

Code of Conduct

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Foreword from the CEO

Outokumpu is the global leader in sustainably produced stainless steel. Stainless steel was first invented in what is now part of Outokumpu, and that legacy also drives us forward in developing our products, improving our operations and conducting our business.

Shared values and ethical business practices form the foundation for our daily work at Outokumpu. They unite us and create a common understanding on how we do business, treat our people and work towards a world that lasts forever. Responsible and ethical business practices can never be compromised, and we all are responsible for maintaining a high level of integrity while pursuing our strategy and targets in all market circumstances.

The Outokumpu Code of Conduct provides the principles and guidelines that all our employees need to follow in their daily work. They guide us in making the right choices. In addition to the ethical and legal standards set in our Code of Conduct, we naturally also comply with applicable laws and regulations in all our operating countries, and we expect the same from our customers, partners and other key stakeholders.

At Outokumpu, we want to foster a transparent and open culture. If you have any questions or concerns regarding our Code of Conduct, I advise you to discuss this with your manager or the compliance team. I also strongly encourage everyone to raise your concerns of any misconduct or violations of our Code of Conduct. Serious breaches can be reported through the SpeakUp service in complete anonymity.

I expect everyone at Outokumpu to take the time to familiarize yourself with our Code of Conduct and adhere to it without any exceptions. This will ensure that we serve our customers, strive for excellence and work towards our vision and goals in an ethical and responsible way.



Heikki Malinen
President & CEO





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!

1. Ethic 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's Ethics Statement. In short these principles are:

- **Safe and healthy workplace**

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

- **Human rights and dignity**

Human beings should be treated equally and fairly irrespective of ethnic origin nationality, religion, political views, gender, sexual orientation or age. Outokumpu honours human dignity and promotes diversity, and condemns discrimination and intolerance of all kinds.

- **Our planet for the future**

Outokumpu strives in all operations for sustainable 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.

2. Health and safety

Anyone who works in Outokumpu premises has a right to a safe and healthy working environment. As a minimum, Outokumpu complies with all relevant legal and workplace safety requirements. Outokumpu believes that all accidents are preventable and therefore strives towards a goal of zero accidents and has a mission of putting safety first, everyone, every time, everywhere.

Enacting this goal and mission requires consistent actions to promote the development of safety systems and processes, employee ownership and leadership. Further direction is provided by **Outokumpu's Safety Principles** and **Cardinal Safety Rules** as well as **Health and Safety Standards**.

Our focus on safety in the workplace serves to prevent accidents and occupational illness by minimizing the impact of work related risks. We believe that a safe workplace leads to higher motivation and improved productivity.

It is a responsibility of all individuals to demonstrate a safe behavior according to work instructions and working procedures to support others to ensure they work in a safe manner. Also to build a positive safety culture in the spirit of continuous improvement, it is a requirement to report all deviations, hazards, and accidents so that appropriate measures can be taken to minimize similar risks in the future.



3. Sustainability and environment

Sustainability and environment

Outokumpu strives for sustainable development in all operations including economic, social and environmental dimension. Outokumpu produces sustainable material through sustainable production chain in a responsible manner. In Outokumpu's view sustainability is a precondition for competitiveness in the long run. Sustainability is an integral part of all Outokumpu operations, activities and decision making, from materials purchasing through to production and sales.

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 maximizes eco-efficiency through resource efficient production by implementing risk based environmental management which aims to prevent incidents, pollution and emissions;
- Outokumpu proactively develops solutions in products, processes, materials and energy efficiency to help reduce the impact on the environment;
- Outokumpu optimizes energy and water use to improve efficiency;
- Outokumpu takes climate change seriously and operates according to long term targets, initiating programs and actions to reach them;

- Outokumpu uses recycled steel as a main raw material and save natural resources.
- Outokumpu supports expanding international cooperation to reduce environmental impacts and enhance global environmental protection throughout the whole value chain. Outokumpu takes environmental aspects into consideration in making business decisions.

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.

4. Fair employment practices

Respect

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

Non-discrimination

Outokumpu will not tolerate discrimination against any employee on the grounds of their racial or ethnic background, age, gender, disabilities, sexual orientation, religious beliefs, family status, social origins, political opinions, union membership or other such characteristics. Outokumpu fosters equal opportunity and diversity. Employment decisions will be based solely on business reasons and will be made according to national employment laws.

Working conditions

Outokumpu's working hours, vacation times, wages and other working conditions are consistent with applicable local laws. Outokumpu does not accept any form of forced or compulsory labor, or the use of child labor.

Freedom of association

Outokumpu employees have the right to organize themselves, join associations and bargain with the company collectively.

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. The employee must ask for his/her superior's approval.

Political and community activities of employees

Outokumpu does not 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.

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.



5. Compliance with the law

Combating corruption

Outokumpu condemns all forms of corruption and complies with the anti-corruption treaties and laws of the countries in which it does business. Offering and giving bribes or kickbacks is strictly prohibited and never in the interest of Outokumpu. Employees of Outokumpu will not directly or indirectly offer or give a bribe to government officials or representatives of its customers. These requirements apply to both Outokumpu employees and its agents, consultants and service providers, no matter where they are doing business.

