



Outokumpu Supplier Requirements



1 Purpose and Scope

Outokumpu's Supplier Code of Conduct (available on Outokumpu [website](#)) describes what is expected of suppliers. These Supplier Requirements should be read as an add-on to the Supplier Code of Conduct and are divided into two sections:

I. Process Requirements

II. Due diligence Requirements

The requirements in this document are as binding as the Supplier Code of Conduct, and Outokumpu expects its direct suppliers to ensure that their suppliers comply with Supplier Requirements as well.

If suppliers have any questions about either document or what applies to their company in practice, they can reach out to their Outokumpu contact person.

2 Main Principles

- Suppliers must operate their business in a safe, sustainable, compliant, and ethical manner.
- Suppliers shall maintain a quality, environment, as well as health and safety management systems in accordance with ISO standards or an equivalent quality management system.
- Suppliers shall have a structured risk management approach to identify, assess, and mitigate risks.
- Suppliers shall have procedures in place for qualification, selection, and management of sub-suppliers. Suppliers shall ensure that sub-suppliers fulfil Outokumpu's Supplier Requirements.
- Suppliers shall define and document their internal and external upstream supply chains and share those with Outokumpu if requested.
- Suppliers shall agree to answering self-assessments and undergoing audits by Outokumpu or an authorized third party.
- Suppliers shall protect Outokumpu's confidential information.
- Suppliers shall ensure they comply with sanctions.
- Suppliers shall conduct or work towards conducting sustainability due diligence in their own operations and their value chain.

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3 Process Requirements

Outokumpu expects their suppliers to manage their business professionally, in line with national legislation and international best practice. This includes a robust system to ensure supply and production control and to safeguard quality and manage risks along their value chain.

The paragraphs below describe further expectations regarding Outokumpu's suppliers' business processes and transparency.

3.1 Health and Safety

- Suppliers shall maintain an occupational health and safety management system in accordance with ISO 45001 or an equivalent management system for occupational health and safety, establishing an organizational structure and procedures for properly managing health and safety risks.
- Outokumpu expects suppliers to ensure that all employees and sub-contractors receive proper equipment, continuous training, and supervision to always operate safely.
- In the event suppliers perform any services at Outokumpu's sites or facilities, suppliers must agree to abide and strictly comply with Outokumpu's applicable requirements for site access, work, activities, or services as well as health and safety rules ([Outokumpu Health and Safety Policy](#)).

3.2 Environment

- Suppliers shall maintain an environmental management system in accordance with ISO 14001 or an equivalent environmental management system.
- Suppliers shall have an up to date, documented environmental policy including commitment to environmental protection, prevention of pollution in air and noise, compliance with environmental legislation, and continuous improvement.
- Outokumpu is committed to the Science Based Targets initiative's ambition of keeping global warming below 1.5°C. On request, suppliers shall provide their most recent product specific GHG emissions (CO2 equivalent), according to ISO 14067 or similar standard and verified by external party.
- If the products/materials originate from ecosystems that are managed to maintain or enhance conditions for biodiversity (as addressed by regular monitoring in the area and reporting on the biodiversity status), suppliers shall be able to provide a plan to avoid and minimize risks and impacts on biodiversity including a plan to remediate potential negative impacts.
- Suppliers shall comply with the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, the Minamata Convention on Mercury, and the Stockholm Convention on Persistent Organic Pollutants.
- Suppliers are expected to inform their employees and external partners, including Outokumpu, about any environmental issues.

3.3 Quality Management

- Suppliers shall maintain a quality system in accordance with ISO 9001 or an equivalent quality management system. Suppliers shall submit their valid ISO 9001 (or equivalent) certificate to Outokumpu.
- In specific cases, Outokumpu may require
 - that the ISO 9001 certificate of a supplier shall bear the accreditation mark of a recognized IAF MLA (International Accreditation Forum Multilateral Recognition)

- Arrangement) member and where the accreditation body's main scope includes management system certification to ISO/IEC 17021.
 - compliance with additional standards or codes, for example ASME Boiler & Pressure Vessel Code, ISO/TS 16949, ISO 17025, ISO 20000, and ISO27001, etc.
- For the incoming materials the supplier must have a process to control and track the materials used in their production.
 - The preferred way is to use AQL system (Acceptance Quality Limit) that is defined in ISO 2859-1. Such verification consists of incoming inspection reports, certificates of conformance, certificates of analysis, etc., which shall be available as Quality Record.
 - All materials must conform to relevant specifications.
- In addition to external audits, suppliers and subcontractors must maintain an internal audit practice to drive continuous quality improvement.
 - Their management teams are expected to actively support the quality management system by periodically reviewing and renewing it to ensure ongoing effectiveness and, where necessary, further development.
 - Adequate resources must be allocated by management to achieve these objectives.
- Any supplier having its quality certification withdrawn by the issuing certification body or, by its own action, cancels their quality standard certification, must promptly notify Outokumpu.

