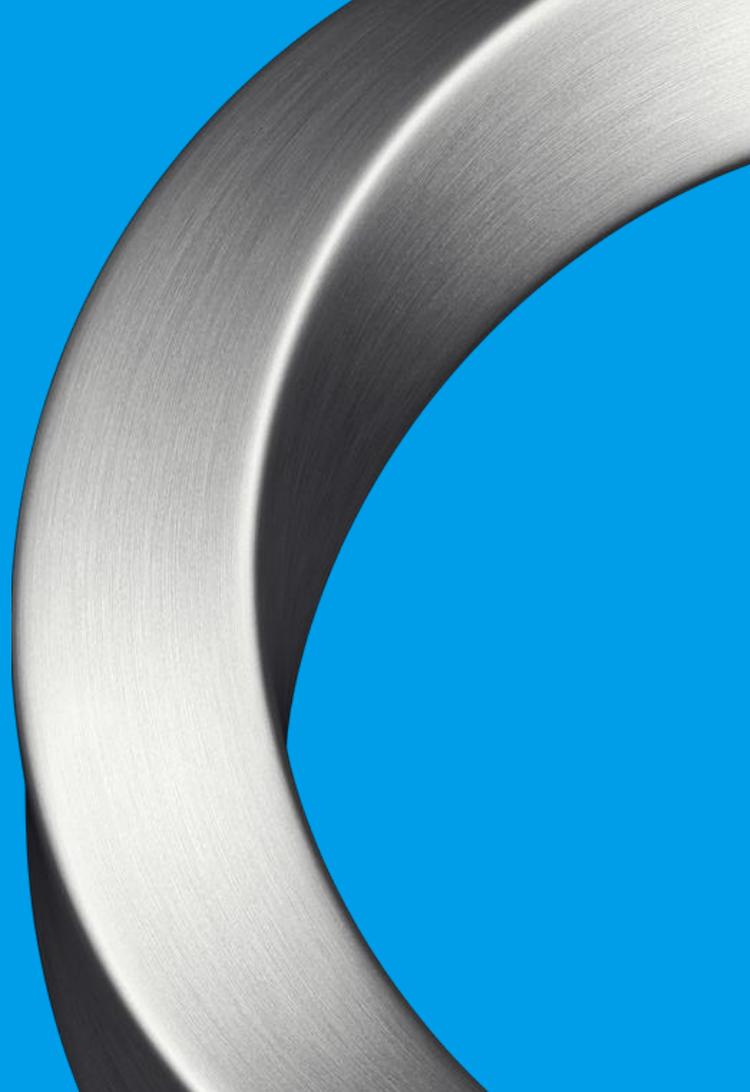


Outokumpu Oyj Annual General Meeting 2018

March 22, 2018



Opening of the Annual General Meeting

Item 1 on the agenda

Jorma Ollila,
Chairman of the Board of Directors

Calling the Meeting to order

Item 2 on the agenda

**Election of persons to scrutinize
the minutes and to supervise
the counting of votes**

Item 3 on the agenda

Recording the legality of the meeting

Item 4 on the agenda

Notice to the AGM 2018

- Notice published as a stock exchange release on January 31, 2018.
- Notice published on Outokumpu's website from January 31, 2018 onwards.

Recording the attendance at
the meeting and adoption of
the list of votes

Item 5 on the agenda

**Presentation of the annual accounts,
the review of the Board of Directors
and the auditor's report for the year
2017**

Item 6 on the agenda

Presentation of the annual accounts, the review of the Board of Directors and the auditor's report for the year 2017

- Review by the Chief Executive Officer, Roeland Baan.
- Presentation of the auditor's report, APA Janne Rajalahti, PricewaterhouseCoopers Oy.

Review by the CEO

Roeland Baan
President & CEO



Best **value creator**
in stainless steel
by **2020** through
customer orientation
and **efficiency**

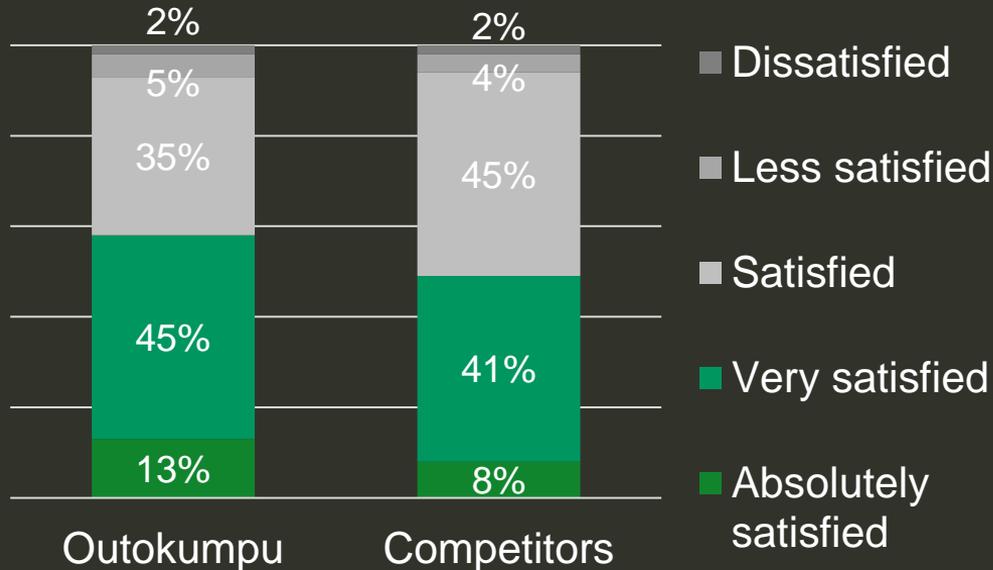
1. Customers
2. Shareholders
3. Employees

