taken in connection with any leak, as well as preventive measures that must be taken against possible leaks.

Group Communications is responsible for handling crisis communications for Stora Enso. The Crisis Communications Management Group (CCMG) consists of the head of Group Communications, who acts as the co-ordinator of the group (CCC) and the other members determined by the CCC on a case by case basis. The CCMG includes corporate, business areas and mill management members and co-ordinates its work with Investor Relations and Corporate Human Resources.

The CEO, the head of Group Communications, and Investor Relations are corporate spokespersons. Heads of business areas, subsidiaries, staff units, national organisations and mills are spokespersons within their own

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areas of responsibility. Business areas, mills and subsidiaries are responsible for marketing communications with their own customers.

4. Reporting Requirement and Company Response

We expect all employees to promptly raise concerns about potential violations of this Business Practice Policy.

You are encouraged to report suspected violations of the Business Practice Policy. You can speak to either:

- your supervisor,
- HR, or
- Stora Enso Legal Services.

As a supervisor it is your responsibility to take the concerns of an employee seriously.

You can also report complaints or concerns regarding violations of the Business Practice Policy on a confidential and anonymous basis directly to the Head of Internal Audit in writing to:

Stora Enso Oyj Head Office
Kanavaranta 1
P.O.Box 309
FI-00101 HELSINKI
Finland
Attention: Senior Vice President – Head of Internal Audit

Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review and comply with all applicable laws and regulations.

5. Enforcement

We intend to enforce this Business Practice Policy strictly and vigorously.

All employees are expected to comply with this Business Practice Policy. Employees who are suspected of having breached the Business Practice Policy will be investigated. Employees who have violated the Business Practice Policy are subject to applicable disciplinary action, up to and including termination of employment.



Business Practice Policy

6. Definitions

Associated Person is any individual or company that acts on behalf of Stora Enso or otherwise performs any services for or on behalf of Stora Enso in any capacity whatsoever. A typical example is a sales agent, but an Associated Person may also include, but is not limited to, advisors, consultants, distributors and joint venture partners.

Bribe is an offer or receipt of any money, gift, loan, fee, reward or other advantage to or from any person as an inducement to act, or omit to act, in a way which is dishonest, illegal or a breach of trust.

A "bribe" can involve the offering, providing, authorising, requesting or receiving of any financial or other advantage or anything of value.

This can include money, or any offer, promise or gift of something of value or advantage. It need not necessarily be of large value at all. It might include meals, entertainment, travel, incentive programs, signing bonuses, overpaying government suppliers, or doing business with a designated supplier who will rebate a portion of the purchase price. It might also include intangible benefits such as the provision of information or advice or assistance in arranging a business transaction or in obtaining any other benefit or advantage.

The offering, providing, authorising, requesting or receiving of any financial or other advantage can constitute a "bribe" if:

- it is intended as an inducement or reward for the improper performance of a relevant function by the recipient (whether or not they are a public official or otherwise connected with government). It does not matter whether the advantage or benefit is offered, provided, requested or received by a different person than the person who is to perform the relevant function;
- it is otherwise improper for the recipient to request or receive the relevant financial or other advantage (whether or not they are a public official or otherwise connected with government); or
- it is offered or provided to a public official or to a third party at a public official's request or with their consent or acquiescence with the intention of influencing the public official in their official capacity, inducing them to violate any lawful duty or inducing them to influence any government authority, in each case for the purpose of obtaining a business or any other advantage in the conduct of business or securing any other improper advantage.

Charitable Contribution or **Donation** is a gift made on behalf of or in the name of Stora Enso for bona fide charitable purposes, i.e., contributions given to a charitable or not-for-profit organisation for which no benefit is received, or expected to be received, by Stora Enso.

Commission

- is a fee paid to an agent for the sales services provided
- must be specified in an agency agreement, which should include the terms and conditions of the agreement, and be signed by both parties. (N.B. The agency agreement is usually governed by specific agency laws)
- should not be used in place of rebates.



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STORA ENSO'S NEW BUSINESS PRACTISE POLICY

July 2011

Discount

- is a price reduction agreed in the sales contract and is usually part of the sales invoice calculation or is deducted when paying an invoice
- may sometimes be given on a separate credit note, in which case the instructions on payment of rebates are to be followed.
- is included in the net sales value in financial accounts.

Expenses are travel or other related expenses paid for or by a prospective or existing client, customer of business partner, which are not included as part of a normal commercial agreement. Expenses can include costs related to travelling to view a manufacturing or reference facility or travelling to a customer event.

