Financial year 2025

In the midst of challenging market conditions, Outokumpu was able to maintain a healthy balance sheet and a strong market position.

Review by the Board of Directors and Financial Statements 2025

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The stainless steel bridge in Södertälje, spanning Sweden's E4 motorway, showcases innovative engineering and environmental responsibility. Quickly constructed to replace an old wooden bridge, it symbolizes the city's dedication to sustainability and is designed to last over 120 years with minimal upkeep.

Review by the Board of Directors

The year 2025 began with signs of economic recovery and a gradual pickup in customer activity. However, the improvement proved short-lived as trade disruptions drove heightened uncertainty, while demand across key stainless steel end uses in Europe and North America remained weak. The European market also faced sustained pressure from low-priced imports from Asia. The U.S. market saw some tailwinds, with volumes picking up as customers redirected orders to domestic producers, including Outokumpu, in response to tariff increases. The ferrochrome market remained balanced, as Southern African producers operated at limited production levels due to electricity shortages and high costs. Demand for Outokumpu's ferrochrome remained solid, supported by its low emissions and European origin, which continued to be a key differentiator amid geopolitical uncertainty.

Group adjusted EBITDA of EUR 167 million ended slightly below the previous year's level of EUR 177 million driven by developments in business area Europe. In addition to challenging market conditions, fourth-quarter profitability in business area Europe was further affected by temporary challenges related to the supply chain planning solution in the Enterprise Resource Planning (ERP) rollout, which amplified the decline in customer deliveries and weighed on results. At the same time, business area Americas achieved a significant improvement in adjusted EBITDA, driven by higher volumes and lower costs, partially supported by short-term cost-saving measures. Selling prices in the U.S. recovered in the second half of the year. Adjusted EBITDA in business area Ferrochrome improved in 2025, marking the third consecutive year of growth, supported by lower variable costs and short-term cost-saving measures.

In response to the weak stainless steel demand and sustained low-priced Asian imports, the company initiated a EUR 100 million restructuring program, to be completed by the end of 2027, focusing on business area Europe and Group functions.

While net debt increased moderately in 2025 to EUR 265 million from EUR 189 million in the previous year, it remained at a healthy level. The increase was driven by negative free cash flow, reflecting weaker result. Nevertheless, the company's solid balance sheet, together with its total liquidity reserves of 1.2 billion, provides a solid starting point for 2026.

Outokumpu's business model rests on a strong foundation built around strategic priorities such as circularity, smart decarbonization and secure access to sustainable and cost-effective raw materials. These priorities have already positioned the company as a sustainability leader in the industry, which is an increasingly important advantage as CBAM and the EU ETS are expected to reshape the competitive landscape and reward early movers in the years ahead. To ensure CBAM's full effectiveness and a level playing field, the company continues to urge the EU Commission to expand CBAM to steel-intensive downstream sectors and indirect emissions, and to introduce robust measures that prevent circumvention.

Building on this foundation, a key milestone in the company's strategic journey during 2025 was the launch of the EVOLVE growth strategy for 2026–2030, designed to strengthen resilience to market cycles by improving cost competitiveness, building a stronger product portfolio, and differentiating into areas that support higher growth and profitability. In support of the implementation of the new strategy, Outokumpu's Leadership Team was further strengthened by three new appointments, bringing valuable experience. Matthieu Jehl was appointed President, business line Stainless Europe; Johann Steiner was appointed President, business area Americas; and Anouk de Graaf was appointed Executive Vice President, People, Sustainability & Corporate Relations.

Capital allocation is also a key factor in the new EVOLVE growth strategy, with the company committed to maintaining a healthy balance sheet while balancing resilience, growth and dividends, supporting competitive total shareholder returns over the longer term.

During the year, Outokumpu was recognized for its sustainability leadership by Corporate Knights, being named among Europe's 50 most sustainable companies, and received a Platinum rating from EcoVadis as well as an A-rating for climate from CDP. Outokumpu also took part in the global climate dialogue at COP30, advocating the critical role of stainless steel in the green transition and the importance of effective carbon pricing. In partnership with its customers and suppliers, Outokumpu has achieved approximately 75% lower carbon footprint compared to the industry average.

Despite Outokumpu's strong commitment to safety and industry leading performance, a fatal accident occurred in the third quarter at the San Luis Potosi site in Mexico. Following the accident, Outokumpu has conducted a thorough investigation, reinforced communication to ensure full awareness and understanding across the organization, and taken immediate corrective actions.

Looking ahead, the company is well positioned, supported by a robust strategy that unlocks new and distinctive business opportunities across the value chain, while Outokumpu continues progressing towards its decarbonization targets by 2030 and beyond.

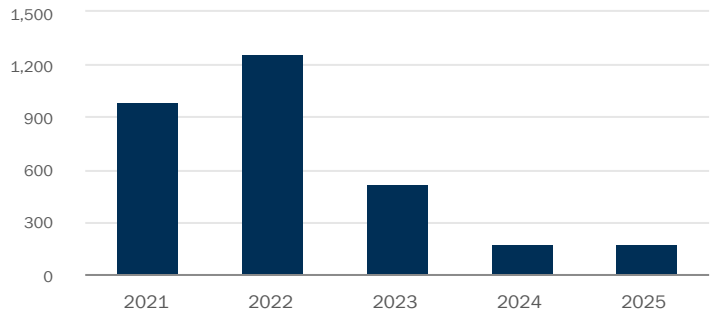
The Board wishes to thank Outokumpu's committed organization, which once again demonstrated strong dedication and resilience throughout a demanding year.

CRU Market development overview

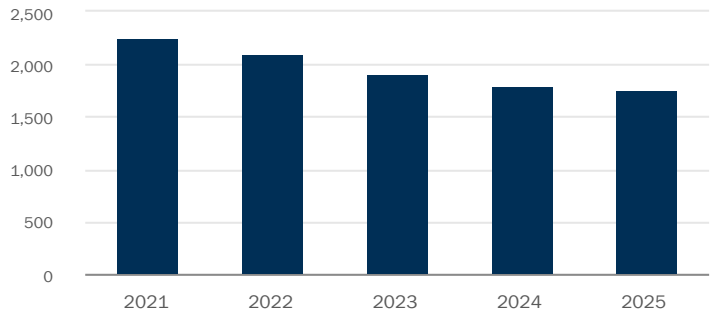
According to CRU's latest estimates, global apparent consumption of stainless steel flat products is expected to have increased by 3.8% in 2025 compared to 2024. EMEA and APAC are to increase by 2.6% and 3.7%, respectively, while the Americas is expected to show the biggest growth at 6.9%.

(Source: CRU Stainless Steel Flat Products Market Outlook November 2025)

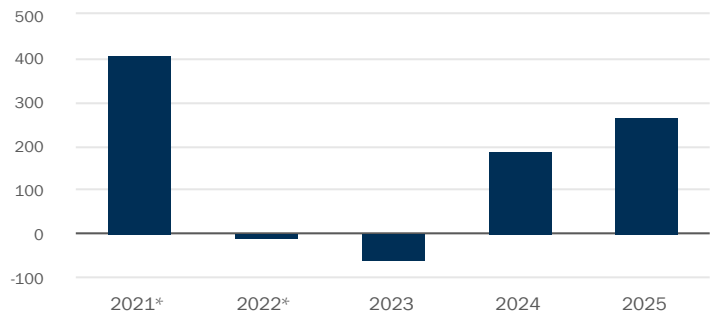
Adjusted EBITDA, € million



Stainless steel deliveries, 1,000 tonnes



Net debt, € million



*Including discontinued operations

Results

Adjusted EBITDA in January–December 2025 was EUR 167 million (EUR 177 million). Stainless steel deliveries were 2% lower compared to the previous year. Deliveries increased in business area Americas, and decreased in business area Europe. Average selling prices for stainless steel decreased in both business areas, with the decline particularly pronounced in business area Europe. This resulted in sales of EUR 5,468 million (EUR 5,942 million).

Profitability was supported by significantly lower raw material costs in business area Europe, short-term cost-saving measures of EUR 63 million and result in business area Ferrochrome. Profitability declined in business area Europe and improved in business area Americas. Raw material-related inventory and metal derivative gains were EUR 18 million in January–December 2025 (gains of EUR 3 million).

The Group's EBITDA was EUR 88 million (EUR 162 million). Items affecting comparability in EBITDA amounted to EUR -79 million (EUR -15 million), mainly related to restructuring provision in relation to the implementation of the EVOLVE growth strategy, recognized in the second quarter, and restructuring costs in the fourth quarter related to personnel reduction.

EBIT was EUR -134 million (EUR -51 million). Depreciation, amortization and impairment amounted to EUR 222 million (EUR 213).

Net financial expenses were EUR 43 million (EUR 41 million), including interest expenses of EUR 54 million (EUR 64 million).

Income taxes were EUR 36 million (EUR 49 million) including the impact of Germany's corporate tax rate decrease, which reduced the net result by EUR -10 million.

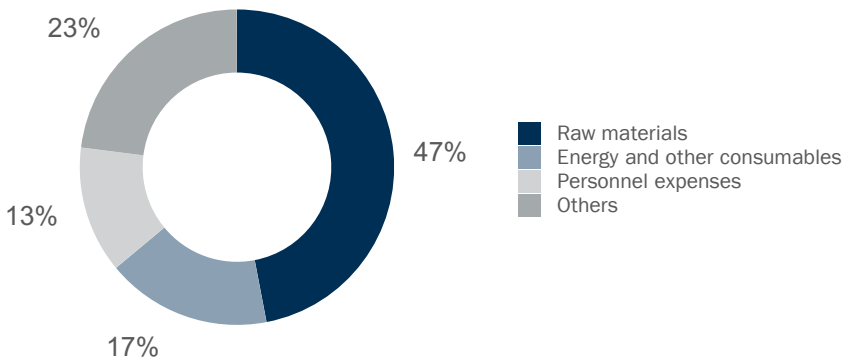
Net result was EUR -137 million (EUR -40 million) and earnings per share was EUR -0.31 (EUR -0.09).

ROCE for the rolling 12 months was -3.2% (-1.2%), driven by weaker profitability.