Time bound:
sense of urgency

Back to basics

Best value creator for our customers

Satisfaction among 1,222 of our customers in 45 countries



Tremendous potential to improve and differentiate from competition

58% of our customers are absolutely or very satisfied

Best value creator for our shareholders

Relative share price since the beginning of 2016



Best value creator for our employees

2017 OHI* completed:
Response rate at 80.4%
Scores improved in all practices



Best-in-class safety correlates with improved quality and operational efficiency

Total recordable incident frequency rate, TRIFR

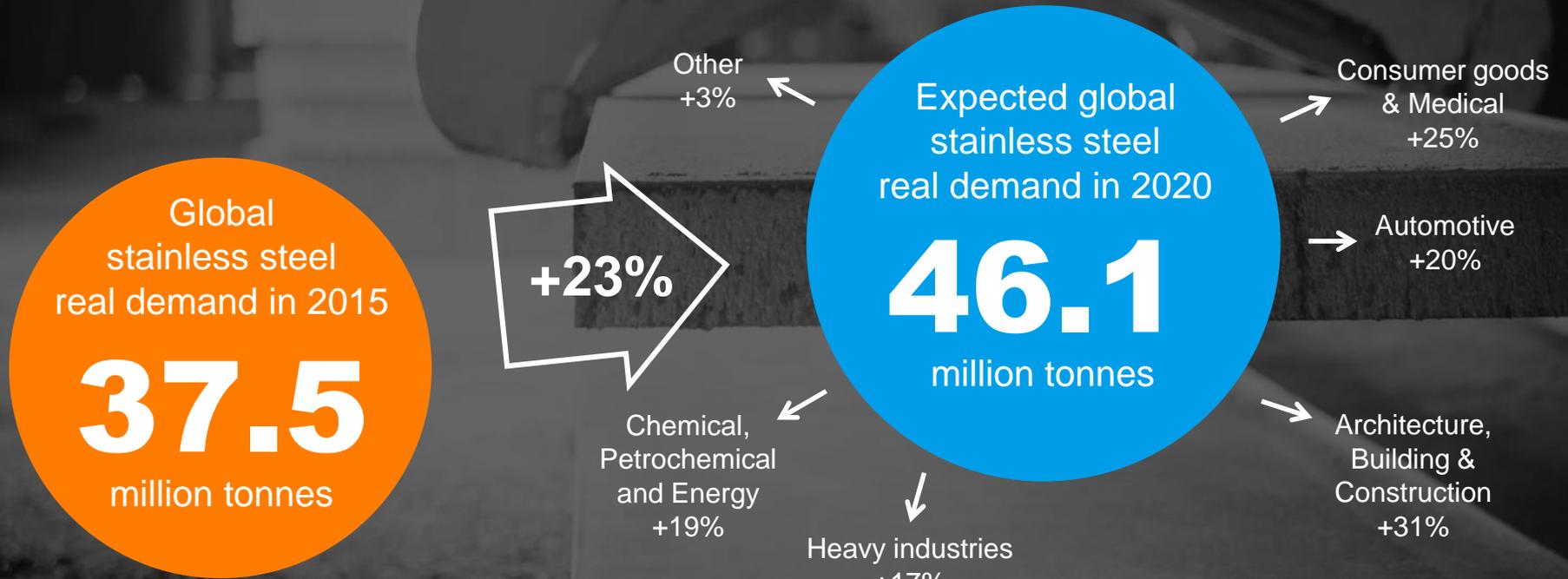


We have reduced the number of accidents

We are implementing Standardized Safety Processes

We are developing safety culture and consequence management

Stainless steel demand continues to grow



Stainless steel demand is growing faster than industrial production...

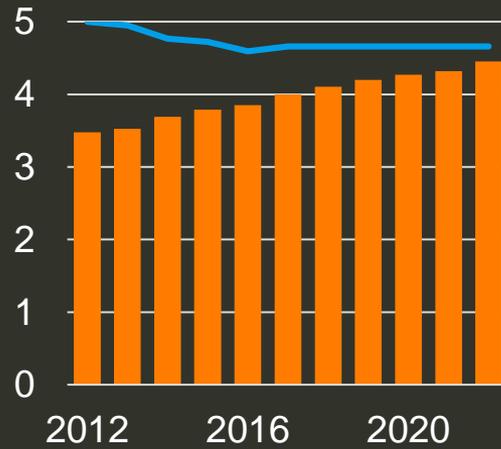


...and overcapacity is expected to diminish

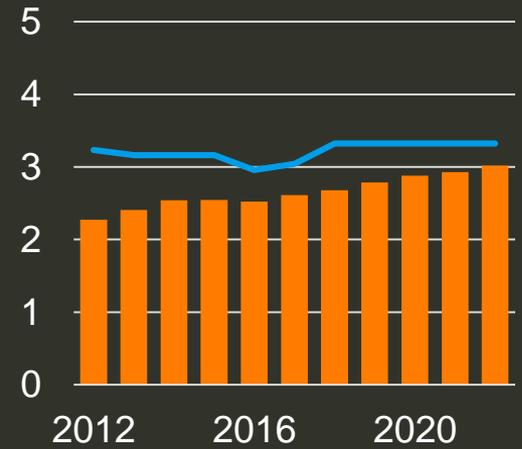
Asian cold rolling capacity & demand, million tonnes