Facilitation Payment is an informal, unofficial payment, typically requested by an individual (usually, but not necessarily, a public official) to encourage the recipient or a third party to carry out services that you have a right to receive even without such payment, or to expedite a routine task. It is also known as a gratuity or a "grease" payment. It can be a payment to expedite or secure performance of routine, non-discretionary tasks, such as obtaining permits, licences, or other official documents, processing governmental papers, such as visas and work orders, providing police protection, mail pick-up and delivery, providing phone services, power and water supply and loading and unloading cargo.

Gifts can be goods as well as services. Appropriate gifts are given as a mark of friendship or appreciation and without expectation of consideration or value in return.

Hospitality includes entertaining, meals, receptions, tickets to entertainment, social or sports events etc.

Kickback is giving back a portion of a contract payment to a business partner's employee, or utilising techniques such as subcontracts, purchase orders or consulting agreements to channel payments to government officials, to employees, their relatives or business associates.

Marketing Service Fee or Consulting Fee

- is a compensation paid for actual marketing, sales or consulting services
- must be agreed in a written service contract, and be signed by the parties of the contract.
- may be based on sold volumes or other performance related criteria
- are both considered as fixed expense items in the financial accounts and therefore do not affect the sales value.

Market Support Payment

- is paid to a Customer, or directly to a Customer's customer (if in direct exchange-chain) in order to support specific sales efforts, such as product launches, stock-keeping, price discounting etc.
- is limited in terms of time, quantity or actions taken
- must be agreed in writing and be duly signed
- is a fixed expense item, and does not affect the sales value in financial accounts.

Offshore Bank/Shell Bank An Offshore Bank is a bank located outside the country of residence of the depositor, typically in a low tax jurisdiction (or tax haven) that provides financial and legal advantages. A Shell Bank is a financial institution that does not have a physical presence in any country.

Political Contributions are any contribution made in money or in kind, to support a political organisation or individual. Contributions in kind can include gifts of property or services, advertising or promotional activities



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endorsing a political party, the purchase of tickets to fundraising events and contributions to research organisations with close associations with a political party.

Political Organisations or Individuals include political parties, election committees, party affiliated organisations, party aligned research bodies, party aligned pressure or lobby groups, party officers and candidates.

Public Officials include:

- any officer, employee or representative of, or any person otherwise acting in an official capacity for or on behalf of a government authority;
- employees of government-owned or government-controlled entities;
- a legislative, administrative or judicial official, regardless of whether elected or appointed;
- an officer of, or individual who holds a position in, a political party;
- a candidate for political office; or
- a person who otherwise exercises a public function for or on behalf of any country.

In practice, this can include civil servants, inspectors, members of a political party, employees of a state university, judges, customs and immigrations officials, ambassadors and embassy staffs, and law enforcement personnel. This list is not exhaustive. If you have any questions or concerns, please ask Stora Enso Legal Services.

Rebate

- is a retroactive refund or a credit given to a Customer
- is usually performance-based (sold volume=invoiced sales value)
- may be agreed or promised in the original sales contract, in a separate letter or in a specific rebate contract.
- is normally given in the form of a separate credit note
- is included in the net sales value in financial accounts
- may also be referred to as a bonus.

Sponsorship is the supporting of an event, activity, person or organisations financially or with products or services and utilising the publicity of the sponsoring target. Both parties benefit from the cooperation.



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APPENDIX 1: INDUSTRY BENCHMARKING

Benchmarking can be done in many ways. However, the practice has significant risks when competitors are involved and use of independent third parties should be considered.

Benchmarking internally and outside the paper industry. This type of benchmarking activity presents no antitrust risks and is encouraged.

Benchmarking with competitors. Using publicly available information such as financial reports, press releases, media information etc., presents no antitrust risks and is encouraged. However, benchmarking with competitors must be undertaken only when there are major potential benefits and where appropriate safeguards are in place.

- Proposals for benchmarking with competitors must be reviewed and cleared by Stora Enso Legal Services.
- Benchmarking with competitors will only be cleared if the benchmarking is on topics generally considered as acceptable from a competition law point of view, such as
 - general HR,
 - organizational practices,
 - health and safety issues and
 - general environmental issues.
- Further, direct benchmarking with competitors on purely technical matters (e.g. on purely technical machine or production process solutions) can be cleared if the benchmarking takes place occasionally and not as a regular event.

- Discussions between Stora Enso personnel and personnel of competitors on market related issues (including e.g. pricing and other sales information as well as production cost, downtime and capacity utilisation) are strictly prohibited.

