

OUTOKUMPU CODE OF CONDUCT
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1. Purpose of the Code

The aim of Outokumpu's Code of Conduct is to ensure that all Outokumpu employees live up to Outokumpu's ethical standards. The Code's purpose is also to offer assistance to Outokumpu employees in certain situations by setting examples and giving practical guidance.

It's important to remember, however, that no Code can by itself guarantee ethical behaviour in an organization. It is up to all of us!

Leading ethical principles

Outokumpu is strongly committed to the highest ethical standards. Outokumpu will respect and promote human rights and its other leading ethical principles that are publicly disclosed in Outokumpu Ethics Statement. In short these principles are:

- Human dignity

All human beings should be treated equally and fairly. Outokumpu honours human dignity and diversity, and condemns discrimination and intolerance of all kinds.
- Sustainable development

Outokumpu strives in all operations for sustainable human, economic, social and ecological development. Therefore Outokumpu takes environmental aspects into consideration in making business decisions, and supports expanding international cooperation to reduce emissions and enhance global environmental protection.
- Good corporate citizenship

Outokumpu observes the laws and other regulations of the countries it operates in, and complies with agreements and commitments it has made. Outokumpu condemns corruption and bribery, and complies strictly with competition legislation. Outokumpu recognizes its corporate responsibility towards the communities it operates in, the nations it operates in, and the entire world community.
- Healthy workplace

At Outokumpu, it is the responsibility of the whole workforce to foster mental well-being and to increase occupational health and safety.

Responsibility and accountability

All Outokumpu employees are responsible for following the instructions of this Code of Conduct. Failing to do so will lead to disciplinary measures appropriate to the violation, including dismissal.

Additional responsibilities of managers

The management of each Outokumpu unit is responsible for the internal controlling of operations. Therefore Outokumpu's managers are expected to behave exemplarily according to the Code of Conduct and to lead according to Outokumpu's ethical standards and Leadership Principles. Managers should promptly act on any indications of behaviour that is in conflict with the Code of Conduct or that is unethical.

2. Employees

2.1 Outokumpu's responsibilities to its employees

Constant respect

All Outokumpu employees shall treat each other with respect and fairness at all times. All forms of abusive, harassing or offensive conduct is totally unacceptable.

Non-discrimination

Outokumpu will not tolerate discrimination against its employees. Outokumpu's employment decisions will be based solely on business reasons and will be according to national employment laws.

FACT: Discrimination can be based among other things on employee's race, colour, ethnicity, religion, age, gender, sexual orientation, disability, marital status, political affiliation or union membership.

Health and safety

Outokumpu is committed to act responsibly, utilizing the best know-how available in the areas of occupational health and safety. However, it is the duty of Outokumpu employees to follow the company's policies on occupational health and safety and thus maintain a safe workplace. Accidents, injuries and unsafe equipment, practices or conditions must be reported immediately to a superior. Under no circumstances may any Outokumpu employee work under the influence of any substance that could prevent him/her from conducting work safely and effectively.

Working conditions

Outokumpu's working hours, vacation times, wages and other working conditions are consistent with applicable local laws.

Child labor is strictly prohibited and the minimum age for employment is 15 years of age or the minimum age for employment in the relevant country, whichever is higher. However, the Code of Conduct does not prohibit participation in legitimate workplace apprenticeship programs.

Freedom of association

Outokumpu respects its employees' right to freely associate, form and join worker's organizations.

2.2 Employees' responsibilities to Outokumpu

To ensure correct and ethically sustainable practices, all Outokumpu employees must be familiar with legislation and company instructions related to their duties. All Outokumpu employees are entitled to receive guidance on their duties.

Protecting Outokumpu assets

Each Outokumpu employee has a responsibility to protect Outokumpu's assets he/she has been entrusted with from loss, damage, misuse or theft. Outokumpu assets may only be used for Outokumpu's business purposes and to a limited extent for other purposes approved by management.

Fact: Outokumpu's assets can be among other things company money, product, industrial and other tools and machines, photocopiers, computers, telephones and other electronics, vehicles, tickets to concerts or sporting events and employees' time at work and work product.

Outside employment and board memberships

Any activity outside Outokumpu's work should be clearly separated from Outokumpu employment and should not harm work performance at Outokumpu.

Employees of Outokumpu are not allowed to work for or receive payments for services (including Board memberships) from any competitor, customer, distributor or supplier of Outokumpu without approval from the employee's superior.

Conflict of interest

An Outokumpu employee shall not use personal influence to get Outokumpu to make commitments with a business in which the employee or his/her family member has an interest.

