

Assessment on the allegations toward our supplier in Guatemala has been completed – purchasing remains suspended

Outokumpu acted firmly and decisively regarding the allegations concerning environmental damage, negative impacts on local people and lack of transparency raised toward its ferronickel sub-supplier Solway in Guatemala and assessed the situation together with an external partner. After the allegations were raised in late 2021, Outokumpu immediately stopped placing new orders from Guatemala.

The assessment has now been completed. Based on the findings, Outokumpu cannot continue purchasing ferronickel from Solway sourced from Guatemala under the current conditions without violating its obligations under the UN Guiding Principles. Therefore, the purchasing from Guatemala remains suspended.

The purpose of the assessment was to investigate, identify and assess the human rights impacts of Solway's operations on the affected communities, focusing on indigenous rights-holders. This included a review of the company's human rights risk management practices and their status of implementation in order to determine if Outokumpu can rely on those processes to fulfil its own due diligence responsibilities under the UN Guiding Principles for Business and Human Rights. As part of the assessment, a field visit was completed in the beginning of March, during which both internal as well as external stakeholders were involved.

The final report contains recommendations for the supplier. We are committed to engaging and working with Solway on improving the situation for the local population and their welfare and safety.

We are also committed to continuously improving our own due diligence processes and we will work on the recommendations that have been provided to us by our external partner.

Read more about [our approach in supply chain management and recent developments](#).

Read more about [our approach to human rights](#).