3.4 Risk Management

Suppliers are expected to implement a structured risk management approach to identify, assess, and mitigate risks related to its operations, supply chain, and business continuity. This includes, but is not limited to:

- **Regulatory Compliance:** Ensuring compliance with all applicable laws, regulations, and industry standards.
- **Quality Risks:** Implementing controls to prevent defects, deviations, or failures that could impact product performance, safety, or customer satisfaction.
- **Occupational Health & Safety Risks:** Identifying hazards, minimizing workplace accidents, and ensuring a safe and healthy work environment for all employees.
- **Environmental Risks:** Managing environmental impacts, including emissions, waste, resource consumption, and compliance with sustainability commitments.
- **Social Risks:** Addressing risks related to working conditions and labor rights, vulnerable groups, equal treatment and opportunities, as well as communities throughout the supply chain.
- **Supply Chain and Logistic Risks:** Assessing and managing risks associated with subcontractors and raw material sourcing, with particular attention to geopolitical instability, transportation disruptions, supply chain failures, environmental and human rights factors as well as contingency plans.
- **Financial Stability:** Maintaining financial health to ensure long-term reliability as a business partner.
- **Crisis Preparedness:** Having contingency plans, such as business continuity and disaster recovery strategies, to minimize disruptions in case of unforeseen events.

Suppliers shall review and update their risk management processes regularly and provide relevant information upon request. If significant risks affecting the supply relationship are identified, the supplier shall promptly notify Outokumpu and collaborate on appropriate mitigation measures.



3.5 Supplier Selection and Management

Suppliers shall have a documented process for their own supplier qualification, selection, and management, and their suppliers must fulfil Outokumpu Supplier Code of Conduct and Supplier Requirements. Suppliers shall have documented procedures for measuring and monitoring their internal and external supply chain performance and capability. Outokumpu's direct supplier remains responsible for the performance of subcontractors and outsourcing partners.

Suppliers shall not purchase materials or products from such sources that conflict with the Outokumpu Supplier Code of Conduct or the Outokumpu Supplier Requirements.

3.5.1 Supply Chain and Material Requirements

3.5.1.1 Internal and External Supply Chain

Suppliers and Subcontractors shall have defined the whole supply chain from manufacturing until delivery. The origin of the key materials, components, or services must be documented.

The supplier shall disclose, upon request from Outokumpu, the complete external (upstream) supply chain, this may include e.g.:

- Full legal names and addresses as well as business ID/ registration number of each party in the upstream supply chain
- The activities that are performed by each party in the upstream supply chain
- The materials or products, and their origins, that are processed by each party in the upstream supply chain
- Common transport route between the parties in the upstream supply chain, all the way to the suppliers' facilities.

The means of transportation and global hubs shall be defined and documented for normal and urgent deliveries.

The supplier must have an agreed way to inform Outokumpu, without delay, of potential short- and longer-term delivery problems, e.g. capacity shortages, or transportation delays, and how they intend to resolve them. Suppliers shall also inform Outokumpu about major changes in their upstream supply chains.

3.5.1.2 Material Specific Requirements

For certain products and materials there are additional material specific requirements:

- All materials and components used in products must be non-hazardous and safe and their approval obtained from authorities as applicable (e.g. CE, UL, IAEA etc.). Where applicable, suppliers shall provide product safety data sheets in accordance with the Regulation (EC) No. 1272/2008.
- Where applicable, suppliers shall warrant that the material(s) purchased by Outokumpu are compliant with and registered under the REACH regulation (Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals).
- Where applicable, suppliers shall be compliant with the EU Carbon Border Adjustment Mechanism (CBAM) and EU Deforestation Regulation (EUDR), accompanied by all

necessary information and certificates to enable Outokumpu to evidence compliance and complete the necessary reporting.

- All suppliers of conflict minerals shall meet the requirements of the OECD Due Diligence Guidance, the Regulation (EU) 2017/821 of the European Parliament, and the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act. Suppliers of conflict minerals shall submit their supply chain regarding mineral country of origin and that only approved smelters and refiners have been utilized via the Conflict Minerals Reporting Template (CMRT) developed by the Responsible Minerals Initiative (RMI).
- Suppliers of cobalt, copper, and nickel shall submit their supply chain regarding mineral country of origin and that only approved smelters and refiners have been utilized via the Extended Minerals Reporting Template (EMRT) created by the Responsible Minerals Initiative (RMI). All suppliers of cobalt shall follow the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.
- Suppliers of products referred to in the Article 3g of Council Regulation (EU) No 833/2014 of 31 July 2014, as amended, or in Regulations 46D or 46IB of the United Kingdom's Russia (Sanctions) (EU Exit) Regulations 2019, as amended, shall upon request furnish Outokumpu with Mill Test Certificates for compliance with the said regulations.