European cold rolling capacity & demand, million tonnes

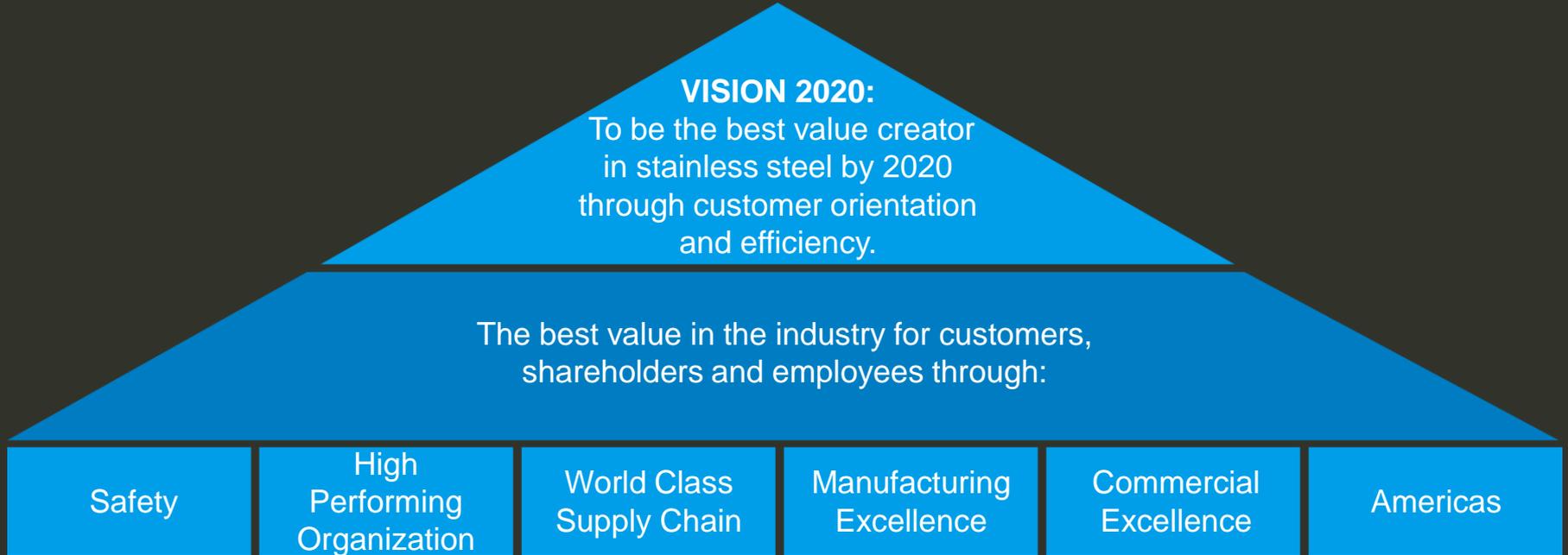


American cold rolling capacity & demand, million tonnes



■ Cold rolled demand ■ Cold rolled capacity

We continue to create value through our must-win battles



Our financial targets are based on conservative market assumptions

**Adjusted
EBITDA**
EUR 750 million

ROCE
12%

Gearing
<35%

2017 delivered significant improvements

	2016	2017	2017 target	2020 target	
Safety (TRIFR)	8.7	4.4	<8.0 ✓	<3.5	Target update
Adj. EBITDA (mEUR)	309	631		750	Well on track
SG&A (quarterly run-rate, mEUR)	80	67	75 ✓		
ROCE (%)	2.6	11.3		12	Well on track
Gearing (%)	51	40		<35	Well on track
Net debt (mEUR)	1,242	1,091	1,100 ✓		

Our profitability improved as a result of self-help and favorable markets

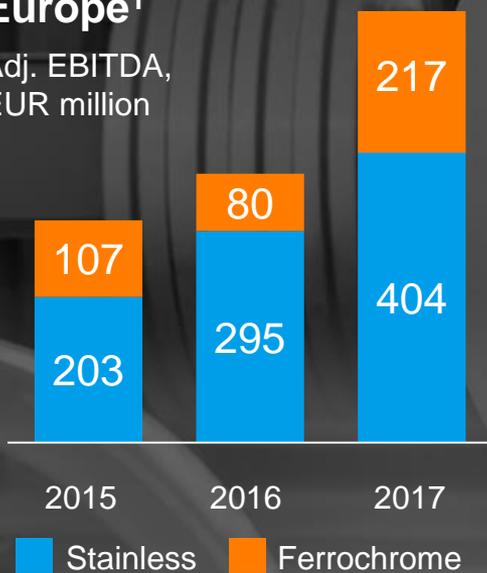
The Board of Directors proposes a dividend of EUR 0.25 per share for 2017

Key figures	2017	2016
Stainless steel deliveries, 1,000 tonnes	2,448	2,444
Sales, EUR million	6,363	5,690
Adjusted EBITDA, EUR million	631	309
Net result, EUR million	392	144
Earnings per share, EUR	0.95	0.35
Operating cash flow, EUR million	328	389
Net debt, EUR million	1,091	1,242

