

## REMUNERATION COMMITTEE CHARTER

1. The composition of the Remuneration Committee is determined by the Board of Directors.
2. The tasks of the Committee are to discuss and prepare recommendations to the Board regarding new nominations in and compensation principles applicable to the Group's executive and senior management. The tasks of the Committee include in particular:
  - a. Making recommendations to the Board as to the nomination of a new Chief Executive Officer ("CEO") and his/her possible deputy;
  - b. Making recommendations to the Board as to the remuneration (including bonuses, option programmes etc.) of and other terms of contract with the CEO, if applicable;
  - c. In cooperation with the CEO, making recommendations to the Board as to new nominations to the Outokumpu Leadership Team (other than the CEO) as well as definitions of the areas of responsibility of the members of the Outokumpu Leadership Team;
  - d. Making recommendations to the Board as to succession plans and backup arrangements;
  - e. Monitoring on a continuous basis the implementation of any ongoing incentive schemes as well as making recommendations to the Board concerning such schemes and their operation;
  - f. Making recommendations to the Board as to other essential nomination and remuneration practices within the Group.
3. The Committee determines and approves the terms of service, including salaries, bonuses, pension benefits and other benefits, of the Outokumpu Leadership Team members other than the CEO.
4. The Committee shall aim at securing levels of remuneration that are sufficient to attract, retain and motivate executives to run the Group successfully, but it should avoid arrangements that offer more favourable compensation and terms of contract than are customary for comparable positions outside the Group. This includes the obligation of Committee members to stay adequately informed about relevant benchmarks. In pursuing this aim, the Committee shall consider all terms and conditions of the respective service contracts, including the period of the contract and the notice period.
5. The Committee shall periodically evaluate the performance of the CEO and the members of the Outokumpu Leadership Team and present its findings, opinions and possible recommendations to the Board.
6. Where the Committee considers it necessary or feasible, it will work together with the Human Resources function of the Company. The Committee has the authority to request the Company to prepare studies, or to have studies prepared, about issues relevant to the work of the Committee.
7. The Committee shall convene as necessary, but at least once a year.
8. The Committee reports on its work to the Board of Directors.

9. The secretary to the Committee shall be nominated by the Board. Minutes shall be prepared for each meeting.

#### **DOCUMENT IDENTIFICATION**

Document approver: Board of Directors

Document owner: Matti Louhija, Senior Vice President – – Corporate General Counsel

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