3.5.2 Self-Assessments and Audits

Suppliers agree to answer self-assessment questionnaires, issued by Outokumpu or a duly authorized representative chosen by Outokumpu (e.g. EcoVadis) to assess their compliance with Outokumpu Supplier Requirements, Supplier Code of Conduct, and the supplier's performance in terms of Environment, Labor & Human Rights, Ethics, Sustainable Procurement and similar aspects.

Outokumpu or its duly authorized representative shall have the right to audit with advanced notice at suppliers' or sub-contractors' facility their compliance to Outokumpu Supplier Code of Conduct and Supplier Requirements. The degree and frequency of such audits will depend on the criticality and risk of the supplier and/or the material, product or service being supplied.

Suppliers must show evidence of the last performed internal and external audits and the reported findings, if required by Outokumpu.

3.6 Product Liability

Where product liability is applicable to supplier's delivery:

- Suppliers shall have a documented liability procedure including recall procedure and clearly defined liability related responsibilities.
- Suppliers must have a preventive action process from product development to final test, to protect against future product liability actions.
- Suppliers shall hold a global liability insurance including product liability coverage with a sum specified in the contract or other terms and conditions agreement.

3.7 Protection of Outokumpu's Confidential Information

3.7.1 Confidentiality

Suppliers shall strictly comply with the confidentiality obligations agreed in any agreement they enter into with Outokumpu. Suppliers shall not disclose any of Outokumpu's confidential information – meaning all information, including but not limited to technical, practical, and commercial information as



well as physical objects and whether in written, oral, visual, or other tangible or intangible form and all other information and materials relating to Outokumpu's business – to third parties and shall not use it for any other purpose than delivering the products or services to Outokumpu.

3.7.2 Information and Cyber Security

Suppliers shall apply no lesser cyber and other security measures and degree of care to Outokumpu's confidential information, than it applies to its own confidential information.

Suppliers shall perform services in such a manner that prevents any malware to infect or attack any data systems of Outokumpu, and any third party from obtaining access to the data systems of Outokumpu. In addition, suppliers' computers, and other electronic equipment directly or indirectly to be connected with data system of Outokumpu shall have adequate technical and administrative controls to protect information, information processes, and IT systems including but not limited to technologies, people and processes. Suppliers shall make sure that their employees will adhere to all of Outokumpu's reasonable instructions for protecting the data system of Outokumpu.

3.8 Trade Compliance

Suppliers shall continuously confirm that they (including their subsidiaries, directors or officers) are not a Sanctioned Person and shall immediately notify Outokumpu in writing if their status changes.

Suppliers shall not supply to Outokumpu any products that originate from or are provided by, or contain materials or components that originate from or are provided by: (i) a country or a region that is subject to comprehensive sanctions or embargoes imposed by the United Nations, the European Union, the United States, or the United Kingdom, including currently Cuba, Iran, North Korea and Syria as well as the regions of Crimea, Luhansk and Donetsk or any territory of Ukraine which is not controlled by the Ukrainian Government, or from Belarus or Russia; or (ii) any Sanctioned Person or any entity or person otherwise subject to Sanctions. Suppliers shall not engage any such party in the delivery of the products to Outokumpu that is a Sanctioned Person or otherwise subject to Sanctions. Suppliers shall maintain effective, risk-based compliance policies, procedures, and controls for the purpose of complying with Sanctions.

With regard to export control laws, suppliers commit to compliance with applicable export control laws and regulations in the performance of the services and delivery of the materials or products to Outokumpu. Suppliers shall provide Outokumpu with all necessary export control classification information and other supplementary information that Outokumpu may request for the purpose of compliance with applicable export control laws and regulations.

"Sanctions" means economic or financial sanctions or trade embargoes or similar or equivalent restrictive measures as well as export or import control regulations imposed, administered, enacted or enforced from time to time by a government or governmental or inter-governmental body or organization or other relevant sanctions authority (including but not limited to those imposed by the United Nations, the European Union, the United States, the United Kingdom or any other jurisdiction to the extent applicable to each party, respectively, or the products, materials and components concerned).

"Sanctioned Person" means any entity, individual or vessel that is (i) specifically designated as sanctioned under any Sanctions, or (ii) any entity that is directly or indirectly at least 50% owned or otherwise controlled by one or more entities or individuals referred to in point (i), or (iii) any entity and/or individual acting on their behalf.