Results

€ million	2025	2024
Sales	**5,468**	5,942
Adjusted EBITDA	**167**	177
Items affecting comparability in EBITDA		
Restructuring costs	**-71**	-7
Litigation provisions	**-6**	-2
Environmental	**-2**	-5
Loss on disposal of shares in Group companies and businesses	**—**	-3
Inventory revaluations	**—**	2
EBITDA	**88**	162
Operating profit (EBIT)	**-134**	-51
Net result for the financial year	**-137**	-40
Earnings per share, €	**-0.31**	-0.09
Diluted earnings per share, €	**-0.31**	-0.09
Adjusted EBITDA margin, %	**3.1**	3.0
Return on capital employed, rolling 12 months (ROCE), %	**-3.2**	-1.2

Cost structure, %



Adjusted EBITDA by segment

€ million	2025	2024
Europe	**-46**	58
Americas	**102**	59
Ferrochrome	**138**	106
Other operations and intra-group items	**-27**	-46
Total adjusted EBITDA	**167**	177

Items affecting comparability in EBITDA

€ million	2025	2024
Europe	**-65**	-3
Americas	**-7**	-8
Ferrochrome	**-1**	—
Other operations	**-7**	-4
Total items affecting comparability in EBITDA	**-79**	-15
Total EBITDA	**88**	162

Strategy execution

Outokumpu's strategy

In June 2025, Outokumpu announced its new EVOLVE strategy for 2026–2030. EVOLVE is a growth-focused strategy that seeks to build a stronger, more resilient portfolio by leveraging Outokumpu's competitive advantages and allocating capital based on two strategic roles: foundational and transformative businesses. Through EVOLVE, Outokumpu aims to increase its value by driving cost competitiveness and cash generation in sustainable stainless steel, growing profitably in advanced materials and alloys, increasing value from the chrome mine and ferrochrome business by moving up the chromium value ladder, and revolutionizing value creation through innovative materials and proprietary technologies. A solid financial position, geographically diversified assets, strong market positions in Europe and the Americas, and secure access to critical raw materials provide a robust platform for executing this strategy.

Strategy progress in 2025

In 2025, Outokumpu completed its previous strategy period, aiming to strengthen its core business while maintaining strict capital discipline. The company targeted total capital expenditure of EUR 600 million for 2023–2025, and as plans evolved, capital expenditure for 2025 was reduced to EUR 145 million, resulting in capital expenditure of EUR 531 million for the period.

Outokumpu's financial targets included an EBITDA run-rate improvement of EUR 350 million by the end of 2025 and maintaining a net debt to adjusted EBITDA ratio below 1.0x in normal market conditions. The EBITDA run-rate improvement target, raised from EUR 200 million to EUR 350 million in May 2024 to underline the company's focus on continuous improvement, was achieved, with EUR 63 million delivered in 2025. At year end, net debt to adjusted EBITDA was 1.6x reflecting the current cyclical market conditions.

Progress in 2025 was driven by a focused set of initiatives across all business areas. In business area Europe, key contributors included the closure and transfer of the precision strip operations in Germany from Dahlerbrück to Dillenburg, raw material efficiency and cost management in the Avesta melt shop in Sweden, and further optimization of scrap sorting and utilization between Krefeld in Germany and Tornio in Finland. These were complemented by several energy-efficiency projects, and improved prematerial sourcing for quarto plate.

In business area Americas, continued optimization of its route to market, together with further yield improvements and energy-efficiency investments in Calvert, U.S., strengthened regional performance. In business area Ferrochrome, continued implementation of sub-level caving and consumable efficiency measures contributed to additional EBITDA run-rate improvements.

Together, these achievements mean that Outokumpu exits 2025 with a stronger, more efficient, and more customer-oriented core business. In a market environment where pricing and demand pressures have outpaced the company's ability to fully offset its cost base, these improvements have materially mitigated the impact and left Outokumpu in a better financial position than it would otherwise be.

The Kemi mine has been pursuing carbon neutrality by the end of 2025. The objective remains firmly in place, and the goal is now close to being achieved. The target is that the

mine will become the world's first carbon-neutral mine, although progress has been delayed by the increase in the mining tax.

The planned EUR 40 million investment in a biocarbon production plant in Germany is currently on hold due to changes in investment assumptions. Outokumpu is evaluating more favorable alternatives for the business case.

Transition to EVOLVE

Under the new EVOLVE growth strategy, Outokumpu is translating its ambitions into concrete actions through a focused set of foundational and transformative initiatives, each with a distinct role in value creation and capital allocation. The strategy is underpinned by financial targets for 2026–2030: a net debt to EBITDA ratio of 1.0x, with disciplined financial flexibility allowing it to temporarily exceed 2.0x to support strategic investments and manage cyclical market conditions, and an EBITDA improvement of EUR 250 million to be achieved through foundational initiatives. In 2026, Outokumpu's total capital expenditure is expected to be approximately EUR 200 million.

Foundational initiatives

Foundational businesses focus on generating strong cash flow and supporting shareholder returns, while funding growth in transformative areas. Capital expenditure is therefore focused on maintenance, mandatory investments, and targeted investments into competitiveness and smart decarbonization. These investments are supported by a continuous focus on cost competitiveness, leveraging sustainability leadership, and securing the supply of critical raw materials, with a targeted minimum internal rate of return of 15%.

In business area Europe, Outokumpu is optimizing its operational footprint and production capabilities. Outokumpu has conducted a feasibility study to improve European competitiveness by investing approximately EUR 200 million in a new annealing and pickling line in Tornio, Finland, while intending to close two less competitive lines in Krefeld, Germany. The investment remains under review.

Transformative initiatives

Transformative initiatives are designed to unlock new profit pools and drive value in higher-growth, higher-margin, and less cyclical markets, with a targeted minimum internal rate of return of 20%.

The global advanced materials and alloys market shows strong growth potential. Outokumpu has started a feasibility study to assess a potential investment in its melt shop in Avesta, Sweden, to enable further expansion into high-nickel alloys, while also exploring selective inorganic opportunities within this area.

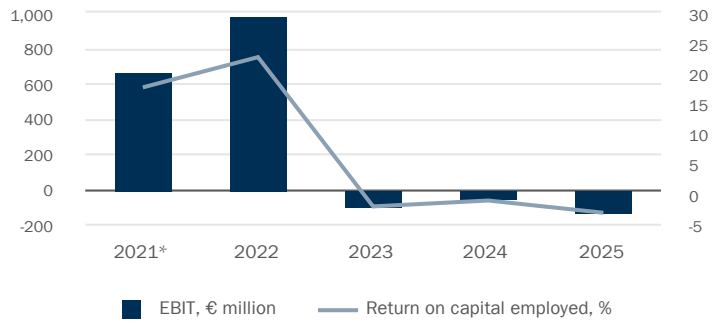
As a low-emission ferrochrome producer and the owner of the only chrome mine in the EU, Outokumpu is increasing the value of its chrome mine and ferrochrome business by moving up the chromium value ladder and driving new value creation through innovative materials and proprietary technologies to produce low-CO_2 metals, while repositioning ferrochrome business from an internal supplier to an unrestricted market player. The company aims to establish a platform for premium products, initially focusing on chromium materials, where its own chrome mine offers the ideal launchpad. To support the development, Outokumpu is investing approximately USD 45 million in a pilot plant in New Hampshire, U.S., to pilot and advance proprietary technology for producing critical low-CO_2 materials, such as chromium metal and enriched ferrochrome. The pilot plant is planned to be operational in the first half of 2027.

Cost competitive foundation

In response to weak stainless steel demand and intense competition from low-priced imports into the European market, conditions that have resulted in unsustainably weak profitability in business area Europe, Outokumpu has initiated a restructuring program aimed at achieving EUR 100 million in annual cost savings by the end of 2027. The program focuses primarily on business area Europe and global Group functions, with savings generated through fixed-cost reductions, including workforce reductions, efficiency improvements across the organization, and optimization of the production footprint. Strengthening the company's foundations is essential to successfully executing Outokumpu's growth-focused EVOLVE strategy.

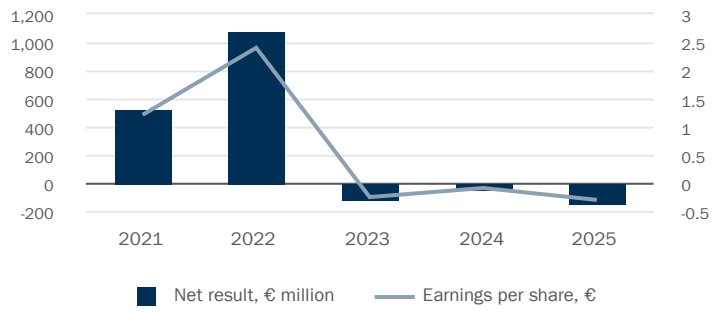
Personnel negotiations in Finland, Sweden, and Germany were completed in the fourth quarter of 2025, processes in other countries continue. In total, the restructuring is expected to impact approximately 650 full-time positions by the end of 2027.

EBIT and return on capital employed

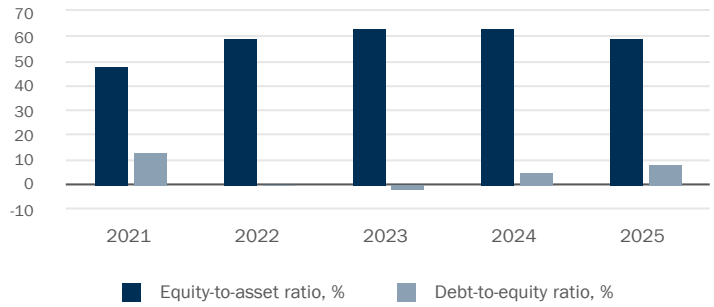


Outokumpu has redefined its capital employed and ROCE definitions in 2022.
Comparative information for 2021 has been restated accordingly.
*Capital employed Includes discontinued operations.

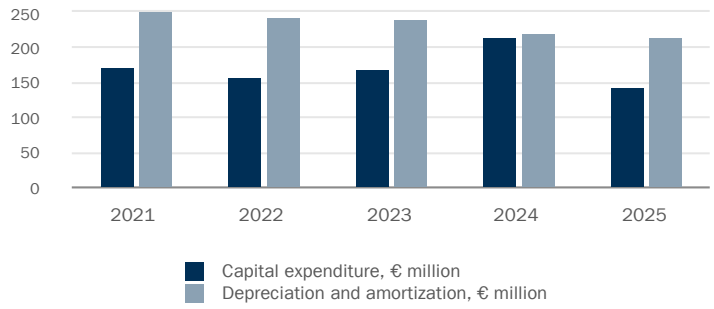
Net result and earnings per share



Equity-to-assets ratio and debt-to-equity ratio*



Capital expenditure and depreciation and amortization



*Including discontinued operations. In 2025, 2024 and 2023 no discontinued operations impact in the balance sheet.