Step-change in earnings in all business areas

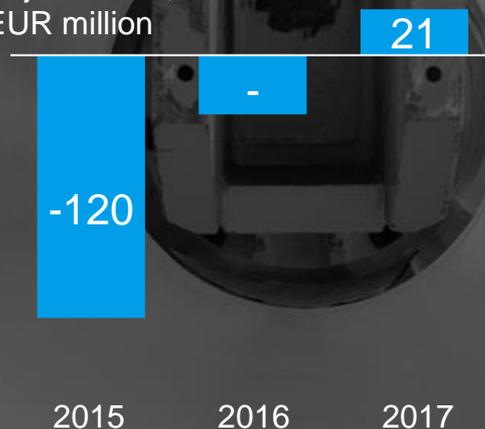
Europe¹

Adj. EBITDA,
EUR million



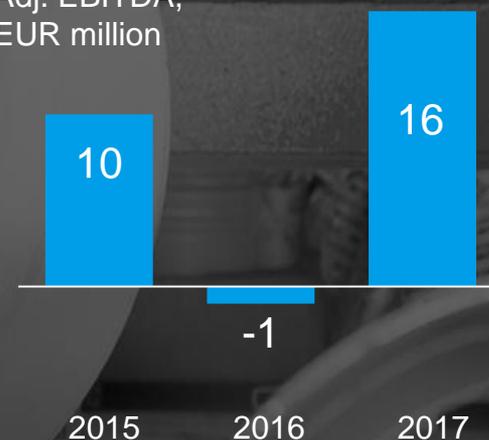
Americas

Adj. EBITDA,
EUR million



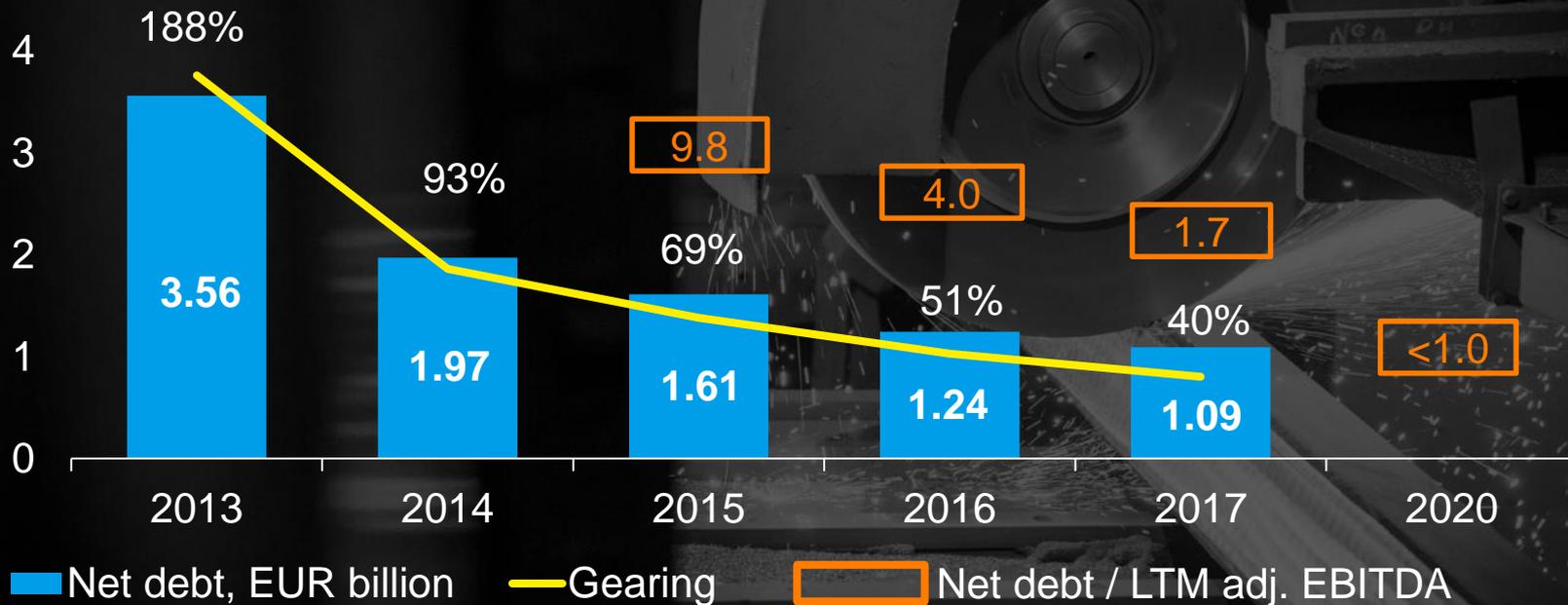
Long Products

Adj. EBITDA,
EUR million



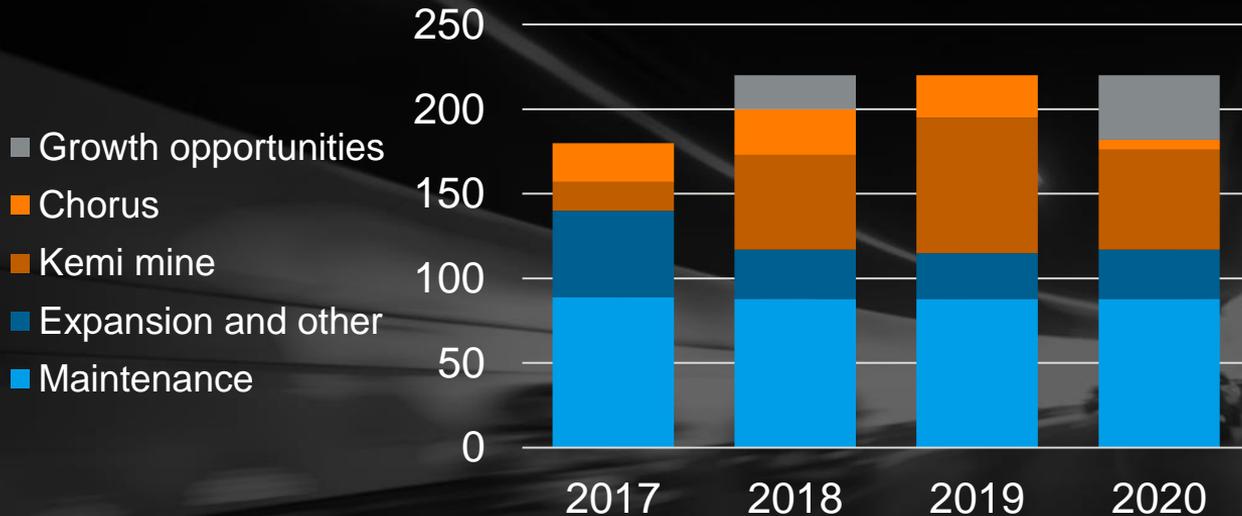
Aiming to reduce leverage to below 1.0

Net debt and gearing



We invest in growth and competitiveness

Capex cash flow estimates, EUR million



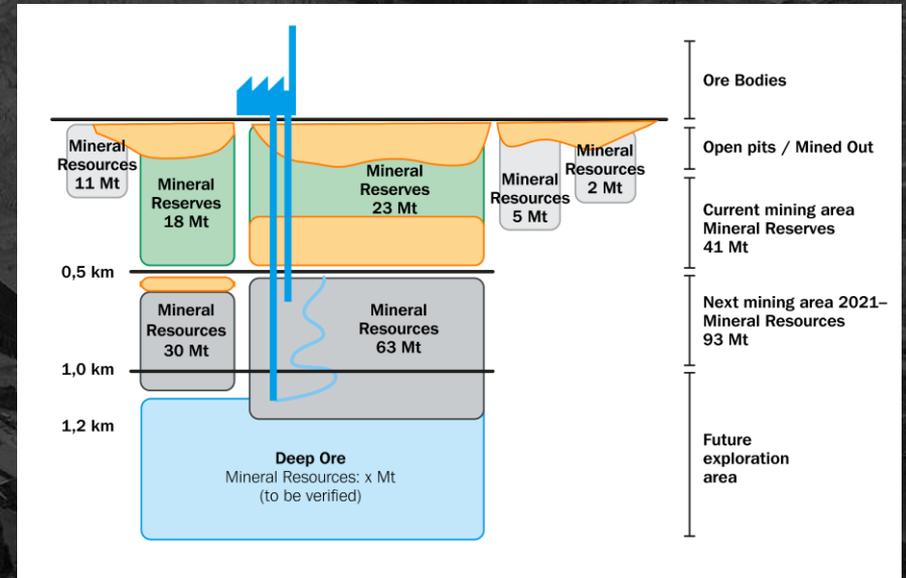
Chorus
EUR ~100 million

Kemi mine
EUR ~250 million

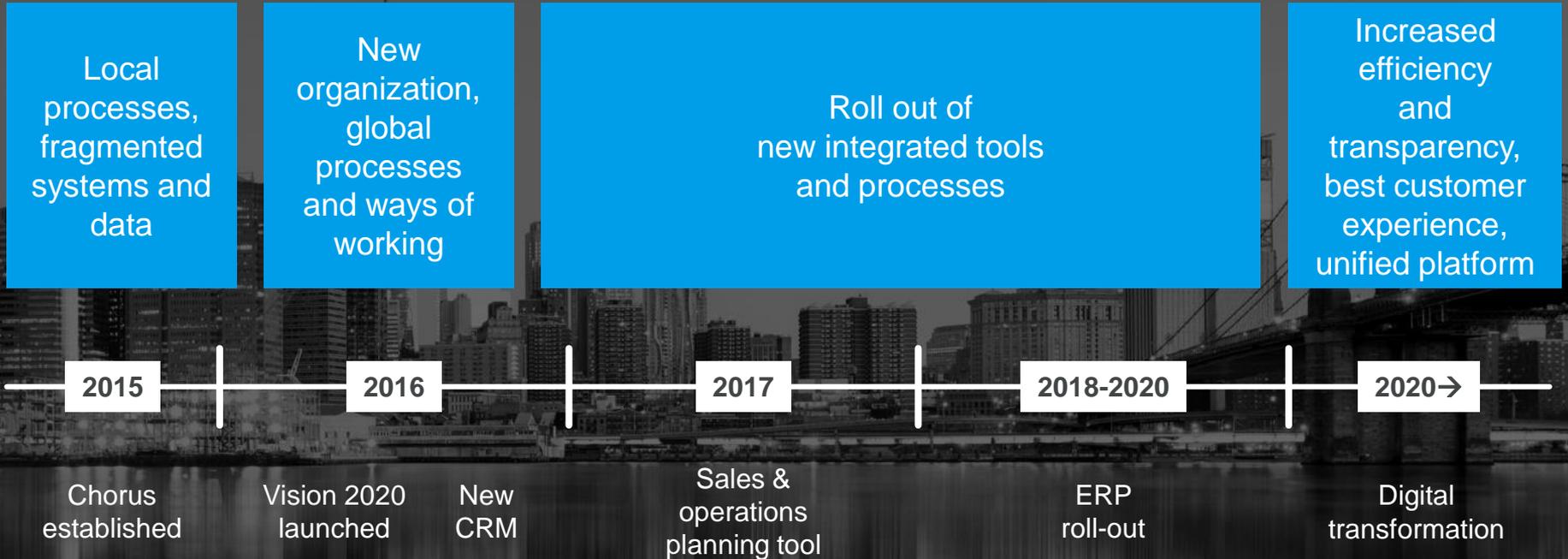
Annual
maintenance
EUR 80-90 million

Kemi mine expansion will secure ore supply for coming decades

- Current mining area to be exhausted early 2020's
- Expansion extends the underground mining activities to 1,000 meters
- Ensuring safe, profitable and long-term mining process chrome feed
- Supporting the continuation of the integrated operations in Kemi-Tornio sites beyond 2020



We are harmonizing our business and culture through project Chorus...



...which creates opportunities beyond 2020

Significantly
shorter
lead times

Higher share
of automation
and robotics

Integrated
systems with
customers and
suppliers

Driving topline growth and efficiency

Our must-win
battles are yielding
tangible results

Our 2020 financial
targets are firmly
within our reach

Key investment
projects are
securing our
long-term
efficiency

Presentation of the annual accounts, the review of the Board of Directors and the auditor's report for the year 2017

- Review by the Chief Executive Officer, Roeland Baan.
- Presentation of the auditor's report, APA Janne Rajalahti, PricewaterhouseCoopers Oy.



pwc

Auditor's Report 2017
Annual General Meeting of
Outokumpu Oyj

PricewaterhouseCoopers Oy
Authorised Public Accountants

Janne Rajalahti
Partner, Global Lead Partner



What we have audited

- Group financial statements
- Parent company financial statements