Agents and distributors

Outokumpu works with commercial agents, finders, consultants and distributors. Commissions or fees paid to these sales intermediaries must be reasonable in relation to the value of the service 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. More information and instructions on dealing with sales intermediaries can be found in **Outokumpu's Corporate Instruction on the Use of Sales Intermediaries**.

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, Corporate Affairs and Compliance and not pay the consultant until your concerns have been investigated.

Gifts, entertainment and travel expenses

There are some business situations that call for giving gifts or providing entertainment. Any gifts or entertainment offered by Outokumpu personnel must be reasonable and modest in economic value. Any exceptional gifts must be approved by the gift giver's superior in advance; any exceptional, extensive or frequent entertainment must be approved in advance by the organiser's superior.

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.

As a general rule Outokumpu does not give gifts or provide entertainment or travel to any government or public officials.

Outokumpu employees do not accept extensive gifts or inappropriately valuable or frequent entertainment, or anything that might make it appear that the business interests of Outokumpu may be compromised, and are expected to turn down any such offers. Outokumpu employees are allowed though to accept gifts or entertainment that is of modest economic value and in the context of the business.

As a general rule Outokumpu employees' travel expenses must be paid for 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. Outokumpu employees may accept accommodation organized and paid for by a business partner as long as it is in the context of the business and the expenses are reasonable. 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. More information and guidance can be found in the **Anti-Corruption Instruction**.

Sponsorship and donations

Outokumpu has a **Corporate Instruction on Sponsorship and Donations**, which should be consulted when situations concerning sponsoring or donating occur.

Avoiding conflicts of interest

Outokumpu employees 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.

Outokumpu employees are also 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.

Fair competition and antitrust

Outokumpu and all its employees must comply with the antitrust and fair competition laws of all the countries in which Outokumpu does business. Outokumpu has a separate **Competition Law Compliance Policy**, which should be followed even if this goes 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, Corporate Affairs and Compliance function if they have questions on Outokumpu's competition law policy.

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, Corporate Affairs and Compliance function.

Trade restrictions

When importing or exporting goods, i.e. products, services, information or technology, Outokumpu will comply with the applicable national and international laws, regulations and restrictions and Outokumpu expects its service providers, suppliers, contractors and subcontractors to comply with these laws, regulations and restrictions as well. Therefore, Outokumpu employees should always assess the nature of the goods, the country of their origin or end-use and the identity of the customer/business partner. More information and guidance can be found in the **Know Your Business Partner Instruction**.

6. Corporate governance

Outokumpu is of the opinion that checks and balances are vital means for ensuring the correctness and thus sustainability of its business and therefore requires that controls such as the segregation of duties and the four eyes principle are followed throughout its

organization and that business is at any time supervised. More information can be found in the [Corporate Governance Policy](#) as well as the [Policy on the Governance of Outokumpu Subsidiaries](#).

7. Protection of company assets and information

Protection of company assets

Each Outokumpu employee has the responsibility to protect Outokumpu's assets he/she has been entrusted with from loss, damage, misuse or theft. Outokumpu assets may be among other things company money, product, intellectual property, industrial and other tools and machines, photocopiers, computers, telephones and other electronics, vehicles, and employees' time at work and work product. Those assets may only be used for Outokumpu's business purposes and to a limited extent for other purposes approved by management.

Data protection

Outokumpu protects the personal data of its employees, customers and suppliers by ensuring that it is only collected, gathered, processed, used, and stored to the extent necessary for pre-determined and legitimate purposes and in compliance with applicable laws. More information can be found in the [Data Protection Policy](#).

Confidentiality and business secrets

Outokumpu employees are obligated to keep confidential and 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.

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



Insider information

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](#).

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 Outokumpu 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 Policy](#).

8. Sales and marketing practices

Product quality

Outokumpu's vision is to be the best value creator in stainless steel by 2020 through customer orientation and efficiency. To align business with this vision we will continually improve customer satisfaction by focusing on both product and service quality.

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.

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 there has been no improvement, you should not sell to them.

Accurate and truthful marketing

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



9. Purchasing practice

Purchasing principles

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. 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 and quality, commission fees, other transaction costs and taxes.

No harm to 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 this Code of Conduct and Outokumpu's Corporate Responsibility Policy, and that they follow similar standards.