Financial position and cash flow

Cash flow and net working capital

€ million	2025	2024
Free cash flow	**-46**	-71
Change in working capital	**112**	27
Capital expenditure	**145**	216
Inventories	**1,608**	1,764

Free cash flow in January–December 2025 was EUR -46 million (EUR -71 million). The improvement was mainly driven by changes in working capital and lower capital expenditure, more than offsetting the decline in results, which included a negative impact on financial items due to foreign exchange rates. Working capital contributed EUR 112 million to cash flow (EUR 27 million), supported by reduction in inventory. Capital expenditure was EUR 145 million in 2025 (EUR 216 million).

Inventories on the balance sheet decreased and stood at EUR 1,608 million at the end of December (December 31, 2024: EUR 1,764 million). The inventory decrease of EUR 156 million was driven by lower inventory value per tonne, partly offset by higher inventory volumes towards the end of 2025.

Financial position

€ million	2025	2024
Net debt		
Non-current debt	**519**	246
Current debt	**108**	256
Cash and cash equivalents	**362**	313
Net debt	**265**	189
Net debt to adjusted EBITDA	**1.6**	1.1
Gross debt	**627**	502
Debt-to-equity ratio (gearing), %	**7.8**	5.0
Equity-to-assets, ratio, %	**59.8**	63.2
Liquidity reserves, € billion	**1.2**	1.1

Net debt was EUR 265 million at the end of December 2025 (December 31, 2024: EUR 189 million). The EUR 76 million increase compared to year-end 2024, was primarily driven by negative free cash flow and the dividend payout. Gross debt was EUR 627 million (December 31, 2024: EUR 502 million), and gearing was 7.8% (December 31, 2024: 5.0%).

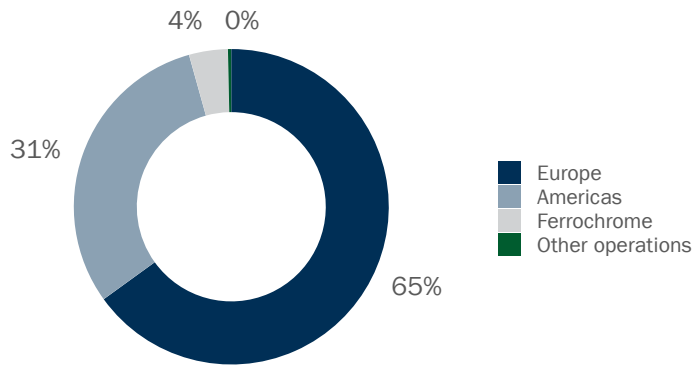
In the first half of 2025, Outokumpu completed conversions of convertible bonds totaling EUR 125 million. In Q1 2025, Outokumpu signed a three-year EUR 200 million loan. The maturity of the loan is in March 2028 including a one year extension option, which was used in Q4 2025 and the new maturity is in March 2029. In Q3 2025, Outokumpu signed a three-year EUR 100 million term loan with a maturity date in July 2028, including one year extension option. In November, Outokumpu refinanced its main liquidity facility by entering into a new EUR 800 million committed unsecured revolving credit facility, replacing its previous committed liquidity facilities of similar size. The new facility, maturing in February 2030, includes two 12-month extension options that can be exercised in 2027 and 2028, potentially extending maturity to 2032. The margin of the new facility is linked to emission reductions in line with the approved emission reduction target by the Science Based Targets initiative for 2030.

Cash and cash equivalents were EUR 362 million at the end of December 2025 (December 31, 2024: EUR 313 million) and overall liquidity reserves were EUR 1.2 billion (December 31, 2024: EUR 1.1 billion). The liquidity reserves include cash and cash equivalents and EUR 800 million of outstanding committed credit facilities, which were fully unutilized. At the end of 2025, the outstanding amount of issued commercial papers was EUR 50 million.

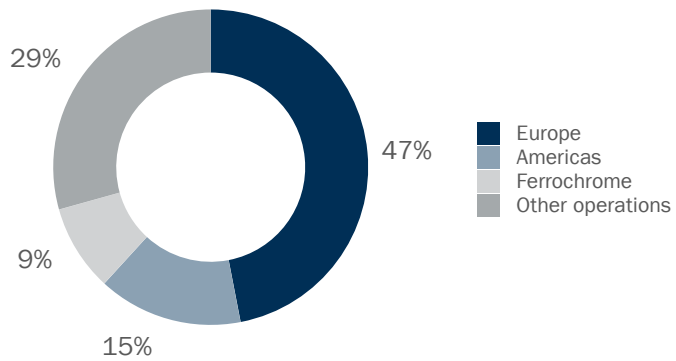
Business areas

Outokumpu has three business areas, which are also Group's operating segments. More information about the business areas can be found in note 2.1 in the consolidated Financial Statements.

External sales by business area, 5,468 € million



Capital expenditure by business area, 145 € million



Europe

EUR million, or as indicated	2025	2024
Stainless steel deliveries, 1,000 tonnes	**1,148**	1,222
Sales	**3,600**	4,102
Adjusted EBITDA	**-46**	58
Items affecting comparability in EBITDA	**-65**	-3
EBITDA	**-111**	55
Operating capital	**1,849**	1,959
Return on operating capital, rolling 12 months, %	**-8.5**	-3.0

In 2025, business area Europe's adjusted EBITDA was EUR -46 million (EUR 58 million). Stainless steel deliveries decreased by 6% compared to the previous year, mainly impacted by market weakness, while average stainless steel selling prices were significantly lower. This resulted in sales of EUR 3,600 million (EUR 4,102 million).

Profitability was mainly supported by lower raw material costs and short-term cost-saving measures. Raw material-related inventory and metal derivative gains were EUR 0 million (gains of EUR 3 million). Business area Europe's return on operating capital was -8.5% (-3.0%), mainly driven by weaker profitability.

In 2025, apparent consumption in EMEA showed an increase of 2.6% compared to 2024 (Source: CRU Stainless Steel Flat Products Market Outlook November 2025). EU cold-rolled imports increased to a level of 25% from the previous year's level of 22% (Source: EUROFER, January 2026).

Americas

EUR million, or as indicated	2025	2024
Stainless steel deliveries, 1,000 tonnes	**622**	596
Sales	**1,676**	1,707
Adjusted EBITDA	**102**	59
Items affecting comparability in EBITDA	**-7**	-8
EBITDA	**95**	51
Operating capital	**431**	574
Return on operating capital, rolling 12 months, %	**13.0**	4.2

In 2025, business area Americas' adjusted EBITDA increased to EUR 102 million (EUR 59 million). Stainless steel deliveries increased by 4% compared to the previous year, as customers shifted to domestic producers. Average selling prices for stainless steel in USD decreased both in the U.S. and Mexico, though this was offset by an improved product mix. This resulted in sales of EUR 1,676 million (EUR 1,707 million).

Profitability was supported by lower raw material and variable costs, as well as a reduction in fixed costs driven by short-term cost-saving measures. Raw material-related inventory and metal derivative gains were EUR 19 million (losses of EUR 3 million). Business area Americas' return on operating capital was 13.0% (4.2%), mainly driven by stronger profitability.

In 2025, the apparent consumption decreased by 1% compared to 2024. The share of cold-rolled imports into the US decreased to 21% compared to a level of 25% in 2024. The share of cold-rolled imports into North America decreased to 30% from a level of 34% in 2024. (Source: American Iron and Steel Institute, AISI, based on Jan-Nov data).

Ferrochrome

EUR million, or as indicated	2025	2024
Ferrochrome deliveries, 1,000 tonnes	**395**	374
Sales	**462**	469
Adjusted EBITDA	**138**	106
Items affecting comparability in EBITDA	**-1**	—
EBITDA	**137**	106
Operating capital	**835**	863
Return on operating capital, rolling 12 months, %	**10.0**	5.5

In 2025, business area Ferrochrome's adjusted EBITDA increased to EUR 138 million (EUR 106 million). Ferrochrome deliveries increased by 6% compared to the previous year, driven by higher external demand, partly offset by weaker internal deliveries. Ferrochrome sales price was lower, mainly driven by unfavorable EUR/USD foreign exchange rate. This resulted in sales of EUR 462 million (EUR 469 million).

Profitability was supported by lower variable costs, partly driven by short-term cost-saving measures. Business area Ferrochrome's return on operating capital was 10.0% (5.5%), mainly driven by stronger profitability.

Research and development

Outokumpu's Research and Development (R&D) function builds technical expertise that supports the development of materials for new application areas, advances process technologies, and enables improvements to the existing product offering. Also, intellectual property, including patents, has a major role in creating value through innovations.

Under Outokumpu's growth-focused strategy, EVOLVE, R&D activities increasingly focused on progressive and exploratory activities to drive growth in new and modified grades, including applications such as the production and use of green hydrogen.

R&D also provided expertise to reduce carbon emissions in Outokumpu's production processes. Following the development of biocoke, additional non-fossil reduction opportunities were identified, such as hydrogen and biomethane. As part of these efforts, it was successfully demonstrated how waste streams, including slag and carbon dioxide, can be converted into valuable products such as carbon-negative concrete blocks. In addition, R&D supported the ongoing proprietary technology development project to produce low-CO_2 materials, such as enriched ferrochrome and chromium metal.

Alongside ongoing product development, R&D also hosted the Outokumpu Corrosion Academy – a series of online lectures – which continued throughout the year to foster customer dialogue and offer customers, engineers, and students opportunities to deepen their understanding of stainless steel and corrosion.

Outokumpu operates three R&D centers – in Avesta, Sweden; Krefeld, Germany; and Tornio, Finland – where a team of 62 experts drives innovation in materials and technologies, supporting Outokumpu's value creation. In 2025, Outokumpu's R&D expenses were EUR 11 million, representing 0.2% of the annual sales (2024: EUR 15 million and 0.2%). In addition to the direct R&D expenses, Outokumpu has also various strategic initiatives and development projects ongoing.

Risks and uncertainties

Outokumpu is exposed to a range of risks and uncertainties that may adversely affect its business and operations. To mitigate these risks, the company applies continuous and comprehensive risk management across its operations.

