

Corporate Governance Statement

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Corporate Governance Statement

Regulatory framework

Outokumpu Oyj, the Group's parent company, is a public limited liability company incorporated and domiciled in Finland. In its corporate governance and management, Outokumpu Oyj complies with Finnish legislation, the company's Articles of Association and the Corporate Governance Policy resolved and approved by the company's Board of Directors.

Outokumpu Oyj follows the Finnish Corporate Governance Code (available at <http://cgfinland.fi/en/>), effective as of October 1, 2010 issued by the Securities Market Association and adopted by the Nasdaq Helsinki stock exchange. Outokumpu Oyj complies with all regulations and recommendations issued by Nasdaq Helsinki.

Tasks and responsibilities of governing bodies

The governing bodies of the parent company Outokumpu Oyj, i.e. the General Meeting of Shareholders, the Board of Directors and the President and Chief Executive Officer (CEO), have the ultimate responsibility for Group management and Group operations. The Outokumpu Leadership Team reports to the CEO and the Leadership Team is supporting and assisting the CEO in the efficient management of the Group's operations. Outokumpu's primary corporate governance information source is the Group's corporate governance website at www.outokumpu.com/en/investors/Governance/. Please visit the website for the latest Corporate Governance Statement and the latest corporate governance information.

Outokumpu's organizational structure

Business Areas

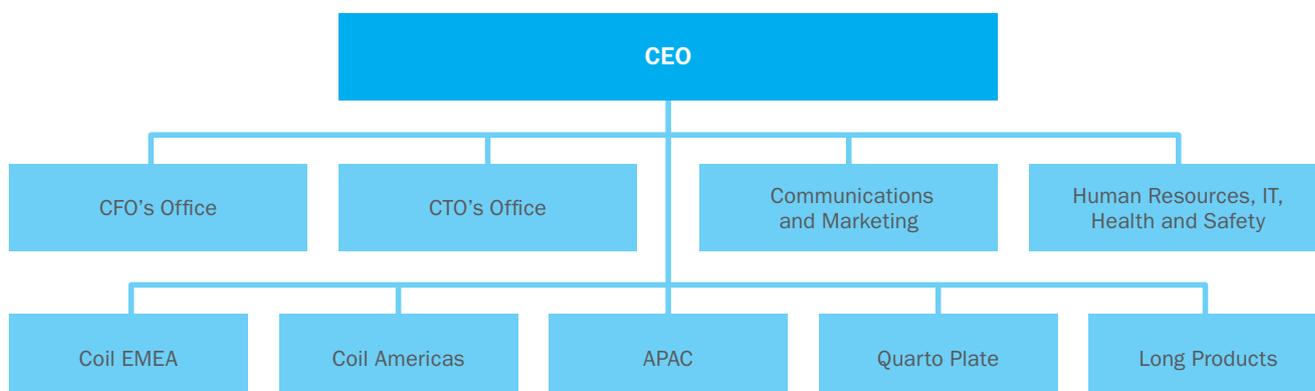
Until August 31, 2014, Outokumpu was organized into four business areas, namely (i) Stainless EMEA, (ii) Stainless Americas, (iii) Stainless APAC and (iv) Specialty Stainless. As of September 1, 2014, Outokumpu is organized into the following five business areas with responsibility for sales, profitability, production and supply chain management: (i) Coil EMEA, (ii) Coil Americas, (iii) APAC, (iv) Quarto Plate and (v) Long Products. With the new business area structure, Specialty Stainless ceased to exist and Quarto Plate and Long Products, which had formerly been business lines, became business areas. In addition to these five business areas, Outokumpu will continue to have strong group functions to drive group-wide efficiency and alignment in key business processes.

General Meeting of Shareholders

The General Meeting of Shareholders convenes at least once a year. Under the Finnish Companies Act, certain important decisions such as the approval of financial statements, decisions on dividends and increases or reductions in share capital, amendments to the Articles of Association, and election of the Board of Directors and auditors fall within the exclusive domain of the General Meeting of Shareholders.

The Board of Directors convenes a General Meeting of Shareholders. The Board of Directors can decide to convene a General Meeting on its own initiative, but is obliged to convene a General Meeting if the

Organization



Organization and business areas as of September 2014.

auditor or shareholders holding at least 10% of Outokumpu's shares so request. In addition, each shareholder has the right to bring before a General Meeting any matter that falls within the domain of the General Meeting, provided that a written request to do so has been received by the Board of Directors early enough to allow the matter to be placed on the agenda included in the notice announcing the General Meeting. According to its Articles of Association, Outokumpu has only one single class of shares and all shares have equal voting rights at General Meetings.

In 2014 two extraordinary general meetings were convened by the Board of Directors.

Board of Directors

The general objective of the Board of Directors is to direct Outokumpu's business in a manner that secures a significant and sustained increase in the value of the company for its shareholders.

Board members offer their expertise and experience for the benefit of the company. The tasks and responsibilities of the company's Board of Directors are determined on the basis of the Finnish Companies Act, as well as other applicable legislation. The Board of Directors has general authority to decide and act in all matters not reserved for other corporate governance bodies by law or under the provisions of the company's Articles of Association. The general task of the Board of Directors is to organize and oversee the company's management and operations. In all situations, the Board of Directors must act in accordance with the company's best interests.

The Board of Directors has established rules of procedure which define its tasks and operating principles in the Charter of the Board of Directors. The main duties of the Board of Directors are as follows:

With respect to directing the company's business and strategies:

- To decide on Outokumpu's basic strategy and long-term targets and monitor their implementation.
- To decide on annual business plans.
- To decide on annual limits for the Group's capital expenditure, monitor related implementation, review quarterly plans and decide on changes.
- To decide on major and strategically important investments.
- To decide on major and strategically important business acquisitions and divestments.
- To decide on any significant financing arrangements.
- To decide on any other commitments by any Group companies that are out of the ordinary in terms of either their value or nature, taking into account the size, structure and field of the Group's operations.

With respect to organizing the company's management and operations:

- To nominate and dismiss the CEO and monitor his performance and to decide on his terms of service, including incentive schemes, on the basis of a proposal made by the Board's Remuneration Committee.
- To nominate and dismiss members of the Outokumpu Leadership Team and to define their areas of responsibility. The Board of Directors has authorized the Remuneration Committee to determine the terms of service, including incentive schemes of the Outokumpu Leadership Team members other than the company's CEO.

- To monitor the adequacy and allocation of the Group's top management resources.
- To decide on any significant changes to the Group's business organization.
- To define the Group's ethical values and working methods and the principles of the incentive system.
- To ensure that policies outlining the principles of corporate governance are in place.
- To ensure that policies outlining the principles behind managing the company's insider issues are being observed.
- To ensure that the company has guidelines for any other matters which the Board deems necessary and which fall within the scope of the Board's duties and authority.

With respect to the preparation of matters to be resolved by General Meetings of Shareholders:

- To establish a dividend policy and issue a proposal on dividend distribution.
- To make other proposals to General Meetings of Shareholders.

With respect to financial control and risk management:

- To discuss and approve interim reports and annual accounts.
- To monitor significant risks related to the Group's operations and the management of such risks.
- To ensure that adequate procedures concerning risk management are in place.
- To monitor financial position, liquidity and debt maturity structure.

The Board of Directors also assesses its own activities on a regular basis.

The Board of Directors shall have a quorum when more than half of its members are present. A decision by the Board of Directors shall be the opinion supported by more than half of the members present at a meeting. In the event of a tie, the Chairman shall have the casting vote.

The Annual General Meeting elects the Chairman, the Vice Chairman and the other members of the Board of Directors for a term expiring at the close of the following Annual General Meeting. The entire Board of Directors is therefore elected at each Annual General Meeting. A Board member may be removed from office at any time by a resolution passed by a General Meeting of Shareholders. Proposals to the Annual General Meeting concerning the election of Board members which have been made known to the Board of Directors prior to the Annual General Meeting will be made public if such a proposal is supported by shareholders holding a minimum of 10% of all the company's shares and voting rights and the person being proposed has consented to such nomination.