Reporting

- Following each benchmarking event involving direct contact with the competitor, a written report summarizing the event shall be sent to Stora Enso Legal Services.
- The information made available to participating companies should not specifically identify individual companies or facilities or enable such information to be deduced.
- Further, the information provided by participating companies for benchmarking purposes must be historical, at least more than six months old.

Prospective or forward-looking data should never be used for benchmarking activities.

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APPENDIX 2: COMPETITOR CONTACTS

Each Stora Enso employee must take great care when meeting with competitors in order to comply with the applicable competition rules.

Stora Enso must act independently on the market and not to influence the future market conduct of its competitors or seek to ascertain in advance the future market conduct of its competitors.

Stora Enso may speculate and make forecasts. It should not for this purpose obtain business secrets from its competitors concerning their future plans.

It should be emphasized that Stora Enso is not only in competition on the markets where it sells but also on the markets where it purchases and shall comply with the same rules in relation to its competitors whether acting as a seller or as a purchaser.

It is especially important that the employees of Stora Enso do not make agreements or even communicate with competitors on any of the following matters:

- Sales and purchase prices, including price changes or pricing policy
- Discounts, rebates, allowances or other factors affecting sales or purchase prices
- Commercial terms or conditions of sale or purchase
- Production output, capacity, capacity utilisation rates or changes in output, capacity or capacity utilisation rates
- Individualized sales/order figures or customer lists
- Production, marketing, R&D or other costs
- Investments, production, product development or marketing polices or plans
- R&D plans or results
- Stock levels
- Allocation of customers
- Sales territories
- Market sharing
- Sharing of sources of supply



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APPENDIX 3: VISITS TO MILLS AND OTHER FACILITIES

Visits to mills and other production facilities ("mill visits") can be conducted. However certain safeguards must always be in place to avoid risks of misinterpretation. Mill visits can have perfectly legitimate reasons which ultimately benefit customers.

Mill visits internally and outside the paper industry. This type of visits presents no antitrust risks.

Mill visits between competitors. While mill visits to or by competitors can benefit consumers they also present significant antitrust risks. Hence, Stora Enso should only visit competing mills or host visitors from competing mills when there are major potential benefits and where appropriate safeguards are in place.

- Proposals for mill visits to or by competitors must be reviewed and cleared on a case by case basis by Stora Enso Legal Services.
- Visits to competing mills by invitation from machine suppliers for the purpose of demonstrating supplier equipment installed at the competing mill are likely to be cleared.
- Stora Enso mills can allow machine suppliers reasonable access to Stora Enso mills for the purpose of demonstrating supplier equipment installed at our mills and such competitor visits are likely to be cleared.
- Mill visits to or by competing mills for the purpose of learning how to solve purely technical problems in respect of machinery similar for the participating mills are likely to be cleared.
- Mill visits to or by competing mills in connection with legitimate industry or trade association meetings and activities are likely to be cleared.
- Mill visits to or by competing mills as a tool for benchmarking of general HR and organizational practices, health and safety issues and general environmental issues are likely to be cleared.
- **Discussions between Stora Enso personnel and personnel of competitors on market related issues (including e.g. pricing and other sales information as well as production cost, downtime and capacity utilisation) are prohibited.**
- Following each visit to or by a competing mill a written report summarizing the visit shall be sent to Stora Enso Legal Services.

APPENDIX 4: DAWN RAID INVESTIGATIONS BY COMPETITION AUTHORITIES

Handling enquiries from the competition authorities

Stora Enso's policy is to cooperate with the investigations of the competition authorities.

In order to ensure that any investigation is conducted legally, properly and on time, and in order to take into account the experiences of the entire Group, any investigation, written request of information or request for information by telephone should be referred to Stora Enso Legal Services and any reply should be given via Stora Enso Legal Services.

Competition authorities have far reaching rights to request information when investigating anti-competitive behaviour or assessing various kinds of mergers.

Under EU legislation, investigators have the right to:

- **Enter any company premises;**
- **Examine all the books** and other records related to the business, irrespective of the medium on which they are stored;
- **Take copies** or extracts of the books and business records, including emails;
- Ask any representative or member of staff for explanations on facts or documents relating to the subject-matter and to record the answers;
- Conduct inspection in any other premises, land and means of transport, including the private homes of directors, managers and other members of staff, if a *reasonable suspicion exists* that books or other records related to the business and to the subject matter of the inspection, which may be relevant to prove a *serious violation* of EU competition legislation, are being kept in those other premises.