Group financial statements audit scope

- 9 group companies in 7 countries, globally approx. 60 PwC's specialists participated in the audit
- Covers the great majority of the Group's turnover, assets and liabilities

Key Audit Matters

- Valuation of goodwill
- Valuation of Property, Plant and Equipment
- Valuation of inventories
- System environment and internal controls
- Valuation of deferred tax assets
- Valuation of subsidiary shares in the parent company's financial statements

Annual General Meeting of Outokumpu Oyj

Opinion - In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position and financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements in Finland and comply with statutory requirements.

Other statements based on the decision by the Annual General Meeting

- The proposal by the Board of Directors regarding the treatment of distributable funds is in compliance with the Limited Liability Companies Act
- We support that the Board of Directors of the parent company and the President and CEO be discharged from liability for the financial period audited by us.

Adoption of the annual accounts

Item 7 on the agenda

Resolution on the use of the profit shown on the balance sheet and the payment of dividend

Item 8 on the agenda

Proposal by the Board of Directors for a dividend

- The Board proposes a dividend of EUR 0.25 per share based on the balance sheet adopted for the account period ending December 31, 2017.
- The dividend will be paid to shareholders registered in the shareholders' register held by Euroclear Finland Oy on the dividend record date of March 26, 2018.
- The Board proposes that the dividend be paid on April 4, 2018.

**Resolution on the discharge of the
members of the Board of Directors
and the CEO from liability**
Item 9 on the agenda

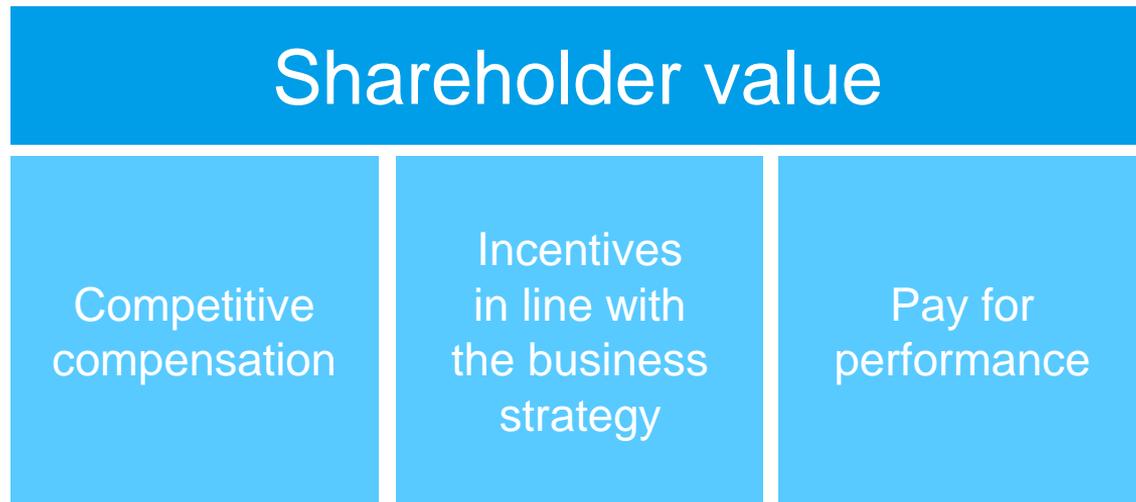
Resolution on the discharge of the members of the Board of Directors and the CEO from liability