Commitments on behalf of Outokumpu where an employee has an actual or potential conflict of interest, for example due to family connections or close personal relationships, must be referred to an employee's superior for approval.

Investments in other businesses or property

Outokumpu employees are not allowed to let their private investments influence, or appear to influence, their independent judgment on behalf of Outokumpu. If there is any doubt about how a private investment might be perceived, it should be disclosed to management.

Outokumpu employees are also prohibited from directly or indirectly buying, or otherwise acquiring rights to any property or materials, knowing that Outokumpu may be interested in pursuing such an opportunity and that such information is not public.

Q: I'm not sure whether I have a conflict of interest. How can I be sure?

A: You can ask yourself: "could my personal interest interfere with those of Outokumpu or might it appear that way to others?" If the answer is yes to either one of the questions, you most probably have a conflict of interest. If you still are unsure, you should consult your superior. It is better to be safe than sorry.

Political activities of employees

Outokumpu doesn't take part in or otherwise support political activities whether they are local, communal or national. Outokumpu does not make donations to any political parties or groups. Any political activities by an Outokumpu employee should be clearly separated from Outokumpu employment and should not harm work performance at Outokumpu.

Personal community activities

Helping the community by serving on boards of non-profit or community organizations does not require prior approval. Outokumpu employees are free to support community, charity, political and religious organizations and causes of their choice, as long as they make it clear that their views and actions are not those of Outokumpu. Employees' outside activities must not interfere with their job performance.

Communicating with external audiences

Outokumpu will at all times provide fair, accurate and honest information to the public. To ensure professional and consistent communication, all requests from the media should be forwarded to the local communications contact person or the corporate level Communications and Investor Relations function.

Requests from financial analysts and shareholders should always be forwarded to the corporate level Communications and Investor Relations function.

For further guidance, Outokumpu employees are advised to consult Outokumpu's communications policies.

Confidentiality of Outokumpu business secrets

Outokumpu employees are obligated to protect Outokumpu's business secrets and other non-public information at all times.

Employees are not allowed to disclose business secrets or other non-public information to anyone, except when disclosure is legitimate for business purposes. Even then, employees are expected to take appropriate steps, such as execution of a confidentiality agreement, to protect Outokumpu's business secrets and other non-public information from misuse.

Q: How can I know if information is considered to be non-public?

A: Public information is for example something that you can read from company's annual report or newspapers. If information is not accessible for everyone, it is likely to be non-public. If you have doubts, you should be careful and consult your superior.

Inside information and securities trading

Taking advantage of business secrets when trading with publicly traded shares or other securities is typically illegal. For further information please refer to Outokumpu's Insider Rules.

Accuracy of company records

All Outokumpu's financial books, records and accounts must accurately and honestly reflect transactions and events. They must also fulfil the demands of required accounting principles and Outokumpu's internal controls.

3. Customers, suppliers and other business partners

3.1 Sales and marketing

Product and service quality

Outokumpu's vision is to be the undisputed number one in stainless, with success based on operational excellence. To realize this vision we will continually improve customer satisfaction by focusing on both product and service quality. Our overall objective is to become the preferred choice of customers.

Maintaining Outokumpu's reputation requires complying with our quality processes and safety requirements. We damage our good name if we ship products or deliver services that fail to live up to Outokumpu standards.

Accurate and truthful advertising

Outokumpu aims to build long-term relationships with all its business partners. This is supported by Outokumpu's accurate and truthful advertising.

Confidentiality of information

Confidential information of Outokumpu's customers, suppliers or other business partners should be protected as if it was our own.

Fair business

Outokumpu obtains business in a legal and ethical way. Offering bribes and kickbacks is prohibited.

FACT: To bribe someone is to promise, offer or give, directly or indirectly, any unjust advantage to someone for him/her or anyone else to act or refrain from acting in the exercise of his/her functions. The bribe is a gift given with a purpose of influencing the recipient's conduct.

FACT: Kickback is a form of bribery meaning a secret payment to an employee of another company, made to ensure that the paying company gets the deal, or better terms to a deal.

Agents

Commissions or fees paid to agents or finders must be reasonable in relation to the value of the product or work that is actually being done, consistent with law, policy and local practice.

No commissions or fees will be paid that Outokumpu has reason to believe will become bribes.

Customers

Outokumpu expects its customers to perform according to the law and recommends that they use similar ethical standards as Outokumpu.

Q: One of our customers has been convicted of seriously and repeatedly violating occupational safety legislation, can we sell to them?

A: As long as the violation of occupational safety continues and the customer hasn't improved its behaviour, you should not.

