

CORPORATE RESPONSIBILITY POLICY

1 Purpose and scope

This Corporate Responsibility Policy describes the main principles and rules followed by Outokumpu Group in relation to the sustainable development of the economic, environmental, and social aspects.

2 Applicability

This Policy must be followed globally by all Outokumpu businesses, companies, directors, officers, and employees.

3 Main Principles

- Sustainability is an integral part of all Outokumpu operations, activities, and decision making, from materials purchasing through production to sales.
- Sustainability has a central role in Outokumpu's vision, strategy, and planning.
- Economic, environmental, and social dimensions should be in balance.
- Outokumpu's business creates value to for the company, the society, and the environment.
- Outokumpu expects its business partners as subcontractors, customers and suppliers and other stakeholders to follow similar standards.
- Outokumpu strives for a continuous, systematic, and open dialogue with key stakeholders.

4 Content of the Policy

4.1 General

Outokumpu is a signatory of the United Nations Global Compact. Outokumpu is committed to continuous improvement and to follow the highest standards. Outokumpu stands by corporate responsibility, compliance with legislation in all areas operated in, and the fulfilment of stakeholder requirements to which the company subscribes. This Corporate Responsibility Policy covers all aspects of Outokumpu's business, takes the impact to the society into account, and sets a framework to implement Group ethical principles in decisions and operations.

For Outokumpu, sustainable development includes the economic, environmental, and social aspects and their impacts on the Group and its stakeholders. Outokumpu communicates openly about significant aspects and require that key suppliers and contractors perform in line with this policy. Sustainability is a precondition for competitiveness in the long run.

Outokumpu's sustainability contributes to value creation:

- Sustainability is an integral part of all Outokumpu decision making, from materials purchasing through production to sales and investments.
- Sustainability has a central role in Outokumpu's vision, strategies, and planning.
- Economic, environmental, and social dimensions should be in balance.
- Compliance with laws, the Code of Conduct and Our Ways of Working form the basis of Outokumpu's actions.
- Outokumpu shares knowledge of best practices, technologies and product stewardship throughout the company.
- Outokumpu's business creates value for the company, society, and the environment, and the company strives to continuously improve its performance, products, and operations.
- Outokumpu expects its business partners, subcontractors, and suppliers to follow similar standards. If indicated Outokumpu supports business partners to improve expected compliance. Non-compliance is not acceptable and might lead to the discontinuation of business relations.
- To enhance transparency and accountability, Outokumpu strives for a continuous, systematic, and open dialog with key stakeholders, such as shareholders, employees, customers, suppliers, investors and authorities as well as public and non-governmental organizations.
- Outokumpu management systems are based on the requirements of the international Management System standards. Outokumpu plans, sets objectives, executes, sustains and reports business activities in line with those systems. This policy and the management system certificates are available at www.outokumpu.com.

4.2 Social Responsibility

Outokumpu's operations have an impact on the local, national, and global communities in which the Group operates. Outokumpu contributes to the communities' well-being through paying taxes, direct and indirect employment as well as other means of community involvement. Current and future employees are very important stakeholders for Outokumpu. Outokumpu's employees are the vital element in achieving outstanding performance. Outokumpu fosters diversity and create a work environment that allows all team-members to contribute and to develop. Outokumpu's commitment to respect human rights is aligned with the UN Guiding Principles on Business and Human Rights. While Outokumpu respects internationally recognized human rights set forth in the International Bill of Human Rights and the International Labor Organization's Declaration of Fundamental Principles and Rights at Work, some issues are considered particularly salient to Outokumpu's operations.

Human rights and dignity commitment means that:



- Freedom of association prevails in Outokumpu
- Outokumpu expects its employees to value diversity and different cultures
- All forms of discrimination are absolutely unacceptable. Everyone should be treated equally and fairly, irrespective of such characteristics as ethnic origin, nationality, religion, political views, gender, sexual orientation, disability or age.
- Outokumpu condemns the use of child labor
- Outokumpu expects its business partners to follow similar standards
- Outokumpu conducts human rights due diligence by identifying, preventing, mitigating, and accounting for potential and actual adverse human rights impacts that Outokumpu's operations may cause, contribute, or be linked to.

A safe and healthy workplace means that:

- Safety takes priority over all other activities – for everyone, every time, and everywhere
- Fairness and open and interactive communications foster well-being and increase occupational safety
- Improvements on the working environment and occupational health activities prevent occupational diseases and promote the well-being of Outokumpu employees

We at Outokumpu are firmly convinced that all injuries can be prevented, and safety takes priority over all other activities. Each person at Outokumpu is responsible not only for own personal safety, but also for that of colleague's and other stakeholders.

Good corporate citizenship means that Outokumpu:

- Complies with the laws and other regulations and the company's own commitments
- Follows fair competition and condemns corruption and bribery of any kind with zero tolerance
- Participates in the life of its communities by assessing its impact on the environment as a whole and by contributing to the communities through its business operations and products. Outokumpu participates actively and openly in the life of the communities where it operates for example by creating employment opportunities and social well-being.

Employee development means:

- Continuously providing learning opportunities
- Recruitment and support of young talents
- Sharing knowledge and best practices throughout the company and
- Providing guidelines for daily decisions and actions.