- Board of Directors
 - Jorma Ollila, Chairman of the Board
 - Olli Vaartimo, Vice Chairman of the Board
 - Markus Akermann, Board member
 - Roberto Gualdoni, Board member
 - Stig Gustavson, Board member until March 21, 2017
 - Kati ter Horst, Board member
 - Heikki Malinen, Board member
 - Saila Miettinen-Lähde, Board member until June 9, 2017
 - Elisabeth Nilsson, Board member until March 21, 2017
 - Eeva Sipilä, Board member from March 21, 2017 onwards
- Chief Executive Officer
 - Roeland Baan

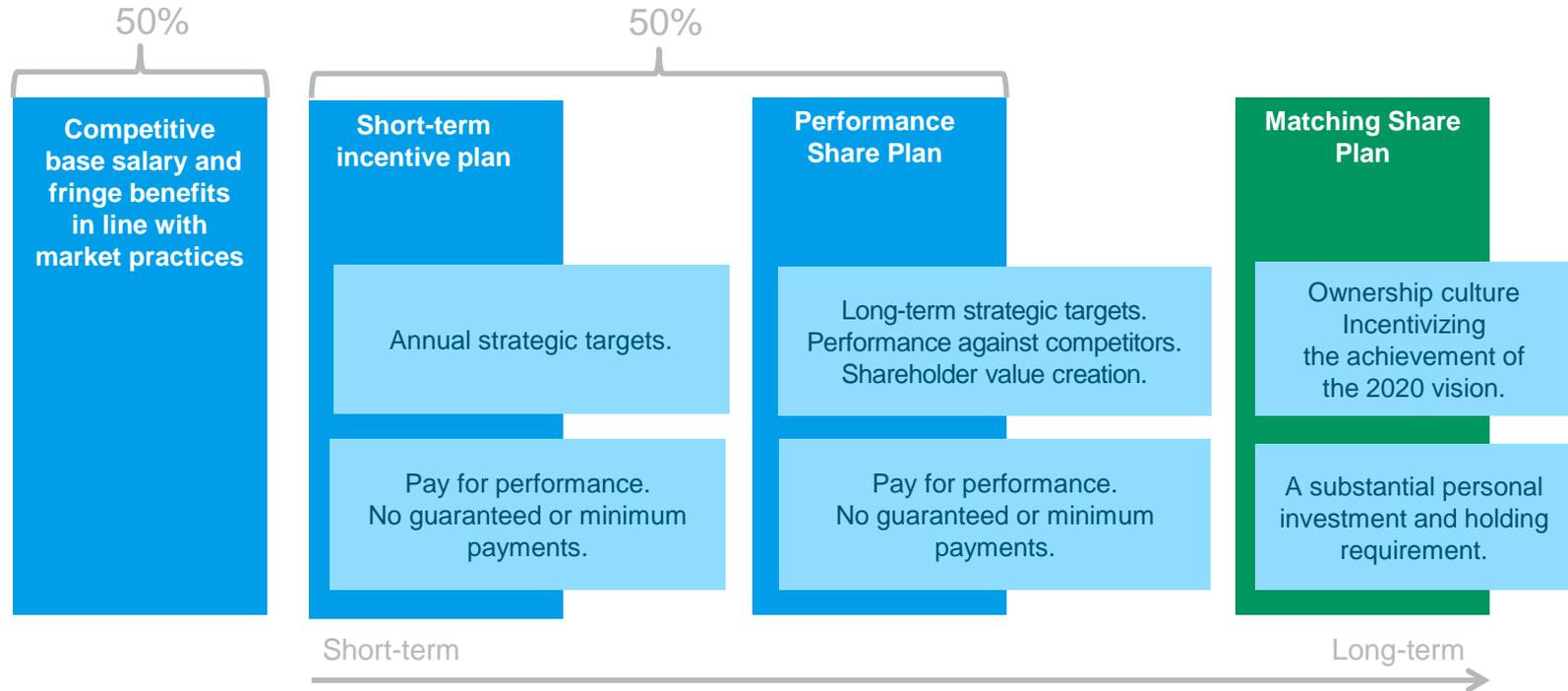
Review by the Chairman of the Board on the remuneration policy of the Company Item 10 on the agenda

Jorma Ollila,
Chairman of the Board of Directors

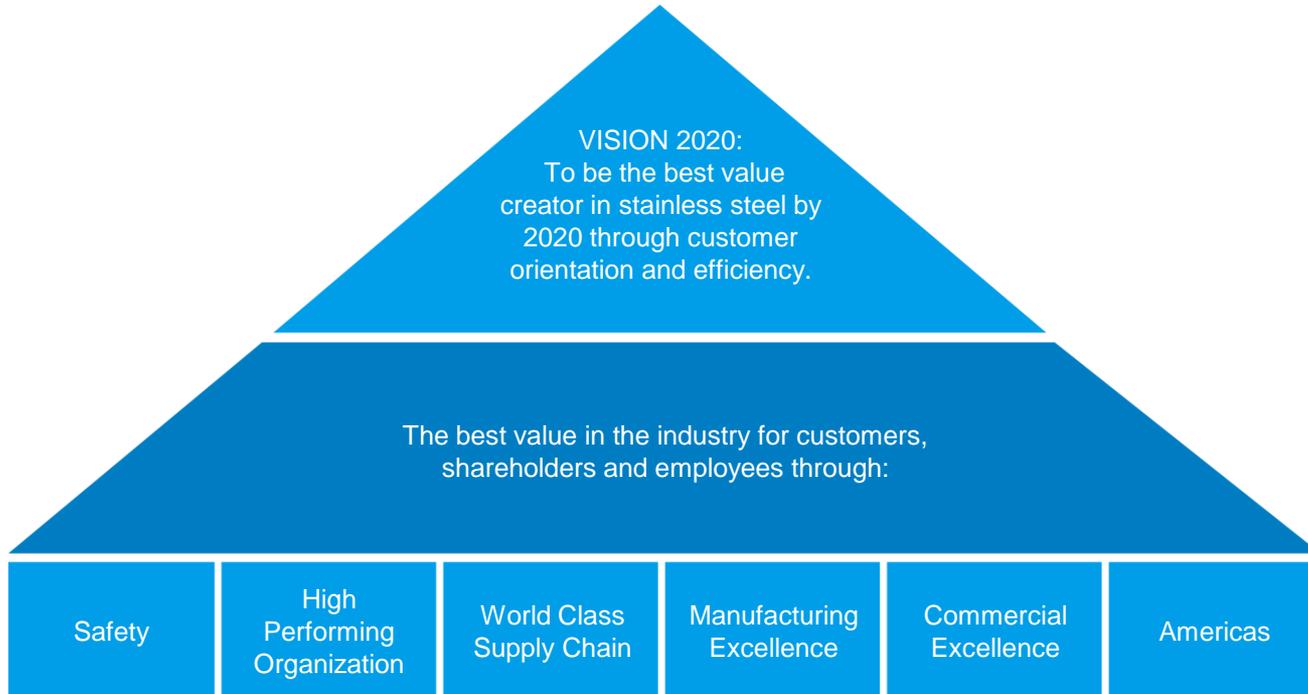
The key principles of Outokumpu's remuneration philosophy