3.2 Business partners and procurement

Not with those who are likely to harm our reputation

Outokumpu aims to not do business with those who are likely to harm our reputation. All Outokumpu's contracts and arrangements with other parties shall comply with Outokumpu's policies and the law.

Suppliers, contractors and subcontractors

Outokumpu expects its suppliers and contractors to perform according to the law and recommends that they perform according to Outokumpu's policies. It is the goal of Outokumpu that its business partners, subcontractors and suppliers become familiar with Outokumpu's corporate responsibility policy, and that they follow similar standards.

Consultants and distributors

Commissions or fees paid to dealers, distributors or consultants must be reasonable in relation to the value of the product or work that is actually being done, consistent with law, policy and local practice.

No commissions or fees will be paid that Outokumpu has reason to believe will become bribes.

Q: One of our consultants asked for a relatively large increase in commission. I suspect the consultant may intend to bribe local officials with this money. What should I do?

A: You should promptly report your suspicions to Outokumpu Legal Affairs and not pay the consultant until your concerns have been investigated.

Purchasing practices

Outokumpu's purchasing decisions are made solely based on Outokumpu Group's best interests taking into account its corporate responsibility policy (environmental, economic and social aspects). Suppliers will win Outokumpu business based on lowest total cost of product or service.

FACT: Total cost means the total amount spent on a particular commitment, including among other things the initial contract price, life-cycle cost of investment, effect on Outokumpu's production efficiency, commission fees, other transaction costs and taxes.

3.3 Hospitality offered by Outokumpu

Gifts given and entertainment provided by Outokumpu

There are some business situations that call for giving gifts. Any gifts offered by Outokumpu personnel must be reasonable and modest in economic value. Typically acceptable gifts are tokens that are made of stainless steel, representative of a local culture or that carry the Outokumpu logo.

Any exceptional gifts must be approved by the gift giver's superior in advance.

Q: A managing director of our long-term business partner is retiring, can we give him a knife-set made of stainless steel worth 100 euros as a farewell gift?

A: Yes, you can. Nevertheless the gift is at the high-end of modest economic value and a gift more valuable than that would have to be approved as an exceptional gift in advance by the gift giver's superior.

Outokumpu may provide its business partners with entertainment in the context of the business. Any entertainment provided by Outokumpu must be reasonable. Typical examples of reasonable entertainment are lunches, dinners, theatre shows, concerts and events organized by Outokumpu Group Sales and Marketing.

Any exceptional, extensive or frequent entertainment must be approved in advance by the organiser's superior.

Providing travel

Outokumpu can pay the transportation and accommodation expenses incurred by a business partner if it is appropriate and reasonable in the context of the business and as long as it is not prohibited by the policy of the recipient's organization.

3.4 Hospitality to Outokumpu

Gifts given and entertainment to Outokumpu employees

Outokumpu employees do not accept bribes, kickbacks or extensive gifts, or anything that might make it appear that the business interests of Outokumpu may be compromised. Outokumpu employees are allowed to accept tokens of modest economic value.

Q: After closing a deal with them, one of our suppliers offered me a bottle of wine, worth some 30 euros, can I accept it?

A: Yes, you can. Modest in economic value means not more than some tens of euros also taking into consideration local cultural habits and conditions.

Q: What if it was something more expensive, like a watch worth 200 euros.

A: You can't accept a gift that valuable. What is correct always depends on the circumstances and the local culture, but generally the limit of an acceptable gift is below 100 euros.

Outokumpu employees may accept entertainment that is of modest economic value and in the context of the business. Entertainment that is extensive or frequent or might make it appear that the business interests of Outokumpu may be compromised is not allowed.

If an invitation seems inappropriately valuable, Outokumpu employee must turn the offer down or make sure that Outokumpu pays the true value of the entertainment itself.

Q: One of our suppliers offered me a holiday trip to take on my free time, I don't think I can accept it, can I?

A: No, you can't. It isn't in the context of the business and it is most likely of more than modest economic value. You should inform that supplier that Outokumpu employees are not allowed to accept gifts of that kind.

Acceptance of travel expenses

Outokumpu employees' travel expenses must be paid by Outokumpu with the exception that Outokumpu employees are allowed to accept local transportation at the destination organized and paid for by a business partner. A business partner's offer to pay Outokumpu Employee's travel expenses for a particular trip may be accepted only with the consent of the employee's superior.

Outokumpu employees may accept accommodation organized and paid for by a business partner as long as it is in the context of business and the expenses are reasonable.

4. Competitors

Competitive information

Outokumpu never uses any illegal or unethical methods to gather information on competitors. If information that may constitute a trade secret or confidential information of another business is obtained by mistake, Outokumpu employees should consult Outokumpu Legal Affairs.