Global economic activity, shifts in trade and economic policies, and geopolitical tensions expose Outokumpu to risks and uncertainties in its operating environment. These factors could have an adverse impact on the company's operations, financial performance, and overall financial position.

The main short-term risks relate to the development in trade policies and increased geopolitical tensions, which could disrupt global trade, increase inflation, and slow economic growth, ultimately leading to possible weakening of demand and pressure on stainless steel prices, even with their broad range of end uses.

The U.S. administration's shifts in trade policies has created uncertainties in global trade flows and imposed duties of 50% on steel imports in 2025. As a result, high volumes of low-priced Asian imports risk being diverted into Europe, continuing to burden the European stainless steel market. To address this, the European Commission has proposed more effective safeguards to strengthen the industry's competitive position, with measures expected by mid-2026. Since Outokumpu operates in both the US and Europe, imposed tariffs may support US operations while potentially negatively impacting European operations if effective safeguards are not implemented.

Starting January 2026, the Carbon Border Adjustment Mechanism (CBAM) aims to ensure that imported carbon-intensive goods face the same carbon costs as those produced within the EU. However, uncertainties remain regarding the effectiveness of these measures in preventing circumvention, ensuring a level playing field in climate action and preventing carbon leakage.

The company remains exposed to risks related to volatile metal prices, especially nickel. Financial derivatives are used to manage the impacts of nickel price changes.

Cyber security threats and dependencies on critical suppliers and machinery expose Outokumpu to the risk of operational disruption and additional costs.

Significant legal proceedings

In May 2025, Outokumpu commented on unconfirmed news about a possible legal process initiated in Moscow by Rosatom against Outokumpu, among other parties. By the end of the reporting period, Outokumpu has not received any official notification regarding the reported claim or the process. From the beginning, Outokumpu has denied and continues to deny all grounds for liability related to the terminated Fennovoima nuclear power plant project, including the existence of any contractual relationship or obligation between Outokumpu and any Rosatom company. Rosatom has already previously and groundlessly attempted to involve Outokumpu in the arbitration proceedings concerning the termination of the Engineering, Procurement and Construction (EPC) contract regarding the Fennovoima nuclear power plant project. As we communicated on February 14, 2025, the arbitral tribunal confirmed that it does not have jurisdiction to adjudicate claims brought by RAOS Project Oy and JSC Rosatom Energy International (JSC REIN) against Outokumpu. This decision terminated the arbitral proceedings with respect to Outokumpu. There may be attempts in the future to join Outokumpu in legal disputes arising out of the terminated project.

On July 16, 2018, a class of plaintiffs, consisting of former and current Outokumpu Calvert mill employees, brought a suit against Outokumpu Stainless USA, LLC in the U.S. federal district court, alleging that the company failed to pay full wages for regular work and overtime work they performed. The district court entered a default judgment against Outokumpu in 2021 with respect to liability without Outokumpu having the opportunity to argue the merits of the allegations and subsequently found Outokumpu liable to the plaintiffs for approximately USD 13 million in the aggregate, plus attorney's fees. Outokumpu unsuccessfully appealed the district court's decision and the matter was remanded to the district court for a final judgment. On July 2, 2025, the district court issued a partial judgment requiring Outokumpu to pay the plaintiffs approximately USD 13 million plus post-judgment interest and notify certain individuals, who were not previously notified at the initial stages of the case, that they have a right to opt-in to the class and receive damages payments for the relevant period. Outokumpu is now awaiting the district court's further ruling on the damages for these additional opt-in plaintiffs, Outokumpu's previously argued defenses, and the amount Outokumpu must pay the plaintiffs' attorneys for their fees. Outokumpu now has an approximately USD 11 million provision in respect of this matter as approximately half of the provision was settled in July 2025.

On January 19, 2018, Outokumpu Nirosta GmbH was served with a claim in the district court of Krefeld for a declaratory judgment by the owner of a warehouse in Krefeld that Outokumpu had leased until the end of 2016. The claim related to the responsibility for maintenance and repair of the warehouse and amounted to EUR 19 million. The parties reached a settlement which the court confirmed on June 4, 2025, and according to which Outokumpu has agreed to pay the claimant in total approximately EUR 6 million in three equal installments in 2025, 2026 and 2027. The first installment was paid in June 2025. Outokumpu has an appropriate provision in place for the remainder.

Shares and share capital

On December 31, 2025, Outokumpu's share capital was EUR 311 million and the total number of shares was 473,016,832. At the end of December, Outokumpu held 1,808,411 treasury shares. The average number of shares outstanding was 450,344,651 in 2025 (424,237,776). The closing share price at the end of the period, on December 31, was EUR 4.48.

2020, Outokumpu issued senior unsecured convertible bonds of EUR 125 million maturing on July 9, 2025. The bonds were convertible into new and/or existing ordinary shares in Outokumpu at a set conversion price. In the first half of the year 2025, Outokumpu received conversion notices and converted EUR 124.7 million and a total of 47.0 million shares. The company resolved to issue 47.0 million new shares as conversion shares and cancel 30.8 million of its own shares. 11.7 million new shares were issued in the second quarter and 35.3 million shares in July 2025. In 2023 bonds amounting to EUR 0.2 million were converted.

The conversion period ended on June 25, 2025. The remaining unconverted amount of EUR 0.1 million was paid on the maturity date.

Principal shareholders on December 31, 2025

	Shares	%
Solidium Oy	70,793,208	14.97
Varma Mutual Pension Insurance Company	24,888,403	5.26
Ilmarinen Mutual Pension Insurance Company	15,360,000	3.25
The Social Insurance Institution of Finland	8,388,652	1.77
Elo Mutual Pension Insurance Company	7,306,000	1.54
State Pension Fund	6,500,000	1.37
Mandatum Life	6,396,566	1.35
OP Life Assurance Company Ltd.	5,982,957	1.26
Nordea Life Assurance Finland Ltd.	3,667,542	0.78
Oy Etra Invest Ab	3,000,000	0.63
Nordea Bank Abp	2,374,239	0.50
Etola Erkki Olavi	2,000,000	0.42
Laakkonen Mikko Kalervo	1,706,000	0.36
Op Finland Index	1,675,049	0.35
Sinituote Oy	1,538,560	0.33
Insurance Company Fennia Life	1,438,289	0.30
Op Finland Investment Fund	1,424,191	0.30
Seligson & Co Equity Fund	1,294,560	0.27
Nordea Pro Finland Fund	1,285,877	0.27
Ojala Alpo Armas	1,285,860	0.27
Total	**168,305,953**	**35.58**
Nominee accounts held by custodian banks	125,212,557	26.47
Treasury Shares	1,808,411	0.38
Other Shareholders	177,689,911	37.57
Total	**473,016,832**	**100.00**

Management shareholdings and share-based incentive programs

On December 31, 2025, the members of the Board of Directors and Outokumpu Leadership Team (OLT) altogether held 1,070,697 shares, corresponding to 0.23% of the total number of shares.

Outokumpu has established share-based incentive programs for the Outokumpu Leadership Team (OLT) members, selected managers and key employees, which include a Performance Share Plan and a Restricted Share Pool for key employees.

In 2025, after deductions for applicable taxes, a total of 154,661 shares were delivered to OLT members in the incentive programs based on the terms and conditions of the programs. Outokumpu used its treasury shares for the reward payments.

The Performance Share Plan and the Restricted Share Pool Program are currently ongoing for periods 2023–2025, 2024–2026, 2025–2027 and their continuation for the period 2026–2028 was approved by the Board of Directors in December 2025. For vesting conditions see note 3.4 in the consolidated Financial Statements.

In 2022, Outokumpu introduced a new sustainability-focused performance criterion for the Performance Share Plan, reflecting its commitment to continuous improvement in sustainability. All plan periods now incorporate an earning criteria aligned with Outokumpu's Science Based Targets initiative (SBTi), specifically targeting CO_2 emission reductions. For all plan periods, 80% of the remuneration is linked to return on capital employed, with the remaining 20% tied to the CO_2 emission reduction goal.

More details on the share-based incentive programs can be found in note 3.4 in the consolidated Financial Statements.

The members of the OLT and the Board of Directors are introduced in the Corporate Governance Statement included in the Annual Report and at the Outokumpu website. Their shareholdings are also presented in the Corporate Governance Statement and their remuneration in note 3.2 in the consolidated Financial Statements. Corporate Governance Statement and Remuneration Report are also included in the Annual Report.

Changes in management and Board of Directors

On November 4, 2025, Outokumpu appointed Anouk de Graaf as EVP, People, Sustainability and Corporate Relations and a member of Outokumpu Leadership Team as of February 1, 2026.

On October 6, 2025, Outokumpu appointed Johann Steiner as President, business area Americas as of October 6, 2025. Previously Johann held the role of EVP, Strategy, Sustainability & People. Tamara Weinert, the previous position holder, pursued new challenges.

On April 3, 2025, Hilde Merete Aasheim and Olavi Huhtala were elected in Outokumpu's Annual General Meeting as new members of the Board of Directors. At the same time Pierre Vareille's position as a member of the Outokumpu Board of Directors ended.

On February 12, 2025, Outokumpu appointed Matthieu Jehl as President, business line Stainless Europe and member of the Outokumpu Leadership Team. He started in this position at the end of August. Niklas Wass, the previous position holder, left his position on March 31, 2025. Johann Steiner, EVP, Strategy, Sustainability and People acted as interim President, business line Stainless Europe, before Matthieu Jehl started.

Information presented in the notes to the Financial Statements

Related party transactions are disclosed in the Group Consolidated Financial Statements note 6.4 and in the Parent company's Financial Statements notes 8, 11, 14 and 17.

Corporate governance

Outokumpu's Corporate Governance Statement can be found at the Outokumpu website and in the Governance and remuneration section in the Annual Report.

Annual General Meeting

Outokumpu's Annual General Meeting 2025 was held on April 3, 2025, in the Congress Wing of Finlandia Hall, in Helsinki, Finland. The Annual General Meeting supported all of the proposals by the Board of Directors and the Shareholders' Nomination Board. The resolutions of the Annual General Meeting were published in a separate stock exchange release.

The Annual General Meeting approved the financial statements and discharged the Board of Directors and the CEO of the company from liability for the financial year 2024. The Annual General Meeting decided that a dividend of EUR 0.26 be paid for the financial year 2024, in two installments. The Annual General Meeting also authorized the Board of Directors to repurchase the company's own shares and to decide on the issuance of shares as well as special rights entitling to shares.