4.3 Economic responsibility

As a listed company, Outokumpu is committed to being profitable to create value for its shareholders. All potential risks are assessed regularly at least twice a year, mitigated, and presented to the Board of Directors. Relevant risks are disclosed in the annual report. Outokumpu aims to maintain sustainable profitability and adds economic value throughout sustainable supply chain. The company delivers on this commitment by developing and maintaining competitive and profitable operations.

The quality of Outokumpu's products, processes and services shall fulfill the expectations of Outokumpu's customers. Everyone at Outokumpu contributes to this recognition with knowledge, experience, efficiency and competence, together with customer focus.

Business conduct means:

- Governance principles are transparent
- the Code of Conduct sets the baseline for the Company's ethical behavior
- the Company ensures that modern slavery or human trafficking plays no part in the supply chain or in any part of the business
- Outokumpu provides relevant information to decision makers and experts relating to the development of business environment and legislation
- the Group participates in relevant trade organizations and contributes in a professional manner as outlined in its respective policy.

Relations to society means that Outokumpu:

- Contributes to the community well-being through tax payments, direct and indirect employment, and other ways of positive community involvement
- Openly communicates with stakeholders on sustainability performance and fulfills the agreed stakeholder requirements.
- Supports selected charitable organizations and events in line with the Sponsorship Policy
- Supports research and development related to stainless steel and maintains close cooperation with educational institutes
- Does not support political organizations.

4.4 Environmental responsibility

As a stainless steel producer, Outokumpu is committed to a sustainable supply chain and production. The main raw material is recycled steel and products are eco-efficient and fully recyclable; the products are valuable for customers and society. Outokumpu

aims at minimizing all negative impacts of its operations on the environment. All Outokumpu sites are ISO 14001 certified.

This means that Outokumpu:

- Reduces its impact by implementing precautionary risk based environmental management to prevent incidents and reduce waste, pollution and emissions
- Proactively develops its products, processes, materials, and energy efficiency to help reduce their impact on the environment
- Optimizes material, energy, and water use to improve efficiency
- Takes climate change seriously and operates according to long-term targets based on science while also initiating programs and actions to reach them
- Outokumpu takes care and supports biodiversity. Biodiversity is assessed in the environmental impact assessments and permit processes of operations and will be taken up in any change that could impact the biodiversity.
- Uses recycled steel as the main raw material and saves virgin resources
- Aims to use by-products such as slag to protect natural resources and reduce waste to landfill
- Promotes circular economy by operating and developing facilities for efficient material recycling

4.5 Commitment and reporting

Outokumpu is a signatory member in the UN Global Compact and discloses its contribution to the UN sustainable development goals. The Group is committed to the Business Ambition of 1.5-degree Objective by 2050 and is a member of the Science Based Target initiative and a member of the ResponsibleSteel initiative. As a chromium mining operator Outokumpu is a member of The Finnish Network for Sustainable Mining, and Kemi mine is committed to the Finnish sustainability standard for mining. Outokumpu is also committed to carbon neutrality by 2050 for the operational emissions. An approved Science Based near-term target to reduce the direct, indirect and upstream emissions by 42% per tonne steel by 2030 on the 2016 baseline is implemented and performance is published in the annual report. Outokumpu is partnered with supplier sustainability platform EcoVadis to evaluate the sustainability performance of raw material suppliers on a regular basis. In addition, Outokumpu is following International Chamber of Commerce policies, International ISO 26000 standard, guidance on social responsibility, implementing its fundamental principles and utilizing ISO management systems in Environment, Health, and Safety and Quality management.

4.6 Implementation and compliance

To ensure full compliance with Outokumpu's corporate principles, related policies, and commitments throughout the Group, the following actions take place:

- the Board of Directors decide on the Group's ethical values and modes of activity. It charges the CEO with formulating and implementing the needed practices and monitors and assesses how agreements and other legal acts meet the requirements of these principles.
- Each Business Area and Group Function is responsible for their operational compliance with the public and internal policies and instructions. This includes risk and issue identification and producing data for open, continuous, and systematic reporting.
- Outokumpu management and employees are required to comply with the requirements of the Code of Conduct and this Policy, and with the laws and regulations of the countries where the Group or its business partners operate.
- The Code of conduct as well as compliance topics and sustainability are implemented by regular, obligatory e-learnings
- Outokumpu maintains a confidential international contact channel, SpeakUp, through which employees and third parties can report suspected misconduct of all kinds confidentially and anonymously by e-mail, mail, or fax or they can phone directly to Internal Audit (in English, Finnish, and Swedish). Reporting Misconduct Instruction of the CEO supports employees. Outokumpu is committed to a strict non-retaliation policy and do not tolerate retaliation against anyone who has reported a potential violation in good faith. Reported alleged breaches will be assessed in an objective and professional manner. The Compliance Steering Group and the Audit Committee of Outokumpu Board of Directors shall regularly but at least annually receive a report on all investigations. The number of misconduct cases is published annually in the Corporate Governance Statement by the internal audit.
- The Board of Directors monitors Outokumpu's sustainability performance through relevant key indicators at least once a year, based on the CEO's report
- Sustainability performance is reported in the annual report, based on the Global Reporting Initiative standards
- Sustainability issues are included in the portfolio of the CEO, coordinated by the corporate sustainability team and led by the Vice President Group Sustainability

DOCUMENT IDENTIFICATION

Document approver: CEO, Heikki Malinen

Document owner: Vice President – Group Sustainability, Juha Erkkilä

DOCUMENT HISTORY

First approved on December 21, 2018

Revised on December 21, 2021