Fair competition and antitrust

Outokumpu and all its employees must comply with the antitrust and unfair competition laws of all the countries in which Outokumpu does business. Outokumpu has separate competition law policies, which should be followed even if they go beyond the local legal minimums. Outokumpu employees are encouraged to ask their immediate superior or other members of the company's management or Outokumpu Legal Affairs if they have questions on Outokumpu's competition law policies.

5. Communities

Co-operation with communities

Outokumpu's operations have economic impact 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.

Outokumpu participates actively and openly in the life of the communities where it operates for example by creating employment opportunities and facilitating training opportunities for local employees.

Outokumpu will employ local personnel and provide training with a view to improving skill levels, in co-operation with employee representatives and relevant governmental authorities.

Outokumpu supports research and development related to its field of industry and maintains close co-operation with educational institutes.

Environment

As a stainless steel producer Outokumpu is committed to responsible production and aims to minimize the negative impact 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
- Outokumpu continuously improves its processes in order to minimize waste creation

Outokumpu also has a separate, public Environmental Policy.

Sponsorship and donations

Outokumpu has a public corporate policy on sponsorship and donations, which should be consulted when situations concerning sponsoring or donating occur.

6. Authorities

Audits and investigations

Employees of Outokumpu are required to fully cooperate with all audits and investigations as requested by the company. Outokumpu will also cooperate with reasonable requests for information from government agencies and regulators.

It is important that Outokumpu employees consult with Outokumpu Legal Affairs before responding to any non-routine requests.

All information provided by Outokumpu must be truthful and accurate.

Importing and exporting

When importing or exporting products, services, information or technology, Outokumpu will comply with the applicable national laws, regulations and restrictions and Outokumpu expects its service providers, suppliers, contractors and subcontractors to comply with these laws, regulations and restrictions as well.

Bribery

Outokumpu complies with the anti-corruption treaties and laws of the countries in which it does business. Employees of Outokumpu will not directly or indirectly offer a bribe to government officials. These requirements apply to both Outokumpu employees and agents, consultants and service providers, no matter where they are doing business.

Gifts, entertainment and travelling

As a general rule Outokumpu doesn't give gifts or provide entertainment to any officials. Gifts and entertainment from officials must also be rejected.

Limited exceptions are allowed if necessary according to local traditions and if acceptable under local laws. But even then, exceptions need to be immediately reported to the superior of the local Outokumpu unit manager.

Outokumpu may provide an official with local transportation and accommodation when he/she is travelling to an Outokumpu site to perform his/her task provided that it is acceptable according to local laws and habits.

Q: An official is going to make a routine inspection on one of our sites, which is difficult to reach. He will fly to the nearest airport on the authority's expense, but can we send a car to pick him up?

A: Yes, you can, provided that it is allowed according to the local laws.

Q: A local official who is well known here, but doesn't make any decisions regarding our company, is turning 50 next week, can we give him a present?

A: You can, if it is a local custom and accepted under local laws. Furthermore the gift has to be of modest economic value, as set out in this Code, and the superior of the local Outokumpu unit manager must be informed.

7. How to get help

Reporting concerns

Any activity that is against applicable laws, regulations or Outokumpu practices, or activity that can cause direct or indirect financial or other damage to Outokumpu, its personnel or other stakeholders is considered misconduct. It is important to take action to prevent problems and protect Outokumpu's reputation, and it is something Outokumpu employees are expected to do.

This is why employees must report suspected misconduct to their immediate superiors or other members of the company management.

If this is not possible due to confidentiality or the nature of the matter, suspected misconduct must be reported to the Help Line or Outokumpu Legal Affairs.

To report misconduct contact any of the following:

1. Your immediate superior
2. Other members of the company or group management
3. Help Line / Internal Audit
4. Outokumpu Legal Affairs

Help Line

Help Line is a confidential contact channel through which employees and external stakeholders can report suspected misconduct confidentially and anonymously by e-mail or they can phone Internal Audit directly (in English, Finnish and Swedish).

If you are in doubt whether some behavior is unethical and should be reported, contact the Help Line.

Contact information for the Help line channel and Internal Audit is available as follows:

- On Outokumpu's intranet at www.myoutokumpu.com --> Group functions --> Corporate Management --> Internal Audit or Help line
- On Outokumpu's web site at www.outokumpu.com --> Contact Information --> Internal Audit or Help line
- By phone through Outokumpu's operator: +358 9 4211 / Internal Audit
- By fax: +358 9 421 2125
- By e-mail: internal.audit@outokumpu.com
- By mail: Outokumpu Oyj, Internal Audit, PO Box 140, FI-02201 Espoo, Finland

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