Under the company's Articles of Association, the Board shall have a minimum of five and a maximum of twelve members. A Board consisting of eight members was elected at the 2014 Annual General Meeting. The Board of Directors meets at least five times each year. In 2014, the Board of Directors met 14 times and the average attendance rate was 99%.

See the Members of the Board of Directors on p. 12.

Shares and options of the members of the Board of Directors on December 31, 2014

Member	Shares
Jorma Ollila	28 770
Olli Vaartimo	14 644
Markus Akermann	12 330
Roberto Gualdoni	12 018
Stig Gustavson	4 018
Heikki Malinen	15 018
Elisabeth Nilsson	6 627
Siv Schalin	10 714
	104 139

Board committees

The Board of Directors has set up two permanent committees consisting of Board members and has confirmed rules of procedure for these committees. Both committees report to the Board of Directors.

The Audit Committee comprises four Board members. The rules of procedure for and responsibilities of the Audit Committee have been established in the Charter of the Audit Committee approved by the Board of Directors. The task of the Audit Committee is to deal with matters relating to financial statements, auditing work, internal controls and compliance matters, the scope of internal and external audits, fees paid to auditors, the Group's tax position, the Group's financial policies and other procedures for managing Group risks. In addition, the Audit Committee prepares a recommendation for the Annual General Meeting concerning the election of an external auditor and auditing fees. The Audit Committee met six times during 2014 and the average attendance rate was 96%.

The Remuneration Committee comprises the Chairman of the Board and three other Board members. The rules of procedure for and responsibilities of the Remuneration Committee have been established in the Remuneration Committee Charter approved by the Board of Directors. The task of the Remuneration Committee is to prepare proposals for the Board of Directors concerning the appointment of the company's top management and principles relating to the compensation they receive. The Board of Directors has authorized the Remuneration Committee to determine the terms of service and benefits enjoyed by the Outokumpu Leadership Team members other than the company's CEO. The Remuneration Committee met five times during 2014 and the average attendance rate was 94%.

Shares of the Leadership Team members on December 31, 2014

Member	Shares	Performance Share Plan			Restricted Share Pool 2012–2014
		2012–2014	2013–2015	2014–2016	
Mika Seitovirta	40 000	65 280	127 620	200 100	
Reinhard Florey	0	0	38 880	55 200	14 075
Pekka Erkkilä	20 000	0	32 400	55 200	
Austin Lu ¹⁾	0	7 824	38 880	55 200	
Kari Parvento	1 600	20 400	38 880	55 200	
Olli-Matti Saksi	0	0	14 940	45 000	
Johann Steiner	0	0	38 880	55 200	
Saara Tahvanainen	160	0	7 020	10 500	
Kari Tuutti	4 000	7 824	38 880	55 200	
Michael Wallis	0	0	14 940	45 000	
Total	65 760				
Board and Leadership Team	169 899				

¹⁾ Due to local legislation, the possible LTI reward will be paid in cash instead of shares.

To handle specific tasks, the Board of Directors can also set up temporary working groups consisting of Board members. These working groups report to the Board of Directors. A temporary working group, the Board Finance Working Group, was set up during 2013 and the working group comprised the Chairman and Vice Chairman of the Board and one other Board member. The main task of the working group was to oversee and review in greater detail the status of and activities relating to the company's strategic roadmap, capital structure, balance sheet, major transactions, major corporate finance activities and other matters having strategic significance for the company. The Board Finance Working Group was discontinued in early 2014.

Shareholders' Nomination Board

Outokumpu's Annual General Meeting in 2012 resolved to establish a Shareholders' Nomination Board to annually prepare proposals to the Annual General Meeting for the election, composition and remuneration of the members of the Board of Directors.

In addition, the Annual General Meeting adopted a Charter of the Shareholders' Nomination Board, which regulates the nomination and composition, and defines the tasks and duties of the Nomination Board. According to the Charter, the Nomination Board consists of the representatives of Outokumpu's four largest shareholders, registered in the Finnish book-entry securities system on October 1, who accept the assignment and that the Chairman of the Board should act as an expert member of the Nomination Board.

Holdings by a shareholder who under the Finnish Securities Markets Act has the obligation to disclose changes in shareholdings (flagging obligation) that are divided into several funds or registers will be summed up when calculating the share of all the voting rights, provided that the shareholder presents a written request to that effect to the Chairman of the Company's Board of Directors no later than September 30 preceding the Annual General Meeting. Should a shareholder not wish to use its nomination right, the right transfers to the next largest shareholder who would otherwise not have a nomination right.

Shareholders with the right to appoint representatives to the Nomination Board in 2014 were: Solidium Oy, Varma Mutual Pension Insurance Company, AC Invest Four BV and the Social Insurance Institution of Finland. These shareholders chose the following individuals as their representatives on the Nomination Board: Kari Järvinen, Managing Director of Solidium Oy; Pekka Pajamo, CFO of Varma Mutual Pension Insurance Company and Panu Routila, CEO of Ahlström Capital

Oy and Tuula Korhonen, Investment Director of the Finnish Social Insurance Institution. Kari Järvinen was elected as Chairman of the Nomination Board and Jorma Ollila, Chairman of the Outokumpu Board of Directors, served as an expert member. The Nomination Board has submitted its proposals regarding Board composition and director remuneration to Outokumpu's Board of Directors, and the Board has incorporated these proposals into the notice convening the Outokumpu 2015 Annual General Meeting of Shareholders.

CEO and deputy to the CEO

The Chief Executive Officer (CEO) is responsible for the company's operational management, in which the objective is to secure significant and sustainable growth in the value of the company for its shareholders.

The CEO prepares matters on which decisions are to be made by the Board of Directors, develops the Group's operations in line with the targets agreed with the Board of Directors, and ensures the proper implementation of Board decisions. The CEO is also responsible for ensuring that existing legislation and applicable regulations are observed throughout the Group.

The CEO chairs the meetings of the Outokumpu Leadership Team. The deputy to the CEO is responsible for attending to the CEO's duties in the event that the CEO is prevented from doing so. Since 2011, the Group's Chief Financial Officer has acted as deputy to the CEO.

Leadership Team

The Outokumpu Leadership Team assists the CEO in the overall management of Outokumpu's business. Members of the team have extensive authority in their individual areas of responsibility and their duty is to develop the Group's operations in line with the targets set by the Board of Directors and the CEO.

At the end of 2014, the members of the Outokumpu Leadership Team held the following positions:

- President and Chief Executive Officer
- Executive Vice President – Chief Financial Officer
- President – Coil EMEA
- President – Coil Americas
- President – APAC
- President – Quarto Plate
- President – Long Products
- Executive Vice President – Chief Technology Officer
- Executive Vice President – Communications and Marketing
- Executive Vice President – Human Resources, IT, Health and Safety

The Leadership Team typically meets at least once a month.

See the members of the Leadership Team on p. 10.

Group management

Outokumpu's corporate management consists of the Chief Executive Officer (CEO), members of the Outokumpu Leadership Team, and managers and experts who assist the CEO and members of the Leadership Team.

The task of corporate management is to manage the Group as a whole. Duties include the coordination and execution of strategy and corporate planning, financial control, tax, internal audit, human

resources, environment, energy, health and safety, IT, marketing, communications and corporate responsibility, R&D, legal affairs, corporate affairs and compliance and IPR, investor relations as well as treasury and risk management. Certain support functions have also been centralized at Group level. The Outokumpu Group is managed in accordance with the organization of its business, in which the Group's legal company structure also provides the legal framework for Outokumpu's operations. Clear financial and operational targets have been established for all the Group's operational businesses.

Since September 1, 2014, Outokumpu's organization is based on five Business Areas with sales, profit, production and supply chain management responsibility, with the focus being on improving the ability to respond rapidly to customer needs, while Group-level functions with global processes ensure efficiency.

