



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, subcontractors, and suppliers to follow similar standards.
- Outokumpu strives for a continuous, systematic, and open dialogue with key stakeholders.

4 Content of the Policy

4.1 General

We are committed to continuous improvement, our corporate responsibility, compliance with legislation in all areas we operate in, and the fulfilment of stakeholder requirements to which the company subscribes. This Corporate Responsibility Policy covers all of the aspects of our business, takes the impact to the society into account, and sets 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. We communicate openly about our significant aspects, and require that our 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 operating principles forms the basis of Outokumpu's actions.
- We share 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. 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.
- We base our management systems on the requirements of international Management System standards. We plan, set objectives, execute, sustain and report our 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.

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
- Outokumpu condemns the use of child labor
- Outokumpu expects its business partners to follow similar standards.

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 our employees.

We are firmly convinced that all injuries can be prevented, and safety takes priority over all other activities. Each one of us is responsible not only for our personal safety, but also for that of our colleagues 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.

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 our products, processes and services shall fulfill the expectations of our customers. We all contribute to this recognition with our knowledge, experience, efficiency and competence, together with our 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 our supply chain or in any part of our 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 our products are eco-efficient and fully recyclable; our 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
- 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 the circular economy by operating and developing facilities for efficient material cycling.

4.5 Commitment and reporting

Outokumpu follows the International ISO 26000 standard, guidance on social responsibility, implementing its fundamental principles. The Group 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 climate change target of contributing to the well below 2-degree-scenario by 2050 according to the science-based target setting and is a member of the Science Based Target initiative. Outokumpu is also committed to carbon neutrality by 2050 for scope 1 and scope 2 emissions. In addition, Outokumpu is following International Chamber of Commerce policies and utilizing ISO management systems in Environment, Health, and Safety and Quality management. Outokumpu has also signed World Steel Association and International Stainless Steel Forum Sustainable development charter.

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 charges the CEO with formulating and implementing the needed practices to ensure compliance with 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.
- Outokumpu maintains a confidential contact channel, SpeakUp, through which employees and third parties can report suspected misconduct confidentially and anonymously by e-mail, mail, or fax or they can phone directly to Internal Audit (in English, Finnish, and Swedish).
- 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 Group Safety, Health, and Environment manager.

DOCUMENT IDENTIFICATION

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DOCUMENT HISTORY

First approved on December 21, 2018

Revised on December 21, 2020