In addition, the Annual General Meeting approved the proposals by the Shareholders' Nomination Board regarding the members of the Board of Directors and their remuneration. According to the proposal by the Shareholders' Nomination Board, the Annual General Meeting decided that the Board of Directors shall consist of eight (8) members. The Annual General Meeting re-elected Heinz Jörg Fuhrmann, Kari Jordan, Päivi Luostarinen, Jyrki Mäki-Kala, Petter Söderström and Julia Woodhouse of the current members and elected Hilde Merete Aasheim and Olavi Huhtala as new members, all for the term of office ending at the end of the next Annual General Meeting. The Annual General Meeting also re-elected Kari Jordan as the Chairman and elected Jyrki Mäki-Kala as the new Vice Chairman of the Board of Directors.

Nomination Board

Outokumpu's Shareholders' Nomination Board consists of the representatives of the four largest shareholders registered in the shareholder register of the company following Nasdaq Helsinki's first trading day in August.

The Nomination Board has been established to annually prepare proposals on the composition of the Board of Directors and director remuneration for the Annual General Meeting.

On August 1, 2025, the four largest shareholders of Outokumpu were Solidium Oy, Varma Mutual Pension Insurance Company, Ilmarinen Mutual Pension Insurance Company and The State Pension Fund of Finland. As the State Pension Fund of Finland informed Outokumpu that it will not use its nomination right, the right transferred to the Social Insurance Institution of Finland.

The Shareholders' Nomination Board comprised Matts Rosenberg, CEO at Solidium Oy; Pekka Pajamo, Senior Vice-President, CFO, Finance and Internal Services at Varma Mutual Pension Insurance Company; Esko Torsti, Head of Alternative Investments at Ilmarinen Mutual Pension Insurance Company and Lasse Lehtonen, Director General at The Social Insurance Institution of Finland, as well as Kari Jordan, Chairman of the Board of Directors of Outokumpu. As of December 8th, 2025 Kari-Pekka Mäki-Lohiluoma, Deputy Director General of the Social Insurance Institution of Finland has substituted Lasse Lehtonen.

The Nomination Board submitted its proposals to Outokumpu's Board of Directors on January 19, 2026, see Events after the balance sheet date.

Board of Directors' proposal for profit distribution

According to the parent company's financial statements on December 31, 2025, distributable funds totaled EUR 2,652 million, of which retained earnings including the net result of the year were EUR 341 million.

The Board of Directors proposes to the Annual General Meeting to be held on March 26, 2026, that a dividend of EUR 0.13 per share to be paid for year 2025 in two installments. This corresponds to a total dividend of EUR 61 million. The proposal reflects the company's financial performance and cyclical market conditions, while maintaining the financial flexibility to invest in transformative growth.

Outlook for Q1 2026

Outokumpu's adjusted EBITDA improvement in the first quarter of 2026 is expected to benefit mainly from recovering stainless steel delivery volumes, which are forecast to rise by 20–30% from the fourth quarter of 2025. The change in deliveries mainly reflects normal seasonality and the exceptionally low level in business area Europe in the comparative period, which was additionally affected by challenges related to the supply chain planning solution in the ERP rollout in the fourth quarter.

With the current raw material prices, some raw material-related inventory and metal derivative gains are forecasted to be realized in the first quarter.

Guidance for Q1 2026

Adjusted EBITDA in the first quarter of 2026 is expected to be higher compared to the fourth quarter of 2025.

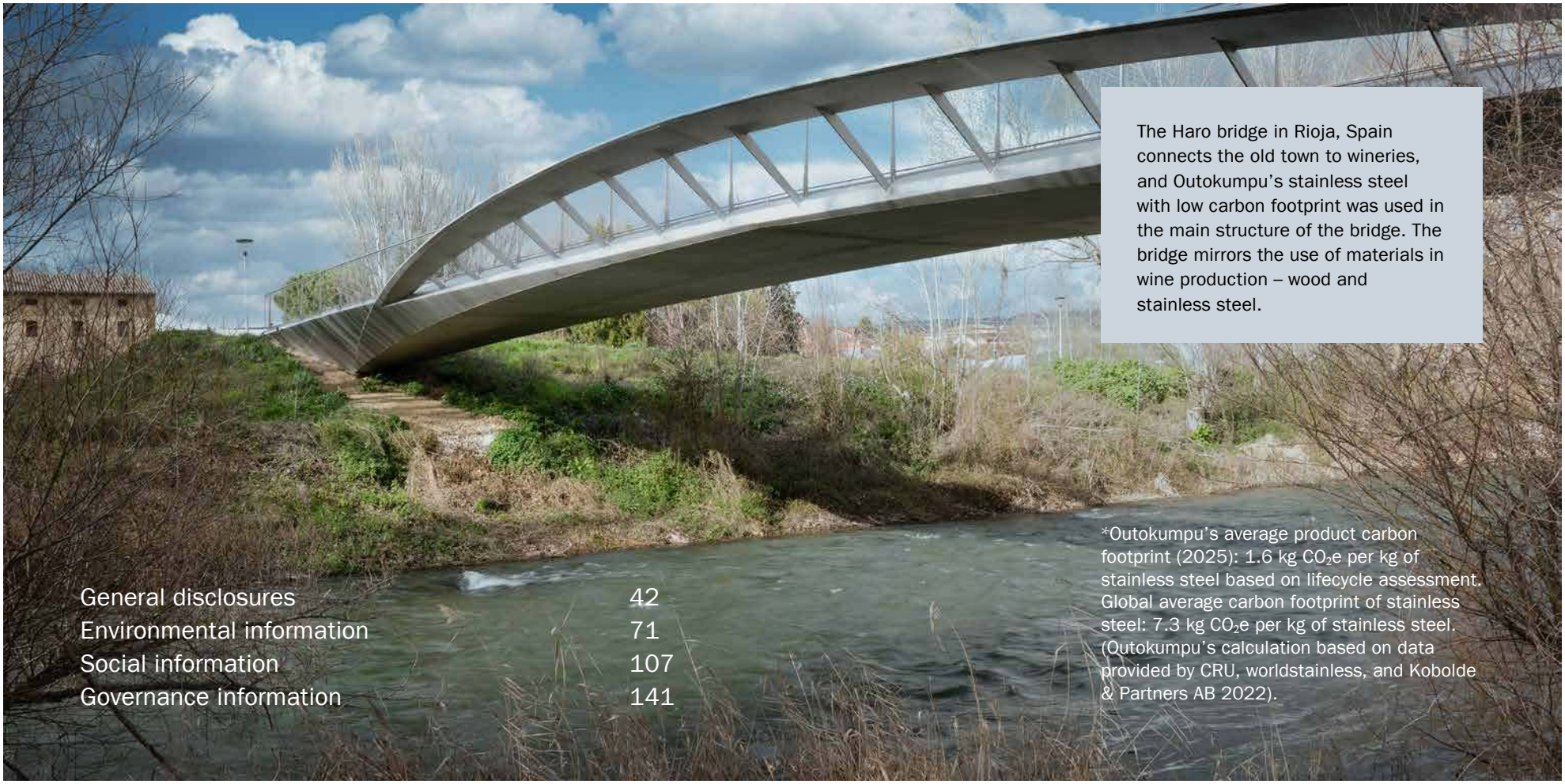
Events after the balance sheet date

On January 19, 2026, Outokumpu announced the proposals of the Shareholders' Nomination Board to the Annual General Meeting 2026. The Shareholders' Nomination Board proposes that the Board of Directors would consist of 10 members or, if one or more of the candidates proposed are unavailable, a correspondingly smaller number. The Nomination Board proposes that the current members of the Board of Directors Hilde Merete Aasheim, Heinz Jörg Fuhrmann, Olavi Huhtala, Kari Jordan, Päivi Luostarinen, Jyrki Mäki-Kala, Petter Söderström and Julia Woodhouse would be re-elected, and that Timo Ritakallio and Jenni Lukander would be elected as new members, all for the term of office ending at the end of the next Annual General Meeting. The Nomination Board also proposes that Kari Jordan would be re-elected as the Chairman and Timo Ritakallio elected as the Vice Chairman of the Board of Directors.

On January 8, 2026, Outokumpu announced it has signed a Memorandum of Understanding with Norsk e-Fuel, a Nordic pioneer in Power-to-Liquid project development, to work together towards realizing a CO-to-SAF (Sustainable Aviation Fuel) production plant. Norsk e-Fuel starts a feasibility study in 2026 and anticipates taking an investment decision around 2028, with production start planned for 2032. Outokumpu would provide carbon monoxide (CO) side streams from its ferrochrome production as a feedstock for the production of 80,000-100,000 tons of eSAF annually. The plant would be located next to Outokumpu's stainless steel mill in Koivuluoto, Tornio, Finland and once operational, it would create financial value for Outokumpu through increased side stream utilization. The project will support Outokumpu's decarbonization journey by allowing the company to reduce direct CO_2 emissions by 200,000 tons annually, representing 20% of Outokumpu's global direct emissions.

Sustainability statement

Outokumpu's vision is to pioneer materials and technologies that power tomorrow. With the purpose of a world that lasts forever, Outokumpu's products are made from 97% recycled materials, which it then turns into fully recyclable stainless steel. We support our customers in reducing their emissions with stainless steel that has an approximately 75% lower carbon footprint than the industry average*. With a high climate ambition, the company is committed to reducing its emission intensity by 42% by 2030 aligned with the science-based target to keep global warming below 1.5 degrees. Outokumpu's targets also include achieving zero safety incidents, enhancing equal pay, fostering supply chain sustainability and conducting business in an ethical and responsible way.



The Haro bridge in Rioja, Spain connects the old town to wineries, and Outokumpu's stainless steel with low carbon footprint was used in the main structure of the bridge. The bridge mirrors the use of materials in wine production – wood and stainless steel.

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*Outokumpu's average product carbon footprint (2025): 1.6 kg CO_2e per kg of stainless steel based on lifecycle assessment. Global average carbon footprint of stainless steel: 7.3 kg CO_2e per kg of stainless steel. (Outokumpu's calculation based on data provided by CRU, worldstainless, and Kobolde & Partners AB 2022).

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General disclosures

Outokumpu's sustainability statement includes updates from Outokumpu’s new EVOLVE strategy and a review of the double materiality assessment. Preparation follows the European Sustainability Reporting Standards.