The Business Areas as of September 1, 2014 are:

- Coil EMEA
- Coil Americas
- APAC
- Quarto Plate
- Long Products

As well as being responsible for their own sales, the Business Areas are responsible for profit and operating cash flow and are supported by Group-level functions in the key areas. The Business Areas are geared to achieve the Group's business and financial targets while maintaining the focus on responding to customer needs.

Remuneration

Board of Directors

As confirmed by the 2014 Outokumpu Annual General Meeting, annual remuneration for the members of Outokumpu's Board of Directors is as follows: Chairman EUR 140 000, Vice Chairman EUR 80 000 and other members EUR 60 000, with 40% of this paid as Outokumpu shares purchased from the market and 60% paid in cash.

The annual fee is paid once a year and members of the Board are not entitled to any other share-based rewards. In addition to their annual remuneration, all members of the Board of Directors are paid a meeting fee of EUR 600 (EUR 1 200 for members of the Board of Directors residing outside Finland). The meeting fee is also payable for attending meetings of Board committees.

Leadership Team

The service contract of Outokumpu's CEO is valid until further notice and may be terminated by Outokumpu with 12 months' notice, or by the CEO with six months' notice. Upon termination by Outokumpu or a material change in ownership of Outokumpu, the CEO will receive additional compensation equivalent to his basic salary in the preceding 12 months plus the monetary value of his employee benefits at the moment of termination, provided that his employment is not terminated due to negligence caused by him.

For the other members of the Leadership Team who are employed in Finland, the notice period is six months for both parties, in addition to which there will be additional compensation equivalent to their basic salary in the preceding 12 months plus the monetary value of their employee benefits at the moment of termination, provided that their

employment is terminated for another reason than one caused by the employee. The termination benefits of the Leadership Team members employed outside of Finland vary in line with local market practices.

In the 2014 financial year, the performance-based short-term incentive payable to the Group CEO and members of the Leadership Team in addition to their base salary and employee benefits was based on delta EBIT target (improvement in earnings before interest and taxes) and operational targets with emphasis on cash flow, working capital, occupational safety and delivery reliability. The maximum incentive payment was 50% of the annual base salary for the CEO and the other members of the Leadership Team. The total amount of short-term and long-term incentives must not exceed 200% of an individual's annual salary. Should this limit have been exceeded, the share-based reward would have been reduced accordingly.

No separate remuneration is paid to the Group CEO or members of the Leadership Team for membership of this committee or the Group's other internal governing bodies.

The retirement age for the members of the Leadership Team is 63 years and they participate in the local retirement programs applicable to employees in the country where their employing company is located. The members residing in Finland participate in the Finnish TyEL pension system, in addition to which they are entitled to a defined contribution pension plan. The targeted pension is 60% of the annual salary at the age of 63 and the maximum premium is 25% of an individual's annual earnings, excluding share rewards. The pension benefits of the Leadership Team members employed outside of Finland vary in line with the local market practices. In line with Outokumpu's policy, the CEO's retirement age is 63 and the targeted pension is 60% of the annual salary at the age of 63.

Fees, salaries and employee benefits paid

2014 €	Salaries and fees with employee benefits	Performance/ project-related bonuses	Annual remuneration	Total
Board of Directors				
Chairman of the Board, Ollila	12 000	-	140 000	152 000
Vice Chairman of the Board, Vaartimo	12 600	-	80 000	92 600
Board member, Akermann	22 200	-	60 000	82 200
Board member, Gualdoni	10 800	-	60 000	70 800
Board member, Gustavson	5 400	-	60 000	65 400
Board member, Kerminen ¹⁾	5 400	-	0	5 400
Board member, Malinen	11 400	-	60 000	71 400
Board member, Nilsson	21 600	-	60 000	81 600
Board member, Schalin	11 400	-	60 000	71 400
CEO, Seitovirta	749 040	123 039	-	872 079
Deputy to the CEO	511 864	112 500	-	624 364
Other Leadership Team Members ²⁾	2 546 667	202 458	-	2 749 125

¹⁾ 1.1.–14.4.2014

²⁾ Tonteri 1.1.–31.8.2014, Saksi 1.7.–31.12.2014, Wallis 1.9.–31.12.2014, Tahvanainen 1.9.–31.12.2014.

2013 €	Salaries and fees with employee benefits	Performance/ project-related bonuses	Annual remuneration	Total
Board of Directors				
Chairman of the Board, Johansson ¹⁾	3 600	-	-	3 600
Chairman of the Board, Ollila	10 800	-	140 000	150 800
Vice Chairman of the Board, Vaartimo	14 400	-	80 000	94 400
Board member, Akermann	19 200	-	60 000	79 200
Board member, Nilsson	24 000	-	60 000	84 000
Board member, Schalin	12 600	-	60 000	72 600
Board member, Kerminen	12 600	-	60 000	72 600
Board member, Malinen	13 200	-	60 000	73 200
Board member, Kerkhoff ¹⁾	14 400	-	60 000	74 400
Board member, Hill ¹⁾	6 000	-	-	6 000
CEO, Seitovirta	755 040	157 500	-	912 540
Deputy to the CEO ²⁾	449 445	77 175	-	526 620
Other Leadership Team Members ³⁾	2 664 604	353 274	-	3 017 878

¹⁾ Johansson and Hill 1.1.–18.3.2013, Kerkhoff 1.1.–30.11.2013

²⁾ Lager 1.1.–31.10.2013, Florey 1.11.–31.12.2013

³⁾ Kotilainen 1.1.–28.2.2013, Albrecht-Früh 1.1.–13.6.2013

Outokumpu did not provide any guarantees or other similar commitments on behalf of members of its Board of Directors in 2014. No members of the Board of Directors or the Leadership Team or closely related persons or institutions have any significant business relationships with the Group.

Insider management

Outokumpu's insider rules are based on Finnish Securities Act and comply with the Guidelines for Insiders issued by the Nasdaq Helsinki stock exchange. Permanent insiders with a duty to declare consist of members of the company's Board of Directors, the Auditor in Charge, the CEO, and other members of the Outokumpu Leadership Team.

Outokumpu maintains a public register of permanent insiders who have the duty to declare. Employees of the Group who receive inside information on a regular basis as a result of their position or the duties they perform are registered in a non-public register of permanent company-specific insiders. Permanent insiders must not purchase or sell securities issued by the company in the 14 days prior to the publication of interim reports or the company's annual accounts (the so-called "closed window").

Separate, non-public, project-specific insider registers are maintained for insider projects. Persons defined as project-specific insiders are those who, in the course of their duties in connection with a project, receive information concerning the Group which, if or when realized, is likely to have a significant effect on the value of the company's publicly-traded securities.

Outokumpu's Head of Corporate Affairs and Compliance is responsible for the coordination and supervision of insider issues.

See the year-end 2014 shareholding of the Board of Directors and Leadership Team on p. 3.

Up-to-date information on holdings by Outokumpu's permanent insiders who have a duty to declare is available on Outokumpu's website.

Compliance

Outokumpu is strongly committed to the highest ethical standards and observes the laws and other regulations of the countries it operates in, and complies with agreements and commitments it has made. Outokumpu's Code of Conduct sets out these ethical standards and provides guidelines for a common way of working with the aim to ensure that all Outokumpu employees live up to Outokumpu's ethical standards. Outokumpu's Corporate Affairs and Compliance function is responsible for managing and continuously developing Outokumpu's compliance program. The objective of the program is to ensure that Outokumpu and its employees comply with laws, regulations as well as Outokumpu's internal policies and instructions. The program also aims to globally mitigate compliance risks for the corporation as well as for each individual employee by a set of preventive and supervisory measures. Raising awareness of and training on the Code of Conduct are central elements of the program. As part of the training, Outokumpu launched e-learning in its Code of Conduct, compulsory for all white collar employees. The first stage in 2014 covered some 3,000 people and achieved a completion rate of 99%. The Corporate Affairs and Compliance function reports to the Chief Financial Officer and also reports regularly directly to the Board Audit Committee on compliance-related matters.

Financial reporting

According to the Finnish Limited Liability Companies Act and the Finnish Code of Corporate Governance, the Board of Directors is responsible for a company's internal controls. The purpose of this section is to provide shareholders and other parties with a description of how internal control and risk management of financial reporting is organized in Outokumpu.