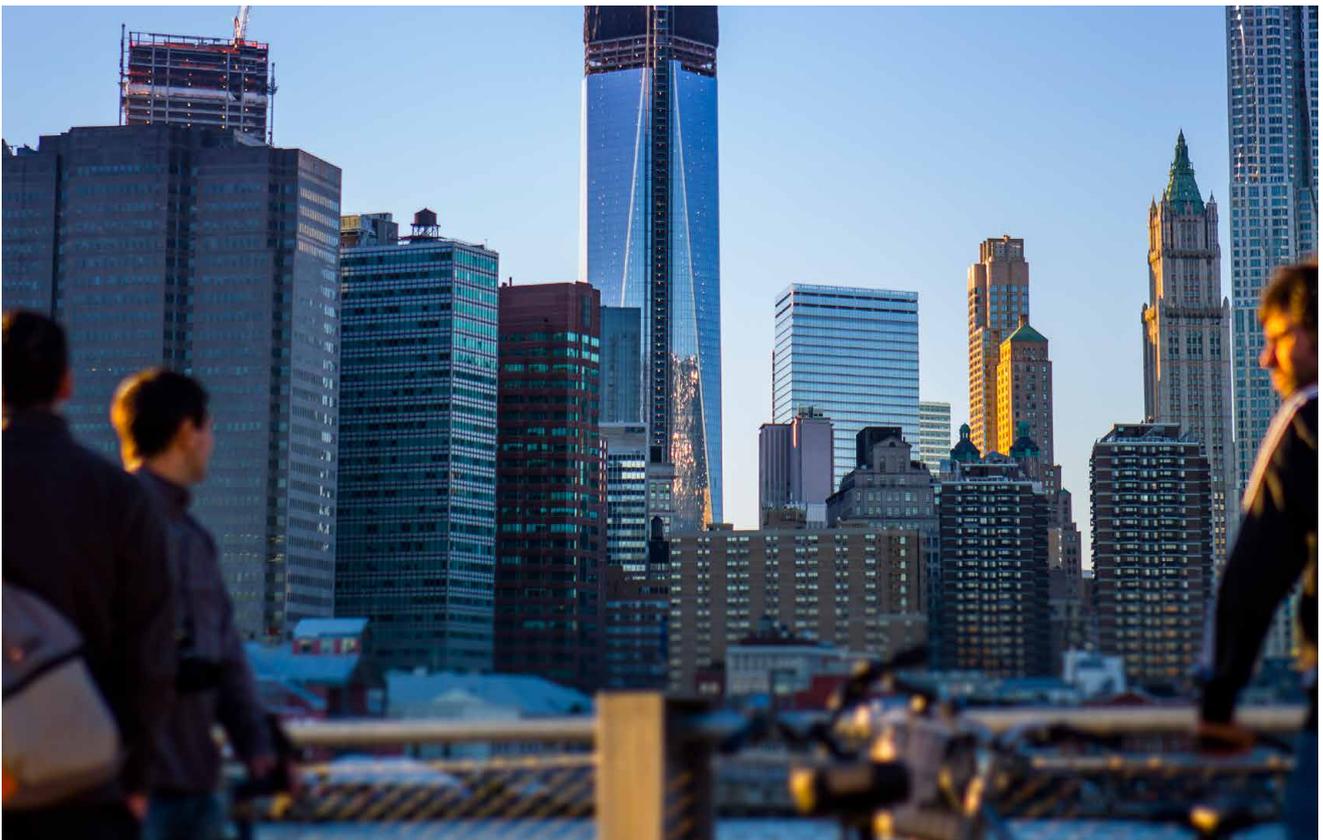
10. Financial integrity

Accuracy of company records and taxation

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, applicable tax laws and regulations and Outokumpu's internal controls. Outokumpu complies with all applicable tax laws and regulations of the countries in which it does business.

Anti-money laundering

Outokumpu complies with anti-money laundering obligations and aims to ensure that it will not put into circulation in the legal economy any funds or other assets originating directly or indirectly from criminal offenses, making them appear legal. Outokumpu employees should therefore carefully check the identities of customers, service providers, consultants and other third parties with whom legal relationships are entered into. For further information please refer to **Outokumpu's Corporate Instruction on Prevention of Money Laundering**.



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 managers 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 Outokumpu Internal Audit or Legal, Corporate Affairs and Compliance function or HR. When other channels do not feel comfortable, concerns shall be reported via SpeakUp.

SpeakUp

SpeakUp is a confidential contact and communication channel hosted by a third party, which allows employees and external stakeholders to report serious breaches of the Code of Conduct confidentially and when desired anonymously 24/7.

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 mission critical behaviors. Managers should promptly act on any indications of behaviour that is in conflict with the Code of Conduct or that is unethical.

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. All information provided by Outokumpu must be truthful and accurate.

It is important that Outokumpu employees consult with Outokumpu Legal, Corporate Affairs and Compliance function before responding to any non-routine requests.

To report misconduct:

Contact your manager, or your manager's manager.

OR

Contact company management.

OR

Contact Internal Audit, Compliance or HR.

OR

When other channels do not feel comfortable, report your concerns and engage in communication with Outokumpu via SpeakUp.

Contact information for reporting concerns:

- On Outokumpu's intranet at: <http://onet.outokumpu.com/>
--> Misconduct reporting channels
- On Outokumpu's website at www.outokumpu.com
--> Sustainability
--> SpeakUp misconduct reporting

Working towards forever.

We work with our customers and partners to create long lasting solutions for the tools of modern life and the world's most critical problems: clean energy, clean water and efficient infrastructure. Because we believe in a world that lasts forever.