The components of management compensation



Focus of the 2018 incentive plans: improvement in safety, profitability and delivery reliability



EBITDA trigger:

If targeted level is not reached, no short term incentives will be paid.

Performance

Share Plan:

2017-2019

Focus on the return on operating capital compared to competitors.

2018-2020

Focus on profitability and the efficiency of the capital employed compared to competitors.

CEO compensation

Component	Amount paid, EUR	Note
Base salary and benefits	1,073,219	Base salary of 988,257 + taxable benefits including housing, car, phone, health and life insurance, compensation for schooling costs.
Short-term incentive 2016	947,629	2017 targets set for Safety, Underlying EBITDA and Net working capital improvement. Targets exceeded.
Share awards	2,083,469	2nd reward tranche from the CEO's Matching Share plan, gross value of the reward shares and taxes.
Total paid in 2017	4,104,317	
Short-term incentive 2017, paid in 2018	700,997	2017 targets set for Safety, EBITDA and Costs. Targets exceeded.

Resolution on the remuneration of the members of the Board of Directors

Item 11 on the agenda

The Chairman of the Nomination Board Antti Mäkinen introduces the work of the Nomination Board and presents the proposals by the Nomination Board for the items 11 and 12 on the agenda.

Shareholders' Nomination Board in 2017

- Antti Mäkinen, Managing Director, Solidium Oy
- Pekka Pajamo, CFO, Varma Mutual Pension Insurance Company
- Tuula Korhonen, Investment Director, the Finnish Social Insurance Institution
- Timo Ritakallio, President and CEO, Ilmarinen Mutual Pension Insurance Company

- Antti Mäkinen has acted as Chairman of the Nomination Board and Jorma Ollila, Chairman of the Outokumpu Board of Directors, has served as an expert member
- The Nomination Board convened four times in total, and the attendance rate was 100%

Proposal by the Nomination Board for the remuneration of the Board of Directors

- The Nomination Board proposes the annual remuneration of the Board of Directors:
 - Chairman EUR 160,000 annual fee
 - Vice Chairman and Chairman of the Board Audit Committee EUR 90,000 annual fee
 - Board members EUR 70,000 annual fee
- Proposal that 40% of the annual remuneration would be paid in Outokumpu shares.
 - The Company's shares to be purchased from the market at a price formed in public trading and in accordance with the applicable insider regulations.
- Meeting fee EUR 600 per each meeting, also for the Board Committee meetings, and EUR 1,200 when travelling to a meeting held outside the Board member's country of residence.

Election of Chairman, Vice Chairman and the members of the Board of Directors Item 12 on the agenda

Changes to the number of Board members and the Board composition

- The Nomination Board proposes:
 - Six (6) members to be elected.
 - Kari Jordan and Pierre Vareille to be elected as new members.
 - Jorma Ollila, Markus Akermann and Roberto Gualdoni have announced that they are no longer available for Board membership.

Proposed Board members (1)



Kati ter Horst

b. 1968, M.Sc. (Marketing),
MBA (International Business)

Outokumpu Board member
2016–
Member of the Audit
Committee

- EVP, Head of Stora Enso Paper 2014–
- SVP, Paper Sales, Printing and Living: Stora Enso 2013–2014
- Member of the Board: EURO-GRAPH asbl 2017–
- Member of the Board: Finnish Forest Industries Federation 2015–



Heikki Malinen

b. 1962, M.Sc. (Econ.), MBA
(Harvard)

Outokumpu Board member
2012–
Member of the Remuneration
Committee

- President and CEO: Posti Group Corporation (formerly Itella Corporation) 2012–
- President and CEO: Pöyry PLC 2008–2012
- Vice Chairman of the Board: Service Sector Employers PALTA 2016–
- Member of the Board: Realia Group 2017–
- Member of the Board: East Office of Finnish Industries 2012–
- Supervisory Board member: Finnish Fair Corporation 2014–

Proposed Board members (2)



Eeva Sipilä

b. 1973, M.Sc. (Econ.),
CEFA (Svenska
Handelshögskolan)

Outokumpu Board member
2017–
Member of the Audit
Committee

- Chief Financial Officer and Deputy to the CEO: Metso Corporation 2016–
- EVP and Chief Financial Officer: Cargotec Corporation 2008–2016
- Member of the Board 2012–2016 and Chairman of the Audit Committee 2014–2016: Metso Corporation
- Member of the Board: Basware Corporation 2010–2013



Olli Vaartimo

b. 1950, M.Sc. (Econ.)