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Basis for preparation

Outokumpu's sustainability statement ("Konsernikestävyysraportti" as per Finnish Accounting Act (1336/1997)) was prepared on a consolidated basis. Where information has been published in other parts of the report, Outokumpu has made use of incorporation by reference and cross references have been inserted. (ESRS2-BP-1-5-(a))

Scope of consolidation

The scope of consolidation of Outokumpu's sustainability statement is the same as for the Financial Statements. The consolidation principles rely on operational control, unless otherwise stated. See also Note 6.5 Subsidiaries in Financial Statements for more information about the Group. Associated companies, joint ventures and subcontractors are not included. Previously owned assets such as inactive closed mines are not included unless otherwise stated. (ESRS2-BP-1-5-(b)-(i))

Outokumpu's subsidiaries listed in Note 6.5 in the Financial Statements are exempted from individual or consolidated sustainability reporting pursuant to Articles 19a(9) or 29a(8) of Directive 2013/34/EU. (ESRS2-BP-1-5-(b)-(ii))

Coverage of value chain

In addition to Outokumpu's own operations, the sustainability statement contains relevant upstream and downstream value chain information on material sustainability matters. The evaluation of materiality has been made according to the double materiality assessment presented in its corresponding section. The assessment of impacts, risks and opportunities analyzed cover both the upstream and the downstream value chain. More information on impacts, risks and opportunities can be found later in sections of this sustainability statement. (ESRS2-BP-1-5-(c))

Omission of information and use of exemption

Outokumpu has not used the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation. (ESRS2-BP-1-5-(d))

Outokumpu has not used the option to exempt the disclosure of impending developments or matters in the course of negotiation, as provided for in articles 19a(3) and 29a(3) of Directive 2013/34/EU. (ESRS2-BP-1-5-(e))

Time horizons and specific circumstances

Outokumpu uses the ESRS standard definitions for short-, medium- and long-term. (ESRS2-BP-2-9-(a-b))

All figures presented have been rounded, and consequently the sum of individual figures may deviate from the presented aggregate figure. Key figures have been calculated using exact figures.

Value chain estimation

Outokumpu uses both direct and indirect sources to calculate value chain greenhouse gas emissions. Indirect emission factors are used in particular for raw materials, and other input materials, as well as to calculate transportation emissions. (ESRS2-BP-2-10-(a))

Supplier-specific primary data is prioritized, but when this is not available, the estimation described below has been used:

- For metallic alloys and other input materials, Outokumpu has used a weighted average of supplier-specific emissions and emission factors of life-cycle assessments from relevant industry associations.
- For transport, the company has used typical distances and types of transport with well-to-wheel emissions according to the EEA report 2/2022 of the European Environmental Agency for European transport and with the published emission factors of the US EPA for US transport. For business travel, greenhouse gas emissions reports of service providers have been used.
- Customers' avoided carbon emissions are calculated using the difference between the global average stainless steel carbon footprint of 7.3 tonnes of carbon dioxide equivalents per tonne of stainless steel, and Outokumpu's average product carbon footprint of 1.6 tonnes of carbon dioxide equivalents per tonne of stainless steel. The global average is calculated as a weighted average of the regional averages for Asia, Europe, North America and India. Outokumpu's product carbon footprint is based on life-cycle assessment and includes both European and North American production. Avoided emissions are based on steel amounts delivered. The calculation methodology for avoided emissions has been verified by a third party in 2024.

In the absence of specific supplier data or industry association life-cycle-based emission data, Outokumpu has used database values from, for example, EcoInvent, or data from standards (ISO 14404). (ESRS2-BP-2-10-(b))

The resulting level of accuracy of the described value chain estimations is considered to be reasonably high and sufficient to give a representative picture of Outokumpu's performance. (ESRS2-BP-2-10-(c))

Outokumpu is constantly reviewing its value chain data and updating it with new information. Outokumpu's aim is to increase the share of direct emission data and to increase accuracy enabled by developments in information technology. (ESRS2-BP-2-10-(d))

Sources of estimation and outcome uncertainty

Quantitative metrics and monetary amounts that have been identified as including a high level of measurement uncertainty include:

- value-chain Scope 3 GHG emissions,
- volume of rain water within the water consumption metrics,
- volume of recycled and reused water, and
- financial effects of identified impacts, risks and opportunities. (ESRS2-BP-2-11-(a))

Uncertainty is due to limited availability of primary data, lack of instrumentation for fully measuring recycled and reused water, the viability of future techniques, price development, availability of bio-based solutions, and low-emission raw materials and fuels. (ESRS2-BP-2-11-(b)-(i)) Assumptions are disclosed in more detail in their respective chapters. (ESRS2-BP-2-11-(b)-(ii))

Due to long time horizons and changing market conditions, assessments of investments toward Outokumpu's climate transition plan contain uncertain information. (ESRS2-BP-2-12)

Changes in preparation, presentation or reporting errors

The calculation method for the restricted operating expenditure (OpEx) in EU Taxonomy reporting has changed from previous year after a review of accounts. Previous accounts that were previously fully attributable are now only partly attributable and therefore more representative. The changes resulted in EU Taxonomy restricted OpEx reported in for 2024 to be adjusted. Scope 2 (location-based) greenhouse gas emissions calculations have been updated to utilize more recent emission factors, resulting in changes to prior period's reported emissions. Reported value for 2024 Scope 2 (location-based) emissions changed from 540,274 tCO2 to 448,567 tCO2. This also affects Total greenhouse gas emissions values for prior period, changing from 3,878,026 tCO2 to 3,786,319 tCO2. (ESRS2-BP-2-13-(a-c))

A misstatement in the prior period's E1 Climate change chapter was discovered whereby the total EU Taxonomy eligible capital expenditure (CapEx) was referred to as EUR 78 million, when it should have been reported to be EUR 157 million of eligible and aligned CapEx. The prior period included a reported value of EUR 59 million for interests and financing expenses in the sustainability statement when it should have been EUR 74 million. No other errors were identified in the prior period's sustainability information. (ESRS2-BP-2-14-(a-c))

Other legislation or sustainability reporting standards

Outokumpu's sustainability statement has been prepared in accordance with Corporate Sustainability Reporting Directive (Directive (EU) 2022/2464), the European Sustainability Reporting Standards (ESRS) as defined in the Commission Delegated Regulation (EU) 2023/2772, the Finnish Accounting Act's Chapter 7 on sustainability reporting and the EU Taxonomy Regulation (2020/852). (ESRS2-BP-2-15)

For water analyses, Outokumpu follows the standards: EN ISO 11885:2009, EPA Methods, and EN 872:2005. ISO 17025 testing and calibration laboratories certifications have been accredited by Swedac. For self-declared environmental claims, Outokumpu has followed ISO 14021 and received certification by TÜV SÜD 2024. (ESRS2-BP-2-AR-2)

Incorporation by reference

Outokumpu refers to the Financial Statements for the following data:

- net revenue in Energy consumption and mix in the Climate change chapter (ESRS E1-5-43) and Greenhouse gas emissions in Scopes 1, 2 and 3 (ESRS1-6-55 & AR-55),
- list of subsidiaries in the consolidated statements in this section on Basis of preparation (ESRS2-BP-1-5), and
- carbon allowances in Internal carbon pricing in the Climate change chapter (ESRS E-8-AR-65). (ESRS2-BP-2-16)

Transitional provisions

Outokumpu utilizes transitional provisions and omits information described in ESRS1 "10.2 Transitional provision related to chapter 5 Value chain", "10.4 Transitional provision: List of Disclosure Requirements that are phased-in" described in Appendix C, and the anticipated financial effects of disclosure requirements E1-9 and E5-6.

Governance

Composition and experience of management bodies

At the end of 2025, the Board of Directors consisted of eight non-executive members, while the Outokumpu Leadership Team consisted of eight executive members. (ESRS2-GOV-1-21-(a)) There are no employee representatives on the Board of Directors or Outokumpu Leadership Team. (ESRS2-GOV-1-21-(b))

The Board of Directors as a whole has broad experience of international business, management and good governance in various sectors, including the steel, metal, chemical and forest industries, as well as the technology, banking and automobile sectors. The Outokumpu Leadership Team also possesses broad international competence and experience concerning, inter alia, the steel, metal, forest, machinery engineering and

chemical industries. The Board of Directors also has access to internal and external stakeholders and experts with regard to sustainability-related topics. (ESRS2-GOV-1-21-(c))

At the end of the reporting year, four out of sixteen members, or 25% (2024: 25%), of all the members in the administrative, management and supervisory bodies were women. In more detail, three out of eight members, or 38% (2024: 29%), of the Board of Directors were women. In the Outokumpu Leadership Team, one out of eight members, or 13% (2024: 22%), was a woman. (ESRS2-GOV-1-21-(d))

At the end of 2025, all (100%) members of the Board of Directors were independent of the company and its significant shareholders, excluding one Board member, Petter Söderström, who was independent of the company but not one of its major shareholders. (ESRS2-GOV-1-21-(e))

Roles and responsibilities

The Board of Directors and the President and Chief Executive Officer, who is supported by the Outokumpu Leadership Team, are the administrative, management and supervisory bodies of Outokumpu responsible for the management and operations of the Outokumpu Group with regard to sustainability matters.

The Board of Directors consisted of the following members:

- Kari Jordan (Chairman),
- Hilde Merete Aasheim (as of April 3, 2025)
- Heinz Jörg Fuhrmann,
- Olavi Huhtala (as of April 3, 2025),
- Päivi Luostarinen,
- Jyrki Mäki-Kala,
- Petter Söderström,
- Pierre Vareille (until April 3, 2025), and
- Julia Woodhouse.

The Board of Directors has set up two permanent committees, the Audit Committee and the Remuneration Committee, which consist of Board members and report to the Board of Directors.

The Audit Committee was chaired by Jyrki Mäki-Kala, and the other members of the committee were Olavi Huhtala (as of April 3, 2025), Päivi Luostarinen, Petter Söderström and Julia Woodhouse (until April 3, 2025). The Remuneration Committee was chaired by Kari Jordan, and the other members of the committee were Hilde Merete Aasheim (as of April 3, 2025), Heinz Jörg Fuhrmann, Pierre Vareille (until April 3, 2025) and Julia Woodhouse (as of April 3, 2025).

