



Date: June 10, 2022

Dear Valued Customer,

The following announcement applies to our U.S. and Canada business effective with shipments beginning July 1, 2022.

Truck freight costs continue to rise and the impact of over the road trucking continues to add to road congestion and detract from our shared responsibility towards sustainability. As a result, Outokumpu will apply standard full truck freight to all deliveries, effectively eliminating all freight subsidies. At the same time, Outokumpu will eliminate the fuel surcharge. These truck freight standards will be reviewed quarterly and adjusted as necessary. Over the course of the upcoming weeks, the Outokumpu sales team will develop a plan with customers who desire more economical and environmentally sustainable transportation methods, such as rail, barge and intermodal.

Outokumpu is committed to the elimination of consignment programs. However, there may be cases where consignment or roll and hold programs may be appropriate to best serve our customers. When programs like this are contractually agreed, Outokumpu will implement an extra of 2% of the all in price (excluding freight) to account for the cost of capital associated with the program. This percentage will be reviewed quarterly.

Please contact your local Outokumpu sales representative with any questions.

We thank you for your continued support.

Best Regards,

Carmen Pino  
Senior Vice President Sales – BA Americas