As a listed company, the Group has to comply with a variety of regulations. To ensure that all the stated requirements are met, Outokumpu has introduced principles for financial reporting and internal control and distributed these throughout the company's organization.

Control environment

The foundation for Outokumpu's control environment is the business culture established within the Group and its associated methods of operation. The basis for the company's compliance and control routines is provided by Group policies and principles which define the way in which Outokumpu's organization operates. These policies and principles include, for example, the Group's Corporate Responsibility Policy and Ethical Principles. The Outokumpu Code of Conduct describes the Group's basic values and offers standardized, practical guidelines for managers and employees to follow. Outokumpu's compliance program is described in the Compliance section. The Outokumpu performance management process is a key management activity and an important factor in enabling an efficient control environment. In all sections of the Group's operations, planning activities and the setting of both operational and financial targets are executed in accordance with Outokumpu's overall business targets. Management follow-up of related achievements is carried out through monthly management reporting routines and in performance review meetings.

Outokumpu operates in accordance with the risk management policy approved by the Group's Board of Directors and the Audit Committee regularly monitors the Group's risk map. The policy defines the objectives of risk management activities, the approaches to be taken and areas of responsibility. As well as supporting the Outokumpu strategy, risk management activities help in defining a balanced risk profile from the perspective of shareholders and other stakeholders such as customers, suppliers, personnel and lenders. More information on risk management within Outokumpu can be found in the Risk management section on p. 9.

Outokumpu's control process for financial reporting is based on Group policies, principles and instructions relating to financial reporting, as well as on the responsibility and authorization structure within the Group. Policies relating to financial reporting are usually owned and approved by the CEO and the CFO. Financial reporting in Outokumpu is carried out in a harmonized way using a common chart of accounts.

Financial reporting is prepared in accordance with International Financial Reporting Standards (IFRS). The Outokumpu Accounting Principles (OAP) are Outokumpu's application guidance as regards IFRS. The aim of the OAP and other financial reporting policies and instructions included in the Outokumpu Controller's Manual is to ensure that uniform financial processes and reporting practices are used throughout the Group. Policies and instructions for financial

reporting are reviewed on a regular basis and revised when necessary. During the 2014 financial year, some minor adjustments were made to the instructions, including small changes due to new consolidation standards and amendments in other applicable IFRSs. In 2015, Outokumpu will continue to follow the changes in IFRS standards closely. No major impact on the financial reporting due to the implementation of new standards is expected in 2015.

Financial statements by the parent company and stand-alone Finnish subsidiaries are prepared in accordance with generally accepted accounting principles in Finland, while foreign subsidiaries follow local accounting principles. Outokumpu also complies with regulations regarding financial reporting published by the Financial Supervisory Authority (FIN-FSA) and Nasdaq Helsinki.

Risk identification and assessment

Risk management processes connected with the Group's financial reporting are coordinated by Outokumpu's Treasury and Risk Management function. Related risks are classified as operational risks and can arise as a consequence of inadequate or failed internal processes, employee actions, systems or other events such as misconduct or crime. The aim of the Outokumpu risk management process is to identify, evaluate, control and mitigate such risks.

Major risks are reported to and evaluated by the Audit Committee on a regular basis. Outokumpu's risk management process includes arranging workshops on the identification of key risks, including operational risks, for Business Areas and other Group functions. Deliverables include risk maps and risk identification plans.

Control activities

In addition to the Board of Directors and Audit Committee, operational management teams in Outokumpu are responsible for ensuring that internal controls relating to financial reporting are in place at all Outokumpu units. The aim of control activities is to discover, prevent and correct potential errors and deviations in financial reporting. Control activities also aim to ensure that authorization structures are designed and implemented in a way that conflicting divisions of work do not exist (i.e. one person performing an activity and also being responsible for controlling that activity). Control activities consist of different kind of measures and include reviews of financial reports by Group management and in Business Area management teams, the reconciliation of accounts, analyses of the logic behind reported figures, forecasts compared to actual reported figures and analyses of the Group's financial reporting processes, among others. A key component is the monitoring of monthly performance against financial and operational targets. These control activities take place at different levels of the organization. The most important accounting items in Outokumpu are the valuation and reporting of inventories and other items of working capital. Also, in difficult market situations, asset impairment calculations and related sensitivity analyses are increasingly important. These items are carefully monitored and controlled both within Business Areas and at Group level on a regular basis.

Integration of the acquired Innoxum companies into Outokumpu's accounting and reporting processes was ongoing in 2014 and is still continuing in 2015. This includes further specification of accounting

and reporting roles and responsibilities, and implementation of harmonized ways of working and reporting timetables within the Group. In relation to the Innoxum transaction, the measurement of acquired assets and liabilities at fair value was prepared in 2013. In accordance with the commitments given to the European Commission in the context of the merger with Innoxum to divest the AST (Acciai Speciali Terni) stainless steel operations in Terni, Italy and certain European service centers and other remedy assets, Outokumpu held the remedy assets separate and ring-fenced from the operations of the Group. The divestment was completed in the end of February 2014.

Information technology and solutions play an important role in guaranteeing that the Group's internal controls have a solid foundation. A new consolidation system project has been started to ensure timely and uniform financial and management reporting from the Group entities and an effective closing process within the whole Group. The system will be implemented in 2015. Outokumpu has also started a business transformation program to develop and improve business capabilities. This will be achieved mainly by harmonizing and improving the Group's core business processes.

Information and communication

Group-wide policies and principles are available to all Outokumpu employees. Instructions relating to financial reporting are communicated to all the parties involved. The main communication channels employed are Outokumpu's intranet and other easily-accessible databases. Face-to-face controller meetings are also organized. Senior Controller meetings are organized on a quarterly basis or more frequently when this is considered necessary to share information and discuss issues of topical interest to the Group.

Outokumpu has established different networks and communities in which financial reporting and internal control issues and related instructions are discussed and reviewed. These networks usually consist of personnel from the Business Areas and Group functions. The aim of these networks, communities and common instructions is to ensure that unified financial processes and reporting practices are used throughout the Group. The networks and communities play an important role in establishing the effectiveness of internal controls relating to financial reporting and in developing Outokumpu policies, instructions and processes.

Follow-up

Both management in all Outokumpu companies and personnel in accounting and controlling functions are responsible for the follow-up and monitoring of internal controls connected with financial reporting. The Internal Audit and Risk Management functions also engage in follow-up and control activities. The findings of the follow-up procedures are reported to the Audit Committee and the Outokumpu Leadership Team on a regular basis.

Internal audit

Internal Audit is an independent, objective assurance, control, and consulting function designated to add value, to improve operations, and to support the organization in achievement of its objectives.

Through a systematic, disciplined approach, Internal Audit determines whether governance processes, the internal control system, and the risk management system as designed and represented by the Board of Directors and the Leadership Team are effective and efficient.

With commitment to integrity and accountability, Internal Audit provides value to governing bodies and senior management as an objective and direct source of correct, reliable information and independent advice. Besides Internal Audit monitors adherence to Group principles, policies, and procedures and investigates fraudulent and non-compliant behaviors and activities. Internal Audit performs its function on behalf of and directly reporting to the Audit Committee and to the Leadership Team, but is functionally assigned to the CEO. The annual internal audit plan is approved by the Audit Committee.

In 2014, Internal Audit performed 5 extended operational audits, 2 on-site follow-ups, a special investigation on uncommon bad debts settlement, and a special compliance audit and clean-up operation. The results of all performed audits including their risk appraisals have been reported and distributed in writing. In view of the Outokumpu Code of Conduct and the Corporate Responsibility Policy, potential risk has been identified in an Eastern European entity.

The confidential whistleblowing hotline ("Helpline") available on the company intranet and via internet is set up to anonymously inform Internal Audit and the Audit Committee of suspicions of financial misconduct or unethical behavior. Investigation of 1 communicated case in 2014 resulted in proof of violation of Health and Safety standards. From 8 further special investigations based on allegations brought forward through other channels, no incidents in view of discrimination or human rights violations were noted; however Internal Audit observed theft of material in 2 instances and potential violations of the Outokumpu Code of Conduct in 1 case.