The Outokumpu Leadership Team, chaired by the President and CEO, is a reporting and decision-making forum for steering and managing Outokumpu's corporate agenda, including its sustainability matters. The Leadership Team operates by virtue of the CEO's mandate.

The Outokumpu Leadership Team consisted of:

- Kati ter Horst (President and CEO),
- Stefan Erdmann,
- Matthieu Jehl (as of August 26, 2025),
- Juhani Ristaniemi,
- Martti Sassi,
- Marc-Simon Schaar,
- Rolf Schencking,
- Johann Steiner,
- Niklas Wass (until March 31, 2025), and
- Tamara Weinert (until October 6, 2025). (ESRS2-GOV-1-22-(a))

The Board of Directors has responsibility for overseeing material impacts, risks and opportunities by deciding upon the strategy and long-term targets of the Group and by monitoring their implementation, as stated in the Board and Board Committee Charters. Further, the Board of Directors decides on annual business plans and monitors their implementation.

As stated in the Board and Board Committee Charters, it is also the duty of the Board of Directors to nominate and dismiss the members of the Outokumpu Leadership Team and to define their areas of responsibility, based on a proposal by the Board's Remuneration Committee.

Within the Outokumpu Leadership Team, the material impacts, risks and opportunities have been allocated to its members to ensure further integration into the existing processes. As set out in the Corporate Governance Policy, the decision-making authority of the Outokumpu Leadership Team follows from the authority of the CEO, and it is the duty of this body to run and develop the Group's operations in line with the strategy and targets set by the Board of Directors. (ESRS2-GOV-1-22-(b))

Monitoring and managing impacts, risks and opportunities

The Board of Directors decides on Outokumpu's strategy and the long-term targets of Outokumpu Group, such as its sustainability targets and strategy. The Board of Directors also monitors their implementation and charges the President and CEO with formulating and carrying out the necessary practices and procedures.

In addition to this, Outokumpu's top management regularly reviews progress regarding material impacts, risks and opportunities in various forums, as further described below. (ESRS2-GOV-1-22-(c))

To further ensure its continued progress within sustainability matters and to evaluate its sustainability strategy, Outokumpu has founded an internal Environment, Social, and Governance (ESG) Steering Group. The ESG Steering Group also monitors, manages and oversees impacts, risk and opportunities. The progress in set sustainability targets is reported to the Outokumpu Leadership Team and the Board of Directors by the Vice President – Sustainability.

In 2025, the ESG Steering Group consisted of:

- Johann Steiner, President – Business Area Americas (until October 6, 2025)
- Marc-Simon Schaar, Chief Financial Officer,
- Stefan Erdmann, Chief Technology Officer, and
- Juhani Ristaniemi, Executive Vice President – General Counsel, and
- Martti Sassi, President – Business Area Ferrochrome.

Johann Steiner acted as the Chairman of the ESG Steering Group, and Heidi Peltonen, Vice President – Sustainability, facilitates and participates in the meetings. (ESRS2-GOV-1-22-(c)-(i))

The Outokumpu Leadership Team acts as a reporting and decision-making forum for steering and managing Outokumpu's corporate agenda, including its sustainability matters, while taking into account impacts, risks and opportunities. The Outokumpu Leadership Team also approves transition and action plans related to sustainability.

Further, each Outokumpu business area is steered by a Business Area Board, chaired by the CEO. The Business Area Boards consist of the CEO, the CFO, the head of the respective business area and selected other key members of senior management. Each individual reports on their own responsibilities, as necessary.

The decision-making authorities of the Outokumpu Leadership Team and the Business Area Boards follow from the authority of the CEO. It is the duty of these bodies to manage the Group's operations in line with the strategy and targets set by the Board of Directors. (ESRS2-GOV-1-22-(c)-(ii))

Outokumpu has taken into account the existing risk management processes when conducting the double materiality assessment of assessing material impacts, risks and opportunities. Furthermore, Outokumpu is currently developing controls to assess progress in the targets related to material impacts, risks and opportunities. Outokumpu has identified risks and controls related to sustainability reporting, and more information on sustainability risks and controls can be found in the section Risk management and internal controls over sustainability reporting, below in this chapter. (ESRS2-GOV-1-22-(c)-(iii)

Setting targets and monitoring progress

Each business area and group function of Outokumpu is responsible for ensuring its own operational compliance with the sustainability targets and action plans, which includes implementing necessary measures and ensuring that monitoring, data collection and reporting are carried out.

The President and CEO, being responsible for the company's operational management, regularly monitors the set targets related to the most material impacts, risk and opportunities, together with the rest of the Outokumpu Leadership Team.

The Board of Directors approves the sustainability targets related to material impacts, risks and opportunities and monitors how the Group is proceeding toward the targets, based on status and action plans presented. (ESRS2-GOV-1-22-(d))

Expertise and skills in sustainability

Both the Board of Directors and the Outokumpu Leadership Team are regularly given updates and presentations on sustainability-related topics from both internal and external stakeholders and experts. In addition to this, the Board of Directors attends annual site visits to part of Outokumpu's operations, bringing them first-hand insights and expertise in sustainability matters.

In 2025, the Board of Directors and the President and CEO, assessed their ways of working and performance with support from an external service provider. One of the objectives of the assessment was to identify strengths and potential development areas. The assessment promotes and facilitates the Board of Directors' and the CEO and President's general understanding and knowledge, and ensures that relevant matters are part of the Board of Directors' agenda. (ESRS2-GOV-1-23)

To gain an external stakeholder view of material impacts, risks and opportunities, Outokumpu has had an external ESG Advisory Council to the CEO, consisting of different stakeholders, to support Outokumpu in setting its ambition and roadmap in sustainability. The ESG Advisory Council also shared insights on new sustainability topics during 2025.

The ESG Advisory Council consisted of three external advisors in addition to Outokumpu's senior executives participating in the council:

- Antoine Allanore, Professor of Metallurgy, Massachusetts Institute of Technology,
- Riikka Joukio, Independent Sustainability Senior Advisor, and
- Julia Woodhouse, Board member and member of the Remuneration Committee of Outokumpu (ESRS2-GOV-1-23-(a))

As mentioned above, both the Board of Directors and the Outokumpu Leadership Team receive regular updates and presentations on relevant sustainability matters, which also relate to the material impacts, risks and opportunities. In addition to this, the Outokumpu Leadership Team has regular strategy workshops, where sustainability topics are covered. These updates, presentations and workshops all contribute to ensuring that the Board of

Directors' and Outokumpu Leadership Team's skills and expertise are adequate with respect to relevant impacts, risks and opportunities. (ESRS2-GOV-1-23-(b))

Roles and expertise in business conduct

The Board of Directors and the President and Chief Executive Officer, who is supported by the Outokumpu Leadership Team, are the administrative, management and supervisory bodies of Outokumpu responsible for the management and operations of Outokumpu Group related to business conduct matters.

Outokumpu has a group-wide Ethics and Compliance (E&C) Program in place. Outokumpu's Legal and Compliance function is responsible for managing the implementation and continuous development of Outokumpu's E&C Program. The Legal and Compliance function reports to the CEO, as well as directly to the Board Audit Committee, on E&C-related matters. E&C updates are made regularly to the Outokumpu Leadership Team, to the Board Audit Committee and to the Board of Directors.

E&C-related matters are also regularly handled by an internal Ethics and Compliance Steering Group which consists of the Head of Controls and Internal Audit, Head of Ethics and Compliance, and selected members of the Outokumpu Leadership Team. The E&C Steering Group monitors the implementation and further development of the E&C Program and gets regular updates on various ethics and compliance matters, such as Code of Conduct, anti-corruption, competition law compliance, data privacy, know your business partner, and misconduct reporting. The E&C Steering Group also receives a regular update on internal investigations. In addition, the Legal and Compliance function maintains a global network of ethics and compliance contact persons and several data protection governance bodies, which meet on a regular basis and support the implementation of the E&C Program in the business areas, business lines and group functions.

Responsibility for managing supplier relationships lies primarily with the Procurement function, which reports to the Chief Financial Officer. The Procurement Leadership Team oversees supplier performance, including sustainability and ethical business conduct in day-to-day operations. Oversight of upstream value chain sustainability performance is exercised through the ESG Steering Group. Collaboration between Procurement, Supplier Sustainability, Group Sustainability, Health and Safety, and Legal and Compliance teams ensures that supplier due diligence, audits, and improvement measures are aligned with company standards and regulatory expectations. (G1-ESRS2-GOV-1-5-(a))

The members of the Outokumpu Board of Directors complete the Outokumpu Code of Conduct e-learning. In addition, the Outokumpu Code of Conduct e-learning is an annual mandatory e-learning course for the members of the Outokumpu Leadership Team. There are also other mandatory, regular E&C e-learning courses in the fields of anti-corruption, data protection, competition law compliance, and knowing our business partners, which are taken by the Outokumpu Leadership Team. In addition, Outokumpu Leadership Team members receive updates and are trained on the various ethics and compliance topics by the Legal and Compliance function.

Furthermore, in addition to ethics and compliance training, there is other mandatory training, such as health and safety training, to be taken by the members of the Outokumpu Leadership Team. (G1-ESRS2-GOV-1-5-(b))

Sustainability matters addressed by the bodies

The ESG Steering Group follows up on the progress of material impacts, risks and opportunities at least six times a year. Implementation of due diligence and effectiveness of policies, actions, metrics and targets are also reviewed by the ESG Steering Group at least six times a year.

Both the Board of Directors and the Outokumpu Leadership Team are informed about the effectiveness of policies, actions, metrics and targets, including implementation of due diligence, at least twice a year, starting from 2025. (ESRS2-GOV-2-26-(a))

The Board of Directors considers impacts, risks, and opportunities as part of the company's strategy process. Additionally, these impacts, risks and opportunities are assessed and discussed when reviewing and making decisions on major transactions, case by case. Potential trade-offs associated with those impacts, risks and opportunities are considered in the assessment, with the recognition that sustainability is a core value for Outokumpu.