Vice Chairman of the Board:
Outokumpu 2011–
Outokumpu Board member
2010–
Chairman of the Audit
Committee

- Chief Financial Officer: Metso Oyj 2003–2010
- EVP, Deputy to the President and CEO: Metso Oyj 2003–2010
- Chairman of the Board: BMH Technology Oy 2017–
- Chairman of the Board: Kuusakoski Group Oy 2016–
- Vice Chairman of the Board: Kuusakoski Oy 2016–
- Vice Chairman of the Board: BMH Technology Oy 2016–
- Member of the Board: Sampo-Rosenlew Oy 2016–
- Member of the Board: Black Bruin Oy (earlier Sampo-Hydraulics Oy) 2016–
- Member of the Board: Valmet Automotive Oy 2014–

The proposed new Board members (3)



Kari Jordan

b. 1956, M.Sc. (Economy),
Vuorineuvos (Finnish
honorary title)

President and CEO 2006–
31.3.2018 and Member of
the Executive Management
Team 2005–31.3.2018:
Metsä Group
CEO: Metsäliitto Cooperative
2004–31.12.2017

- Vice Chairman of the Board: Metsäliitto Cooperative 2005–31.3.2018
- Chairman of the Board: Metsä Board Corporation 2005–27.3.2018
- Member of the Board 2004–31.3.2018, Chairman of the Board 2006–31.12.2017: Metsä Fibre Oy
- Chairman of the Board: Metsä Tissue Corporation 2004–31.12.2017
- Member of the Board 2007–2011, Chairman of the Board 2012–2016: Central Chamber of Commerce of Finland
- Member of the Board 2005–2016, Vice Chairman 2009–2011, 2013–2014, Member of the Board's Working Committee 2015–2016: Confederation of Finnish Industries EK
- Chairman of the Board and the Board's Working Committee 2009–2011, Vice Chairman of the Board and Board's Working Committee 2005–2008, 2014–2017, Member of the Board 2012–2013: Finnish Forest Industries Federation
- Member of the Supervisory Board 2006–2012, Vice Chairman of the Board 2013, Chairman of the Board 2014, Chairman of the Supervisory Board 2015–: Varma Mutual Pension Insurance Company



Pierre Vareille

b. 1957, M.Sc. (Ecole
Centrale Paris), BA in
Economics (Sorbonne
University), Degrees in
Economics and Finance
(Institut d'Etudes Politiques,
Sciences-Po Paris) and in
Controlling (Institut de
Contrôle de Gestion)

- Chairman and CEO 2012–2013 and CEO 2013–2016: Constellium NV
- Chairman and CEO: FCI SA 2009–2011
- Lead Director and Vice President of the Board: Société BIC SA 2016–
- Board member and member of the Nomination and Remuneration Committee: Etex SA 2017–
- Board member: Ferroglobe 2017–
- Board member and member of the Audit Committee: Verallia 2015–
- Founder and Co-President: The Vareille Foundation 2014–

Proposal for the election of Chairman and Vice Chairman of the Board

- Mr. Kari Jordan to be elected as Chairman of the Board.
- Mr. Olli Vaartimo to be elected as Vice Chairman of the Board.

The proposed new Board members (3)



Kari Jordan

b. 1956, M.Sc. (Economy),
Vuorineuvos (Finnish
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31.3.2018 and Member of
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CEO: Metsäliitto Cooperative
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- Vice Chairman of the Board: Metsäliitto Cooperative 2005–31.3.2018
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- Member of the Supervisory Board 2006–2012, Vice Chairman of the Board 2013, Chairman of the Board 2014, Chairman of the Supervisory Board 2015–: Varma Mutual Pension Insurance Company



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- Chairman and CEO: FCI SA 2009–2011
- Lead Director and Vice President of the Board: Société BIC SA 2016–
- Board member and member of the Nomination and Remuneration Committee: Etex SA 2017–
- Board member: Ferroglobe 2017–
- Board member and member of the Audit Committee: Verallia 2015–
- Founder and Co-President: The Vareille Foundation 2014–

Resolution on the remuneration of the auditor

Item 13 on the agenda

Remuneration of the auditor

- The Board proposes on the recommendation of the Audit Committee that the elected auditor be reimbursed in accordance with the auditor's invoice approved by the Board of Directors.

Election of auditor

Item 14 on the agenda

Election of auditor

- The Board proposes on the recommendation of the Audit Committee that accounting firm PricewaterhouseCoopers Oy be elected as the auditor for the term of office ending at the end of the next Annual General Meeting.
- The auditor's assignment also includes giving the auditor's statement on the discharge of the members of the Board of Directors and the CEO from liability and on the proposal of the Board of Directors for distribution of profit.

Authorizing the Board of Directors to decide on the repurchase of the company's own shares

Item 15 on the agenda

Authorizing the Board of Directors to decide on the repurchase of the company's own shares

- The Board of Directors proposes that the Board of Directors be authorized to resolve to repurchase a maximum of 40,000,000 of Outokumpu's own shares, currently representing approximately 9.6% of Outokumpu's total number of registered shares. The own shares may be repurchased pursuant to the authorization only by using unrestricted equity. The price payable for the shares shall be based on the price of the company's shares on the day of repurchase in public trading or otherwise at the price prevailing on the market.
- The Board of Directors is authorized to decide how the own shares will be repurchased. The own shares may be repurchased in deviation from the proportional shareholdings of the shareholders (directed repurchase). Shares may also be acquired outside public trading. In connection with the acquisition of the company's shares, derivative, share lending, or other agreements that are normal within the framework of capital markets may take place in accordance with legislative and regulatory requirements. The aggregate number of Outokumpu's own shares held by the company and its subsidiaries may not, however, exceed 10% of the total number of registered shares. The authorization will be in force until the end of the next Annual General Meeting, however expiring at the latest on May 31, 2019.
- At the time of the Annual General Meeting Outokumpu holds 3,276,864 own shares.

**Authorizing the Board of Directors
to decide on the issuance of shares
as well as other special rights
entitling to shares**
Item 16 on the agenda

Authorizing the Board of Directors to decide on the issuance of shares as well as special rights entitling to shares

- The Board of Directors proposes that the Board of Directors be authorized to resolve to issue a maximum of 80,000,000 shares through one or several share issues and/or by granting of special rights entitling to shares, as specified in Chapter 10, Section 1, of the Finnish Companies Act, excluding option rights to Outokumpu's management and personnel under an incentive plan.
- On the basis of the authorization, a maximum of 40,000,000 new shares may be issued, and additionally a maximum of 40,000,000 own shares may be transferred. 40,000,000 shares currently represent approximately 9.6% of Outokumpu's total number of registered shares. The Board of Directors resolves upon all other terms and conditions of the share issue and of the issue of special rights entitling to shares. The Board of Directors has the authority to resolve upon the issue of shares and special rights in deviation of the pre-emptive subscription right of the shareholders (directed issue). The authorization is valid until the end of the next Annual General Meeting, however expiring at the latest on May 31, 2019.

Closing of the meeting

Item 17 on the agenda

outokumpu

working towards a world that lasts forever