Auditors

Under its Articles of Association, the company shall have a minimum of one and a maximum of two auditors who are qualified auditors or firms of independent public accountants authorized by the Central Chamber of Commerce of Finland.

The Annual General Meeting elects the auditors to a term of office ending at the close of the next Annual General Meeting. Proposals to the Annual General Meeting on the election of auditors which have been made known to the Board of Directors prior to the Annual General Meeting will be made public if it is supported by shareholders holding a minimum of 10% of all the company's shares and voting rights and the person or company proposed has consented to such nomination. Additionally, the Audit Committee of the Board has the duty to consider and make a proposal to the Annual General Meeting as to the election and fees of the auditor.

The company's auditors submit the statutory auditor's report to the company's shareholders in connection with the company's financial statements. The auditors also report their findings to the Board Audit Committee on a regular basis and at least once a year to the full Board of Directors. The parent company, Outokumpu Oyj, is audited by KPMG Oy Ab, and the responsible auditor is Virpi Halonen, Authorized Public Accountant. KPMG Oy Ab is also responsible for overseeing and coordinating the auditing of all Group companies.

Both Outokumpu and KPMG Oy Ab emphasize the requirement that an auditor be independent of the company being audited. In its global independence policy, KPMG has stated its commitment to observing and complying with the Code of Ethics of the International Federation of Accountants (IFAC).

Outokumpu's Board Audit Committee continuously monitors non-audit services purchased by the Group from KPMG Oy Ab at a global level. In 2014, auditors were paid fees totaling EUR 3.4 million, of which non-auditing services accounted for EUR 1.4 million.

Risk management

Outokumpu operates in accordance with the risk management policy approved by the company's Board of Directors. This defines the objectives, approaches and areas of responsibility in the Group's risk management activities. As well as supporting Outokumpu's strategy, the aim of risk management is identifying, evaluating and mitigating risks from the perspective of shareholders, customers, suppliers, personnel, creditors and other stakeholders.

Risk management organization

The Board of Directors carries ultimate responsibility for risk management within Outokumpu. CEO and members of the Leadership Team are responsible for defining and implementing risk management procedures, and for ensuring that risks are both properly addressed and taken into account in strategic and business planning. Business Areas and Group functions are responsible for managing risks connected with their own operations. Auditors and Internal Audit monitor risk management processes, and the Leadership Team, the Board's Audit Committee and the Board of Directors review both key risks and actions taken to manage these risks on a regular basis. Treasury and Risk Management function supports implementation of Outokumpu's risk management policy, facilitates and coordinates risk management activities, and prepares quarterly risk reports for management, Board's Audit Committee and Auditors.

Risk management process

Outokumpu has defined risk as anything that could have an adverse impact on achieving the Group's objectives. Risks can therefore be threats, uncertainties or lost opportunities connected with current or future operations. Outokumpu's appetite for risk and risk tolerance are defined in relation to Group earnings, cash flows and capital structure. The risk management process is an integral part of the overall management processes and it is divided into four stages: risk identification, risk evaluation, risk prioritization and risk mitigation. Within Outokumpu, the risk management process is monitored

and controlled at different organizational levels in a systematic manner. Regular risk updates are done to ensure that the process is operating in an uninterrupted manner. The monitoring and analysis of results and risk updates also ensure that accurate information is provided both internally – to Business Area management teams and members of the Leadership Team – and externally to parties such as shareholders and other stakeholders.

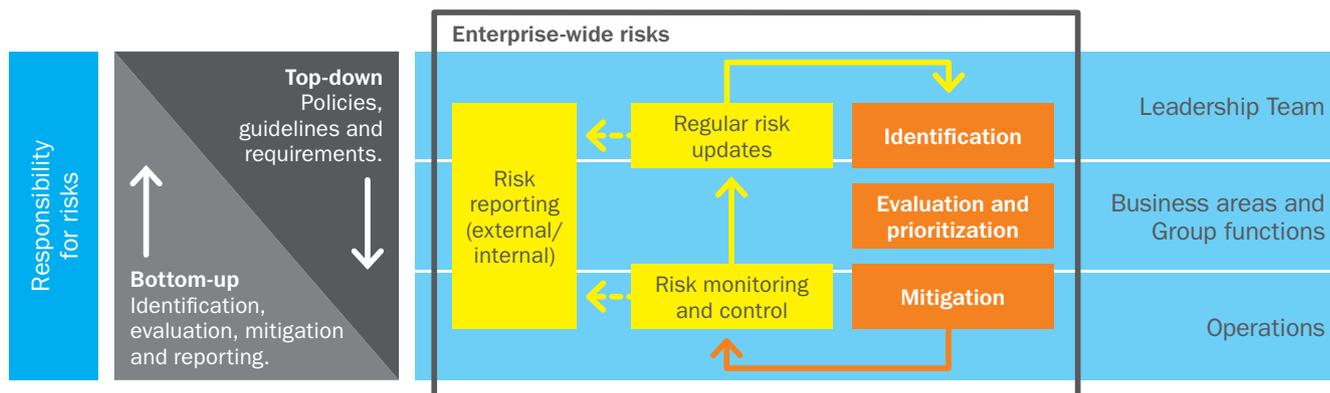
Focus areas 2014

In 2014 one of the main focus areas was to monitor and strengthen Outokumpu's financial position. In order to increase risk tolerance, Outokumpu completed significant financing measures in connection with the sale of the Terni and VDM operations. All these measures de-risked Outokumpu significantly by improving liquidity, strengthening balance sheet, extending debt maturities, reducing variation of free cash flow and decreasing exposure to operational risks.

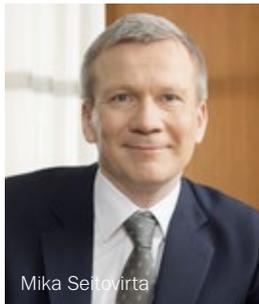
Unfortunately, during the reporting year Outokumpu suffered contractor's fatal accident in Calvert, in June. In addition, serious machinery breakdown incidents took place at the ferrochrome production unit in Tornio and at cold rolling mills in Calvert. These losses are expected to be covered partially by insurance. Outokumpu intends to focus on preventive maintenance and machinery breakdown loss prevention in 2015 e.g. in connection with its insurance related auditing programs.

During the year, risk management processes were further aligned within Outokumpu. The integrated process supported by recently launched risk management software includes strong focus on operational risks. The software will be applied as a group-wide reporting tool for consistent identification and reporting of risks at different organizational levels. Additionally, the Group's key risks were updated regularly during 2014. Outokumpu continued its systematic fire safety and loss prevention audit programs. Some twenty fire safety and loss prevention audits were carried out in 2014 using in-house expertise in co-operation with external advisors.