Handling dawn raid investigations at company's premises

Each office of each Stora Enso unit shall allocate one Responsible Person to represent Stora Enso at his or her office in case of such an investigation. In addition at least two deputies shall be appointed. A list of appointed Responsible Persons and deputies should be sent to Stora Enso Legal Services.

In order to protect the legal interests of Stora Enso and in order to make sure that such an investigation is conducted legally and properly the following shall be noted:

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Reception/Arrival

- When investigators arrive at company's premises, they normally go to the reception desk, identify themselves and ask to see a senior manager. The receptionist or security personnel at the reception should immediately contact the Responsible Person or, in his or her absence one of the deputies.
- The investigators should remain in reception until the Responsible Person and a member of Stora Enso Legal Services come to meet them. If the inspectors believe that they are being unreasonably delayed at reception, it may result in the company being fined for failure to cooperate. Therefore the investigators should be dealt promptly and courteously at reception.

Duties of the Responsible Person

- The Responsible Person shall, as soon as he or she is aware of the investigation, contact Stora Enso Legal Services (and if there is an established contact local legal counsel). This shall be mentioned to the Inspectors who, however, can not be required to wait for an undue period of time.
- The Responsible Person shall also contact the divisional management of the relevant business as well as Stora Enso Corporate Communications.
- The Responsible Person shall check the personal identification of the Inspectors.
- The Responsible Person shall check the credentials of the Inspectors in order to find out the scope of the investigation in respect of the alleged infringements and in respect of which products, countries, time periods and documents that are covered. The Inspectors are only entitled to obtain copies of documents on matters that fall within the scope of the investigation and ask questions concerning those documents.
- Within the EU the Inspectors can be empowered to carry out the investigation by either an Authorization or a Commission Decision. A company is only legally obliged to submit to an investigation where the Inspectors are acting under a Commission Decision. However, it is Stora Enso's policy to cooperate with the Inspectors and no decision should be taken to refuse to cooperate with an investigation or to withdraw cooperation with such an investigation without taking legal advice.
- The Responsible Person shall appoint one person to organize the administrative side of the investigation and one or more persons that can accompany each of the Inspectors when they are conducting the investigations.
- The Responsible Person shall set aside a room to be used for the collection of the files and papers the Inspectors wish to read and also to be used for them when they ask relevant questions, as well as arrange for photocopying.
- Notes shall be made of all files and documents examined by the Inspectors, whether or not the Inspectors want copies to be taken, as well as of any differences of opinion between the Company and the Inspectors, for example regarding the scope of the investigation.
- The Responsible Person shall advise the Inspectors that some of the documents they have requested may contain confidential information and that the Inspectors, following the investigation, will be supplied with information on which documents that are confidential.

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- Each document photocopied shall be copied in three copies: one for the Inspectors, one for the Company and one for Stora Enso Legal Services.

Inspectors' powers

- The Inspectors are empowered, limited to the subject matter of the Commission mandate, (a) to examine the Company's books and other business records, irrespective of the medium on which they are stored, (b) to take copies of or extracts from the books and business records, but not to take originals, (c) to ask for oral explanations on the spot and (d) to enter any premises, land and means of transport of the Company as well as, under certain circumstances, individuals homes and private property (if a reasonable suspicion exists, that material, related to *serious violation* of competition legislation, are kept in those premises).
- If the Inspectors ask questions it is the Company (not the Inspectors) that is entitled to decide who should provide the explanation. If the best qualified person is not available, or if the information necessary to answer the question is not available, this shall be explained to the Inspectors with an offer to provide the explanation later in writing. If questions are answered they should be answered as to facts but without any assessments and if the answer is uncertain this should be mentioned. Detailed notes shall be made of all oral explanations concerning those records requested by the Inspectors and of the explanations given. A copy of the notes taken by the Inspectors shall be requested.
- The Inspectors are not entitled to see privileged documents, i.e. documents that are written by the Company to its external lawyers or by the external lawyers to the Company.
- The Commission may impose fines on companies that do not supply complete documentation or that mislead the Commission. Fines may also be imposed for obstruction and for tampering with the evidence (e.g. destroying documents during the course of an investigation).

For the avoidance of doubt it should also be stated that the powers of the national authorities are at least broadly similar to the powers of the Commission.

Under no circumstances should Stora Enso's staff provide any false or misleading information to investigators, tamper with or destroy documents during an investigation or endeavour to hinder the investigation in any way.