4 Due Diligence Requirements

Outokumpu is committed to respecting people and the environment while doing business. Outokumpu's approach is based on international standards and best practices such as the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises. Outokumpu's responsibility extends beyond own operations into the value chains.

4.1 Due Diligence Requirements for Suppliers

Outokumpu expects its suppliers, whose own impacts may be directly linked to Outokumpu's operations, products, or services, to follow these same standards and do their own human rights and environmental due diligence as outlined in Image 1.

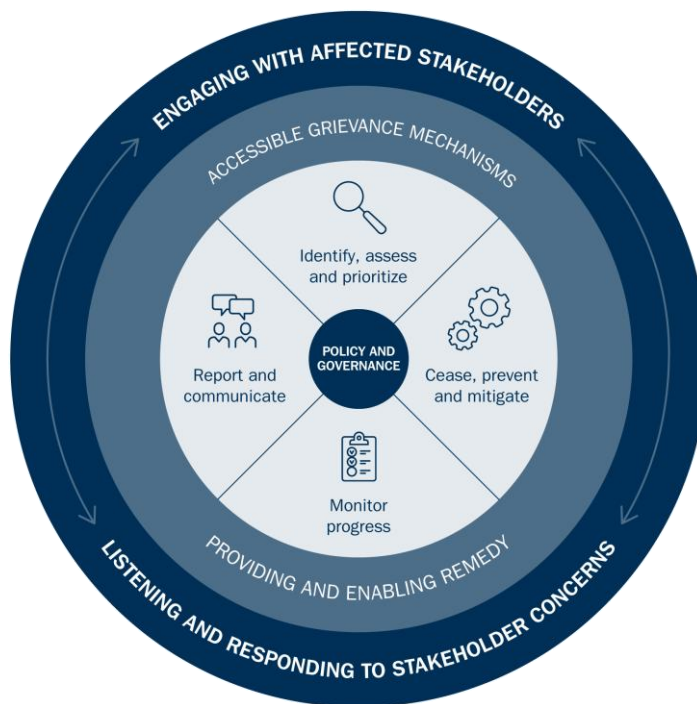


Image 1: Due diligence circle visualized, [OECD Guidelines](#)

Concretely, Outokumpu expects their suppliers to have or work towards having:

- A **policy** that expresses commitment to respect human rights and not to harm the environment.
- This policy **implemented** within supplier's own operations and their value chains including clear roles and responsibilities.
- A well-documented **analysis** of the company's **impacts to people and the environment**. Here, Outokumpu expects to see the supplier to have researched where harm may occur in its operations, supply chain, and business relationships.

- Adequate and timely measures in place to **cease, prevent or mitigate** identified adverse impacts.
- Continuously **track and monitor** the effectiveness of the selected mitigation measures, ensuring that measures are (re)evaluated and updated when the effectiveness is low.
- A transparent **communication** about its due diligence efforts, the impacts identified, and the mitigation efforts underway, as well as any ongoing grievances and its process towards resolution.
- A clear, transparent and effective **grievance mechanism** accessible to internal and external stakeholders to raise concerns. Suppliers and subcontractors should provide remedy and cooperate in resolving raised issues.
 - UN Guiding Principles on Business and Human Rights and [guidance on UNGP 31](#) outline more detailed requirements for the grievance mechanism.
- Meaningful **rights holder engagement**.

Details on how to implement sustainability due diligence in practice can be found in public resources from the [OECD](#) itself, for example, including sector-specific guidance that may be relevant for the sectors of Outokumpu's suppliers.

Outokumpu is also conducting the described due diligence and recognizes that it is an ongoing journey rather than a one-time task. Continuous improvement is essential, and no value chain is entirely free of risks or adverse impacts. Therefore, Outokumpu does not expect perfection from its suppliers — but does expect a transparent, proactive, and systematic approach to identifying, managing, and mitigating harm, in line with international standards and best practices.

4.2 Outokumpu's Salient Value Chain Impacts

Outokumpu's sustainability due diligence is a continuous process embedded in daily business practices. Outokumpu actively identifies, addresses, monitors, and communicates potential negative impacts across the value chains — and works to ensure that effective remedy is provided to those affected.

As part of Outokumpu's approach, [salient sustainability impacts](#) have been identified which Outokumpu follows up on continuously, in its own operations as well as the value chains. Outokumpu also expects its suppliers to minimize these potential adverse impacts in their own operations and in their value chain:

- Occupational health and safety
- Freedom of association and collective bargaining
- Adequate living income and wage
- Gender equality and equal pay
- Reasonable working hours
- Discrimination and harassment
- Migrant workers
- Adverse impacts on biodiversity including deforestation, impacts on water, air, and soil, and its impacts on communities