Risk management process in Outokumpu



Leadership Team on Dec 31, 2014



Mika Seitovirta



Reinhard Florey



Pekka Erkkilä



Austin Lu



Kari Parvento

Mika Seitovirta

b. 1962, Finnish citizen
M.Sc. (Econ.)
CEO 2011–
Chairman of the Outokumpu Leadership Team 2011–
Responsibility: Group management, strategy and sustainability, legal and internal audit
Employed by the Outokumpu Group since 2011

Work experience

President and CEO: Glaston Corporation (formerly Kyro Corporation) 2007–2009
Managing Director: Hartwall Oy 2003–2006
Managing Director: Volvo Auto 1998–2003
Finance Director, Deputy to Sales Company
President: Volvo Deutschland 1994–1998
Several positions at Volvo Auto 1986–1994
Business Development Manager: Aro-Yhtymä 1989–1990

Positions of trust

Chairman of the Board: Association of Finnish Steel and Metal Producers 2015– (Board member 2011–)
Deputy Chairman of the Board: Shanghai Krupp Stainless Co. Ltd. 2013–
Board member: Eurofer 2014–
Board member: East Office of Finnish Industries 2013–
Board member: Federation of Finnish Technology Industries 2013–
Board member: World Steel Association 2013–
Board member: International Stainless Steel Forum 2011–
Member of the Supervisory Board: Varma Mutual Pension Insurance Company 2011–
Board member: Are 2009–2011
Senior Advisor, Advisory Group: Ratos 2008–2011
Board member: Aro-Yhtymä 2006–2011
Board member: Handelsbanken Finland 2004–2011

Reinhard Florey

b. 1965, Austrian citizen
M. Sc. (Eng.), M.A.
CFO 2013–
Member of the Outokumpu Leadership Team 2012–
Responsibility: Finance and control, treasury and risk management, taxation, integration and M&A, corporate affairs and compliance, and investor relations
Employed by the Outokumpu Group since 2012

Work experience

Executive Vice President – Integration and Strategy: Outokumpu Oyj 2012–2013
CFO: Inoxum GmbH 2011–2012
Member of Executive Board: ThyssenKrupp Steel Americas, LLC 2010–2011
CFO – Steel Americas business area: ThyssenKrupp AG 2009–2011
SVP – Corporate Center Mergers and Acquisitions: ThyssenKrupp AG 2005–2009
SVP – Corporate Development/M&A: ThyssenKrupp Steel AG 2002–2005
Various positions at McKinsey & Company 1995–2002

Positions of trust

Board member: Shanghai Krupp Stainless Co. Ltd. 2011–
Executive Member of the Board: Acciai Speciali Terni S.p.A. 2011–2014

Pekka Erkkilä

b. 1958, Finnish citizen
M.Sc. (Eng.)
Executive Vice President, Chief Technology Officer 2013–
Member of the Outokumpu Leadership Team 2013–
Responsibility: Global production and technology strategy, capital investment optimization, R&D, raw material and general procurement and energy
Employed by the Outokumpu Group since 2013 (and in 1983–2000 and 2004–2010)

Work experience

President, Ferrous Solutions business area: Outotec Oyj 2010–2013
Executive Vice President, General Stainless and Production Operations: Outokumpu Oyj 2004–2010
Executive Vice President, later President: AvestaPolarit Oyj 2001–2004
President: Outokumpu Chrome Oy 1996–2000
Various management positions: Outokumpu Tornio Works 1983–1995

Positions of trust

Chairman of the Board: Manga LNG Oy 2013–
Board member: Voimaosakeyhtiö SF 2014–
Board member: University of Oulu 2009–
Board member: Grängesberg Iron AB 2009–2014

Austin Lu

b. 1971, Chinese citizen (People's Republic)
MBA, B.Sc. (Econ.)
President – APAC 2012–
Member of the Outokumpu Leadership Team 2012–
Responsibility: APAC business area
Employed by the Outokumpu Group since 2012

Work experience

Senior Vice President – APAC Focus Area: Outokumpu Oyj 2012
Vice President, Regional General Manager, China: General Electric 2009–2011
Business Leader, Life Science Ingredient: Lonza Group 2008–2009
Marketing Director: General Electric Plastics, China 2005–2008
Various positions in General Electric Plastics in China 1996–2005
Various positions in China MinMetals Co. 1993–1996

Kari Parvento

b. 1957, Finnish citizen
M.Sc. (Eng.)
President – Quarto Plate 2014–
Member of the Outokumpu Leadership Team 2010–
Responsibility: Quarto Plate business area
Employed by the Outokumpu Group since 2010

Work experience

President – Stainless Americas 2012–2014
Executive Vice President – Ferrochrome, Group R&D and Environment and Quality: Outokumpu 2012
Executive Vice President – Group Sales and Marketing: Outokumpu Oyj 2010–2011
President, Underground Mining: Sandvik Group 2009–2010
President, Underground Hard Rock Mining: Sandvik Group 2007–2009
Managing Director, Sandvik Mining and Construction Oy (“SMC Oy”): Sandvik Group 2007–2010
Managing Director, SMC Australia and Sandvik Materials Handling Pty Ltd. Australia: Sandvik Group 2005–2007
Business Development Manager, Sandvik Tamrock Finland: Sandvik Group 2004–2005
Managing Director: Kuusakoski Sverige AB 2003–2004
Country Manager, Scandinavia: Kuusakoski Group 2000–2004
Managing Director: Kuusakoski AB 2000–2003

Positions of trust

Chairman of the Board: SMC Austria GmbH 2009–2010
Board member: SMC Corporation Finland 2007–2010



Olli-Matti Saksi



Johann Steiner



Saara Tahvanainen



Kari Tuutti



Michael Wallis

Olli-Matti Saksi

b. 1967, Finnish citizen
M.Sc. (Eng.)
President – Coil EMEA 2014–
Member of the Outokumpu Leadership Team 2014–
Responsibility: Coil EMEA business area
Employed by Outokumpu Group since 2013

Work experience

Senior Vice President – Head of Sales EMEA:
Outokumpu 2013–2014
SVP and General Manager, Division Rolled
Products: Aleris 2011–2013
VP, Sales and Marketing: Aleris 2008–2011
VP, Sales and Marketing: ArcelorMittal 2004–2008
VP, Sales: Rautaruukki 2000–2004
Business Development and Corporate Planning:
Fundia 1998–2000
Various positions: Rautaruukki 1991–1998

Johann Steiner

b. 1966, German citizen
M.Sc. (Econ.)
Executive Vice President – Human Resources, IT,
Health and Safety 2013–
Member of the Outokumpu Leadership Team
2013–
Responsibility: Human resources, IT, health and
safety
Employed by the Outokumpu Group since 2013

Work experience

Executive Vice President – Human Resources and
Health, Safety and Sustainability: Outokumpu Oyj
2013
Group HR Director: SAG Group GmbH 2012
Operating Partner: Humatica AG 2010–2012
Group HR Director: Clariant International AG
2002–2008
VP Executive Policies: EADS (former
DaimlerChrysler Aerospace AG) 1999–2002
Senior Consultant: Towers Perrin 1993–1998

Saara Tahvanainen

b. 1974, Finnish citizen
M.Sc. (Soc.) in communications
Executive Vice President – Communications &
Marketing 2014–
Member of the Outokumpu Leadership Team 2014–
Responsibility: Communications and marketing
Employed by the Outokumpu Group since 2012

Work experience

Vice President – Communications: Outokumpu Oyj
2013–2014
Director – External Communications: Outokumpu
Oyj 2012
Senior Communications Manager: Nokia
2007–2012
Communications Manager: Nokia 2006–2007
Communications Manager: Fazer 2004–2006
Project Manager, change and leadership
communications: Ericsson 2001–2004
Communications Officer: Ericsson 2000–2001

Kari Tuutti

b. 1970, Finnish citizen
M.Sc. (Econ.)
President – Long Products 2014–
Member of the Outokumpu Leadership Team 2012–
Responsibility: Long Products business area
Employed by the Outokumpu Group since 2011

Work experience

Executive Vice President – Marketing,
Communications and Sustainability: Outokumpu
Oyj 2013–2014
Executive Vice President – Marketing,
Communications and IR: Outokumpu Oyj 2012–
2013
Senior Vice President – Marketing, Communications
and IR: Outokumpu Oyj 2011–2012
Director, Marketing Creation: Nokia Oyj 2009–2011
Vice President, Communications: Nokia Oyj 2008
Director, Communications, Multimedia Business
Group: Nokia Oyj 2002–2007
Senior Manager, Investor Relations: Nokia Oyj
1999–2002
Manager, Treasury, Finland and Geneva: Nokia Oyj
1995–1999
Analyst, Treasury: Merita Bank 1994–1995

Positions of trust

Chairman of the Board: Fagersta Stainless AB
2014–
Chairman of the Board: Euro Inox 2013–

Michael Wallis

b. 1960, British citizen
BA (Hons) Business Studies
President – Coil Americas 2014–
Member of the Outokumpu Leadership Team 2014–
Responsibility: Coil Americas business area
Employed by the Outokumpu Group since 2013

