

OUTOKUMPU CORPORATE RESPONSIBILITY POLICY

Corporate responsibility as a reflection of ethics

The operations of the Outokumpu Group are guided by its ethical principles of human dignity, sustainable development, good corporate citizenship and healthy workplace.

For Outokumpu, corporate responsibility includes economic, environmental and social aspects and their impacts on the Group's stakeholders. This Corporate Responsibility Policy reflects Outokumpu's ethical principles, and is supported by related Outokumpu policies and instructions.

In Outokumpu's view, responsible business practices are a precondition for sustainable competitiveness.

Goals of Outokumpu corporate responsibility

Corporate responsibility needs to be an integral part of all Outokumpu operations, activities and decision-making everywhere the Group operates, from materials purchasing through production and sales. Economic, environmental and social responsibility issues should be in balance. Compliance with laws forms the basis of Outokumpu's actions, and with continuous improvement in its corporate responsibility performance Outokumpu is always aiming at a higher level.

The goal of Outokumpu is that its business partners, subcontractors and suppliers become familiar with its corporate responsibility principles, and that they follow similar standards.

To enhance transparency Outokumpu strives for a continuous, systematic and open dialogue on corporate responsibility issues with key stakeholders such as shareholders, employees, customers, suppliers, as well as public and non-governmental organizations. This co-operation contributes to developing both company's corporate responsibility performance and the reporting of that performance.

Economic responsibility

Business conduct

As a listed company Outokumpu is committed to making a profit for the benefit of its shareholders. The company delivers on this commitment by developing and maintaining competitive and profitable operations based on ethical business practices. Outokumpu applies principles of good corporate governance and transparent accounting.

This means that

- Outokumpu's governance principles are transparent, and the roles and responsibilities of corporate bodies are clearly defined
- Outokumpu condemns unlawful competition measures. Employees receive training to make them knowledgeable about applicable competition laws and policies
- Corrupt behaviour and bribery are absolutely unacceptable. Any entertainment or gifts offered or received by Outokumpu personnel must be modest in economic value

Related policies: Accounting Principles, Competition Law Compliance Policy, Corporate Governance Policy, Insider Rules, Dividend Policy

Relations to society

Outokumpu's operations have economic impacts on the local, national and global communities in which the Group operates. Outokumpu contributes to the community well-being through paying taxes, through direct and indirect employment, and other ways of community involvement.

This means that

- Outokumpu participates actively and openly in the life of communities where it operates
- Outokumpu makes donations to various charitable enterprises and events in line with its ethics
- Outokumpu supports research and development related to its field of industry and maintains close co-operation with educational institutes
- Outokumpu does not support nor give donations to political organizations

Related policies: Sponsorship and Donation Policy

Environmental responsibility

As a stainless steel producer Outokumpu is committed to responsible production. Outokumpu aims at minimizing negative impacts of its operations on the surrounding environment; as much as economically and technically possible.

This means that

- Outokumpu strives to further reduce its emissions to air, water and soil
- Outokumpu optimizes energy use to improve energy efficiency
- Outokumpu optimizes water consumption in its processes
- Outokumpu uses recycled steel as a raw material to save natural resources
- In order to minimize waste creation, Outokumpu is continuously improving its processes

Related policies: Environmental Policy

Social responsibility

Human rights

Outokumpu treats people in an equal and fair manner regardless of their ethnic origin, nationality, religion, political views, sex, sexual orientation, or age.

This means that

- Freedom of association prevails in Outokumpu
- Outokumpu encourages its employees to value diversity and different cultures

Related policies: Human Resources Policy

Health and safety

Outokumpu is committed to providing its employees with a healthy and safe working environment. The health of the personnel and their well being at work are important preconditions for Outokumpu's success in day-to-day operations as well as its long-term competitiveness

This means that

- Outokumpu makes use of the best expertise available in the areas of occupational safety and health
- Outokumpu continuously develops its production methods and practices
- Outokumpu participates in studying and monitoring the health effects caused by metals it produces and the processes it uses and develops
- Outokumpu does not allow the use of drugs at any operational level

Related policies: Occupational Health Policy, Occupational Safety Policy

Employee development

Continuous development of personnel is the core of Outokumpu's human resources policy. Competent and motivated people are essential to Outokumpu's success.

This means that

- Outokumpu provides continuous training and competence development for its personnel

Related policies: Human Resources Policy

Other related policies

In addition to the above public policies, Outokumpu's corporate responsibility is defined in several internal policies and instructions.

Corporate responsibility implementation and compliance

To ensure the full compliance with Outokumpu's corporate responsibility 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 safeguard company's compliance with these principles
- Each Business Unit and Group Function is responsible for its operational compliance with the public and internal policies and instructions. This includes risk and issue identification, and producing data needed for continuous and systematic reporting. Effective internal communications and training are crucial tools for achieving this
- Outokumpu management and employees are required to comply with the requirements of this Corporate Responsibility Policy, and with the laws and regulations of the countries where the Group operates
- Outokumpu maintains a confidential contact channel, a help line, through which employees or 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)
- Outokumpu conducts an active dialogue on corporate responsibility issues with its stakeholders
- The Board of Directors monitors Outokumpu's corporate responsibility performance at least once a year, based on the CEO's report
- Outokumpu regularly monitors its corporate responsibility performance through relevant key indicators. This performance is reported in the annual Corporate Responsibility Report, based on the Global Reporting Initiative guidelines
- Corporate responsibility issues are included in the portfolio of the CEO, guided by a cross-functional Corporate Responsibility Team and managed by the Outokumpu Corporate Responsibility Manager

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