Work experience

Senior Vice President – Stainless Coil Americas:
Outokumpu Oyj 2013–2014
Chief Executive Officer: Outokumpu Stainless USA
(former ThyssenKrupp Stainless USA) 2012–2013
VP & President, North America Rolled Products:
Alcoa Inc. 2004–2012
General Manager: Alcoa Europe 2002–2004
Managing Director: British Aluminium (part of Luxfer
Group) 1996–2002
Managing Director: British Alcan Plate 1993–1996
Finance Director: British Alcan Aerospace
1991–1993
Chief Accountant: British Alcan 1990–1991

Board of Directors on Dec 31, 2014



Jorma Ollila



Olli Vaartimo



Markus Akermann



Roberto Gualdoni

Jorma Ollila

Chairman of the Board of Directors

b. 1950, Finnish citizen
 M.Sc. (Pol.) (University of Helsinki 1976)
 M.Sc. (Econ.) (London School of Economics 1978)
 M.Sc. (Eng.) (Helsinki University of Technology 1981)
 Outokumpu Board member 2013–
 Chairman of the Board 2013–
 Chairman of the Remuneration Committee

Work experience

Chairman of the Board: Nokia Corporation 2006–2012
 Chairman and Chief Executive Officer: Nokia Corporation 1999–2006
 President and Chief Executive Officer: Nokia Corporation 1992–1999
 President: Nokia Mobile Phones 1990–1992
 Senior Vice President, Finance: Nokia 1986–1989
 Various managerial positions within corporate banking: Citibank 1978–1985

Positions of trust

Chairman of the Board: Royal Dutch Shell Plc 2006–
 Vice Chairman of the Board: Otava Books and Magazines Group 1996–
 Board member: Tetra Laval Group 2013–
 Board member: University of Helsinki 2009–
 Chairman of the Boards of Directors and the Supervisory Boards: The Research Institute of the Finnish Economy ETLA and Finnish Business and Policy Forum EVA 2005–
 Advisory Partner: Perella Weinberg Partners 2014–

Independent of the company and its significant shareholders.

Olli Vaartimo

Vice Chairman of the Board of Directors

b. 1950, Finnish citizen
 M.Sc. (Econ.)
 Outokumpu Board member 2010–
 Vice Chairman of the Board 2011–
 Chairman of the Audit Committee

Work experience

CFO: Metso Oyj 2003–2010
 Executive Vice President, Deputy to the President and CEO: Metso Oyj 2003–2010
 Member of the Executive Team 1999–2010 and Vice Chairman of the Executive Team 2004–2010: Metso Oyj

President and CEO (acting): Metso Oyj 2003–2004
 President and CEO: Metso Minerals Oy 1999–2003
 President and CEO: Nordberg Group, Rauma Oyj 1993–1999
 Executive Vice President: Rauma Oyj 1991–1998

Positions of trust

Chairman of the Board: Valmet Automotive Oy 2003–2014
 Board member: Valmet Automotive Oy 2014–
 Board member: Kuusakoski Oy 2008–
 Board member: Kuusakoski Group Oy 2008–
 Board member: Alteams Oy 2008–2014
 Board member: Northland Resources SA 2013–2014

Independent of the company and its significant shareholders.

Markus Akermann

b. 1947, Swiss citizen
 M.Econ. (University of St.Gallen, Switzerland)
 Outokumpu Board member 2013–
 Member of the Audit Committee

Work experience

Chief Executive Officer: Holcim Group 2002–2012
 Chairman of the Board: Holcim Group Support Ltd 2002–2012
 Member of the Board: Holcim Ltd 2002–2013
 Member of the Group Executive Committee with responsibility for Latin America, international trading activities and Corporate Human Resources and Training: Holcim Group 1993–2001
 Member of the Board and Managing Director: Holcim Apasco SA de CV, Mexico 1993–2012
 Area Manager Central America, Andean Countries and international trading activities: Holcim Group 1986–1993

Positions of trust

Member of the Board: Votorantim Cimentos S.A. 2013–
 Member of the Board: ACC Mumbai, India 2005–2012
 Member of the Board: Ambuja Cements Ltd, Mumbai, India 2006–2012
 Member of the Executive Board: World Business Council for Sustainable Development (WBCSD) 2008–2011

Independent of the company and its significant shareholders.

Roberto Gualdoni

b. 1956, German citizen
 MBA, M.Sc. (Eng.)
 Outokumpu Board member 2014–
 Member of the Remuneration Committee

Work experience

Chief Executive Officer: Styrolution Group 2011–2014
 President, Styrenics: BASF SE 2010–2011
 Senior Vice President, Global Procurement Raw Materials: BASF SE 2007–2010
 Senior Vice President, Global Procurement Basic Products: BASF SE 2006–2007
 Group Vice President, Business Unit Engineering Plastics Europe: BASF SE 2001–2005
 Group Vice President, Business Unit Foam Products Europe: BASF SE 1998–2001
 Chief Controller, Regional Division Central Europe: BASF SE 1996–1998
 Controlling, Sales Division Germany: BASF SE 1994–1996
 European Market Coordinator – Specialty Chemicals: BASF SE 1991–1994
 Market Coordinator North Europe/Germany – Specialty Chemicals: BASF SE 1991
 Product manager, Superabsorbers and Dispersing Agents: BASF SE 1990–1991
 Marketing Manager, Textile, Leather, Paper and Specialty Chemicals: BASF Argentina S.A. 1988–1989
 Assistant to the General Manager: BASF Argentina S.A. 1987–1989
 Commercial Coordinator: Tenaris 1983–1986

Positions of trust

Chairman of the Supervisory Board: Styrolution Europe and Styrolution Americas 2012–2014
 Chairman of the Board: BGS, Schwarzeide, 2001–2005
 Member of the Steering Board: PlasticsEurope, Brussels/Belgium, 2012–2014
 Board member: FIW, Munich, 1998–2001
 Board member: BASF Intertrade AG, Zug/Switzerland, 2006–2007
 Vice President: EXIBA, Brussels, 1998–2001

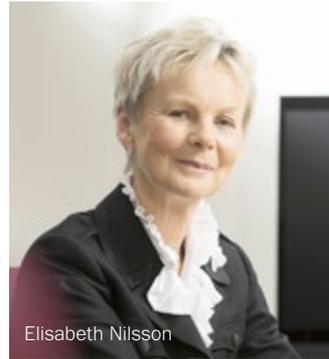
Independent of the company and its significant shareholders.



Stig Gustavson



Heikki Malinen



Elisabeth Nilsson



Siv Schalin

Stig Gustavson

b. 1945, Finnish citizen
M.Sc. (Eng.)
Dr.Tech. (hon.) Tampere University of Technology
Dr.Tech. (hon.) Aalto University Helsinki
Finnish Honorary title Vuorineuvos
Outokumpu Board member 2014–
Member of the Remuneration Committee

Work experience

President and CEO: Konecranes Plc 1994–2005
President: KONE Oy/KONE Cranes 1988–1994
President: KONE Oy/KONE Wood 1985–1988
Director: KONE Oy/KONE Roxon, 1982–1985
Various executive positions within leading Finnish and Swedish companies, 1970–1982

Positions of trust

Board Memberships and Chairmanships in over 20 major Finnish and Scandinavian companies and over 10 Finnish, Scandinavian and European organizations, trusts and charities, including present positions:
Chairman of the Board: Ahlstrom Capital OY 2011–
Chairman of the Board and Executive Committee of Technology Academy (Finland) 2007–
Chairman of the Board: Konecranes Plc 2005–
Chairman of the Board: Svenska Handelsbanken, Finland 2004–
Chairman of the Executive Committee: Strategic Centers for Science, Technology and Innovation (SHOKs) 2012–
Vice Chairman of the Supervisory Board: Tampere Technical University 2013–
Supervisory Board Member: Varma Mutual Pension Insurance Company 2000–
Special Advisory Assignment: All Tampere-based Universities 2014–
Senior Advisor of IK Investment Partners 1997–
Past Chairman 2005–2011 and present Vice Chairman 2011– of the Board of Dynea Oy
Past Chairman 2002–2007 and present Vice Chairman 2007– of the Board of Mercantile Oy Ab

Independent of the company and its significant shareholders.

Heikki Malinen

b. 1962, Finnish citizen
M.Sc. (Econ.), MBA (Harvard)
Outokumpu Board member 2012–
Member of the Audit Committee

Work experience

President and CEO: Posti Group Corporation (formerly Itella Corporation) 2012–

President and CEO: Pöyry PLC 2008–2012
Executive Vice President, Strategy, member of the UPM Executive Team: UPMKymmene Corporation, Helsinki, Finland 2006–2008
President: UPM North America, Chicago, USA 2004–2005
President of Sales: UPM North America, Chicago, USA 2002–2003
Managing Partner: Jaakko Pöyry Consulting, New York, USA 2000–2001
Engagement Manager: McKinsey & Co, Atlanta, USA 1997–1999
Director, Business Development UPM Paper Divisions, Helsinki, Finland 1994–1996

Positions of trust

Chairman: American Chamber of Commerce (AmCham Finland) 2009–2014
Board member: Ilmarinen Mutual Pension Insurance Company 2014–
Board member: Service Sector Employers PALTA 2013–
Board member: East Office of Finnish Industries 2012–
Board member: Federation of Finnish Technology Industries 2011–2012
Board member: Botnia Oy 2006–2008
Supervisory Board Member: Finnish Fair Corporation 2014–
Supervisory Board member: Ilmarinen Mutual Pension Insurance Company 2013

Independent of the company and its significant shareholders.

Elisabeth Nilsson

b. 1953, Swedish citizen
M.Sc. (Tech.)
Outokumpu Board member 2011–
Member of the Remuneration Committee

Work experience

Governor: Östergötlands län 2010–
President: Jernkontoret (Swedish Steel Producers' Association) 2005–2010
General Manager, Metallurgy Division: SSAB Oxelösund 2003–2005
Managing Director: SSAB Merox 2001–2003
Manager, Department for Environment, Health and Safety: SSAB 1996–2001
Manager, Continuous Casting Department: SSAB Oxelösund 1991–1996

Positions of trust

Chairman of the Board: Göta Kanalbolaget 2011–
Chairman of the Board: Risbergska donationsfonden 2010–

Chairman of the Board: Tåkerfonden 2010–
Chairman of the Board: Övralidsstiftelsen 2010–
Chairman: Foundation Mefos 2005–2010
Chairman: Svenska Bergsmannaföreningen 2007–2009
Member: Royal Swedish Academy of Engineering Science IVA 2007–
Member: Skandia Council 2014–
Board member: Northland Resources SA 2013–2014
Board member: Sveaskog AB 2010–2012
Board member: 4:e AP-fonden 2010–2011
Board member: Swerea AB 2008–2011
Board member: Euromaint AB 2004–2007
Board member: Swedish Maritime Administration 1996–2006

Independent of the company and its significant shareholders.

Siv Schalin

b. 1962, Finnish citizen
M.Sc. (Econ.), MBA
Outokumpu Board member 2011–
Member of the Audit Committee

Work experience

President: Docrates Oy 2012–
President and General Manager, Patient Care Solutions: GE Healthcare Finland Oy 2008–2012
Vice President, Service: GE Healthcare EMEA 2005–2008
General Manager: GE Healthcare Sweden 2004–2005
Director, Critical Care: Instrumentarium Oyj 2003–2004
Area Manager, Nordic Countries: Instrumentarium Oyj 2002
Vice President, Components Division: Össur hf. 2000–2001
President: Össur USA Inc. 1997–2000

Positions of trust

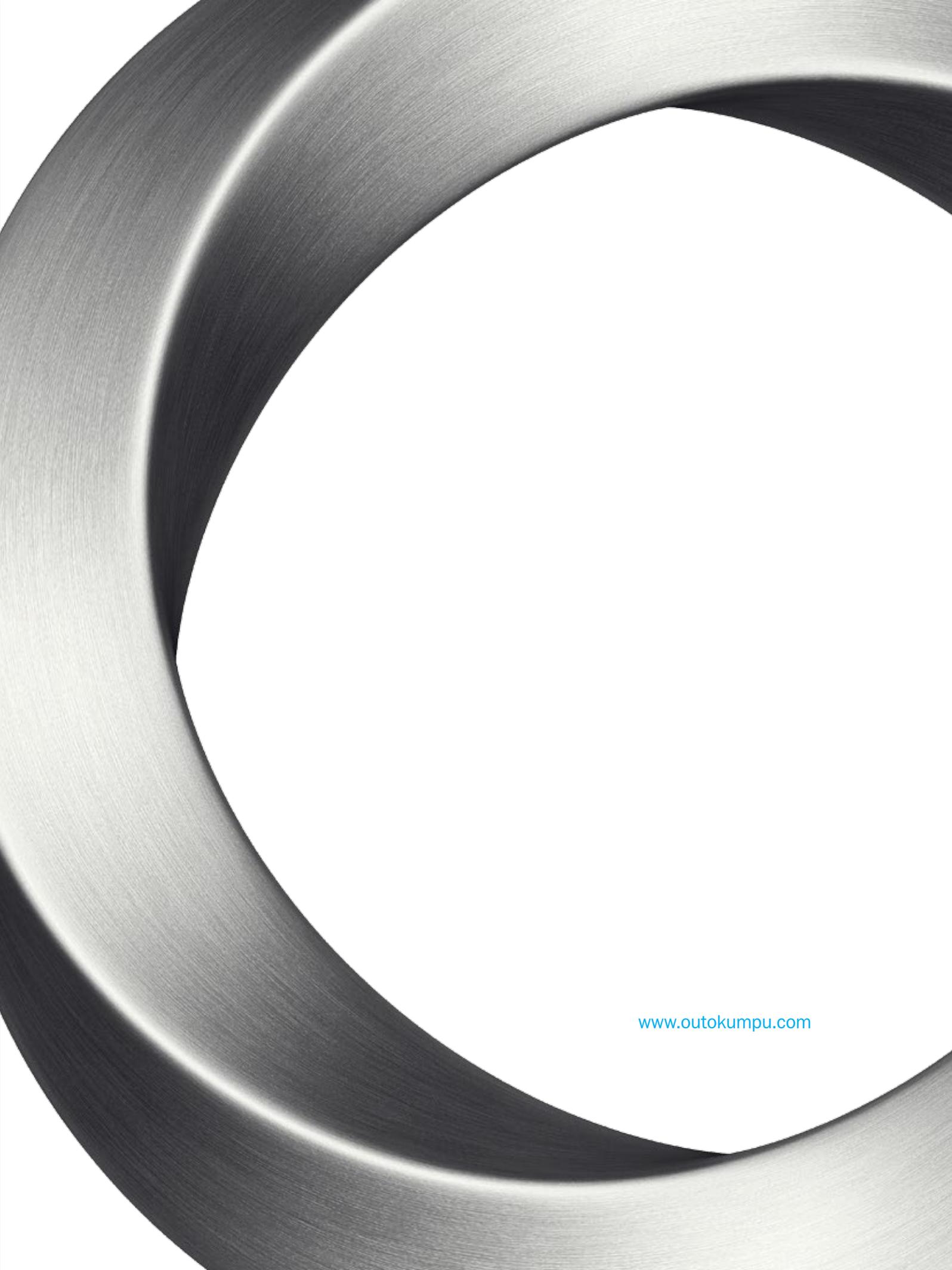
Board member: Association of Private Health Care Providers in Finland 2013–
Supervisory Board member: Arcada University of Applied Sciences 2009–
Chairman, Managing Director and member of the Board of several GE Healthcare group companies 2008–2012
Vice Chairman: FIHTA (Finnish Healthcare Technology Association) 2008–2012

Independent of the company and its significant shareholders.

Outokumpu Oyj

Corporate Management
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Fax +358 9 421 3888

www.outokumpu.com



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