The Outokumpu Leadership Team considers the impacts of the company's actions within the value chain, along with the risks and opportunities for its own operations, as part of its role. It also cascades these considerations throughout the team members' respective business areas, functions, and operations. (ESRS2-GOV-2-26-(b))

The Board of Directors has addressed the set targets related to the material impacts, risks and opportunities of climate, energy, circularity, safety, fairness and belonging annually. The Outokumpu Leadership Team monitors the progress for the mentioned targets regularly. In 2025, progress in the following sustainability topics was presented to stakeholders:

- decarbonization and progress on Outokumpu's climate transition plan,
- health and safety,
- due diligence development,
- ethics and compliance, and
- sustainability reporting and recent regulatory requirements. (ESRS2-GOV-2-26-(c))

Sustainability performance in incentive schemes

Outokumpu operates two incentive schemes applicable to the members of its leadership team. The short-term incentive plan (STI) supports the achievement of annual financial and

strategic targets. The performance share plan (PSP) is designed to promote the achievement of long-term strategic targets and align the management's interests with the those of shareholders. (ESRS2-GOV-3-29-(a))

In the short-term incentive plan, there are two sustainability-related targets. Safety, in terms of total recordable injury frequency rate (TRIFR), with a target below 1.5 in 2025, accounts for 10% of the short-term incentives for both the President and CEO and other Leadership Team members. Diversity, in terms of the number of diverse leaders added to the company, accounts for 10% of the short-term incentives of the Leadership Team members, but not the President and CEO. The diverse leaders target included in the short-term incentive plan is to add 100 diverse managers by the end of 2025. In the performance share plan, the sustainability-related target focuses on CO_2 emission reduction in line with Outokumpu's SBTi commitment, for a 20% weight. (ESRS2-GOV-3-29-(b))

Outokumpu's remuneration policy considers sustainability-related metrics as potential performance criteria but does not make them mandatory. (ESRS2-GOV-3-29-(c)) The sustainability-related variables comprises 20% of the total variable remuneration for management, except for the CEO, for whom it is 15%. (ESRS2-GOV-3-29-(d))

Incentive schemes for the President and CEO are approved by the Board of Directors, while incentive schemes for other members of the Leadership Team are approved by the Remuneration Committee of the Board of Directors. (ESRS2-GOV-3-29-(e))

Climate-related considerations in remuneration

Outokumpu's long-term incentive plan, the Performance Share Plan, includes sustainability-related criteria for the ongoing plan periods 2023–2025, 2024–2026 and 2025–2027. The performance share plan sets the compensation criteria for each period and is a part of the regular compensation for management, comprising close to 200 leaders including the Outokumpu Leadership Team.

As of 2022, 20% of the Performance Share Plans awarded to management have been tied to a greenhouse gas emissions reduction target, according to Outokumpu's Science Based Targets initiative (SBTi) commitment to keep global warming below 1.5°C. Specifically, Outokumpu's greenhouse gas emissions per tonne of crude steel produced must reach a reduced level each year, as outlined under disclosure requirement E1-4.

In 2025, the performance of Outokumpu's management has been comprehensively assessed against the greenhouse gas emission reduction targets:

- Achieved a 33% reduction in greenhouse gas emissions compared to the 2016 baseline, over its target of a 27% reduction for this period.
- Against the SBTi target 2025 (1.52), the outcome of the greenhouse gas reduction was 1.39 in Performance Share Plan 2023–2025.
  (E1-ESRS2-GOV-3-13)

Statement on due diligence

During 2025, Outokumpu continued to develop a group-wide sustainability due diligence process covering the company's own operations and value chain. This work was based on the previous actions that Outokumpu has taken to identify and manage its impacts on human rights and the environment. Outokumpu committed to the United Nations Guiding Principles (UNGPs) on Business and Human Rights in 2021. Since then, the company has further developed its approach to human rights due diligence.

Sustainability due diligence process

Based on the risk-based approach, the initial focus of Outokumpu's sustainability due diligence was on the high-risk upstream raw material value chains. Consequently, further implementation of the UNGP framework was continued in 2025 by setting a corporate target for all high-impact supplier spend to be covered by the Supplier Code of Conduct by 2030. Additionally, renewed Supplier Requirements with aligned expectations were released in December 2025. On-site assessments remained central to managing human rights and environmental impacts also in 2025. The company expanded its value chain analysis beyond direct suppliers to identify salient impacts related to social and environmental topics.

Regarding Outokumpu's own operations, the sustainability due diligence process development in 2025 was based on the human rights impact assessment findings and related actions defined in 2024. A governance structure for sustainability due diligence implementation was defined in 2025: Outokumpu's sustainability due diligence status is discussed annually at Outokumpu's Board of Directors. When relevant, it will also be a discussion item for Outokumpu's ESG Steering Committee consisting of Group Leadership Team representatives. Moreover, Outokumpu's cross-functional Sustainability Due Diligence Working Group was launched in 2025 to coordinate the implementation process regarding Outokumpu's own operations, upstream value chain and the closed mines previously operated by Outokumpu. The Working Group consists of representatives of key group functions for due diligence: Group Sustainability, Supplier Sustainability, General Procurement, Human Resources, Health & Safety, Legal and Ethics & Compliance. Head of Human Rights and Head of Supplier Sustainability function as co-leads for the Working Group.

Outokumpu's Human Rights Policy was comprehensively updated in December 2025 to correspond the updated salient human rights impacts and address the key aspects of Outokumpu's sustainability due diligence process development. A general internal guideline on sustainability due diligence at Outokumpu was also published in December 2025. In addition, Outokumpu's group-level approaches regarding grievance mechanisms, remedy, and stakeholder engagement, including affected communities, were further developed by releasing internal guidelines on these topics in December 2025. These documents will serve as basis to develop sustainability due diligence further in 2026.

In 2025, human rights due diligence implementation was initiated for key group functions and local HR and Health & Safety teams. One of the key focus areas was to further develop the data gathering process regarding cases of discrimination, work-related complaints and severe human rights-related cases in the company's own operations as defined in the data point ESRS S1-17 (see S1 Own workforce chapter). Furthermore, an environmental due diligence approach was introduced to local environmental teams at operations. Group Sustainability, Legal, and Supplier Sustainability established a process to systematically review regulatory due diligence frameworks relevant to Outokumpu.

Moreover, the sustainability due diligence was further integrated into corporate instructions. Outokumpu contributed to chosen research projects on sustainability due diligence implementation and participated in external events and peer discussions on this topic. ResponsibleSteel surveillance audit findings at Outokumpu's European operations in 2025 supported the work on sustainability due diligence.

Outokumpu will continue to develop its sustainability due diligence process for both its own operations and value chain upstream based on existing commitments and emerging legal requirements during 2026. Besides the ongoing work on supplier sustainability due diligence, the main planned actions include continued implementation of human rights and environmental due diligence locally at Outokumpu's own operations and further development of group-level approaches related to grievance mechanisms, remedy and affected communities. (ESRS2-GOV-4-30), (ESRS2-GOV-4-32)

Main elements of Outokumpu sustainability due diligence in 2025

Elements of sustainability due diligence	Main measures in 2025 at Outokumpu	Report section
Policy and governance	Human Rights Policy update	S1 and S3 Policies
	Supplier Code of Conduct and Supplier Requirements update	S2 Policies
	Internal guidelines on sustainability due diligence, grievance mechanisms, remedy and stakeholder engagement	General Disclosures, Governance
	Establishing Sustainability Due Diligence Working Group	General Disclosures, Governance
	Launching regulatory tracking for sustainability due diligence	General Disclosures, Governance
	Introduction of sustainability due diligence concept to local operations	General Disclosures, Governance
	Defining a governance structure for sustainability due diligence implementation	General Disclosures, Governance
Identify, assess and prioritize	Updated double materiality assessment of environmental and social impact	General Disclosures, Impact, risk and opportunity management
	Biodiversity impact assessment on own operations and value chain	E4 Biodiversity and ecosystems
	Water stewardship plan and water management plan for mining operations	E3 Water and marine resources
	Process development for cases, complaints and severe human rights	S1 Incidents
	Continued implementation of supplier sustainability due diligence	S2 Policies
	Closed mines program on impact identification	E2 Pollution, E4 Biodiversity and ecosystems
Cease, prevent and mitigate	Continued implementation of supplier sustainability due diligence	S2 Engagement, Remediation and Actions
	Closed mines program on impact management	E2 Pollution, E4 Biodiversity and ecosystems
	Certifications and audits: ISO, ResponsibleSteel, Towards Sustainable Mining Finland, Fair Pay Certificate, internal audits on environmental and social performance	E1 Policies, S1, S2, S3
Monitor progress	Continued implementation of supplier sustainability due diligence	S2 Actions and Targets
	Closed mines program on impact monitoring	E2 Pollution, E4 Biodiversity and ecosystems
Report and communicate	Outokumpu Sustainability Statement	Sections concerning sustainability due diligence in this table
	Closed mines program on communicating on progress	E2 Pollution, E4 Biodiversity and ecosystems
Provide and enable remedy	SpeakUp channel maintenance and investigations	G1 Business Conduct and Corporate Culture
	Internal guideline on grievance mechanisms and remedy	General disclosures, Governance
	Closed mines program on providing channels to raise concerns and provide remedial actions	E2 Pollution, E4 Biodiversity and ecosystems
Listen to and engage with stakeholders	Ongoing and targeted stakeholder engagement	General disclosures, Strategy and S3
	Internal guideline on stakeholder engagement, including affected communities	General disclosures, Strategy and S3
	Closed mines program on engaging with related stakeholders	General disclosures, Strategy and S3

Risk management and internal controls over sustainability reporting

Risk assessment is a dynamic and iterative process that identifies and evaluates risks to achieve predefined objectives. The process includes five stages: identification, evaluation, mitigation, control, and reporting. The internal control system, based on the COSO Framework, includes a control environment, risk assessment, control activities, information and communication, and monitoring. The Board of Directors oversees internal controls, while the CEO and executive management implement them. The ESG Steering Group reviews sustainability disclosures and manages related risks. Control activities target the prevention, detection, and correction of reporting errors and ensure proper authorization structures. Sustainability-related risks and controls are integrated into existing procedures. (ESRS2-GOV-5-36-(a))

Risks related to sustainability reporting are managed according to Outokumpu's risk management policy, which is approved by the Board of Directors. Sustainability reporting risks are identified and evaluated in workshops, focusing on the most relevant parts of the sustainability reporting process. (ESRS2-GOV-5-36-(b))

The main risks in sustainability reporting include a lack of accuracy and timeliness. These are assessed annually, considering financial and non-financial impacts and likelihood. Mitigation involves designing the reporting process and practices to enable controlled reporting and regular internal controls. Key control activities ensure data completeness and correctness, with IT system controls and access reviews being crucial. In 2025, Outokumpu further developed IT systems and the data collection process for sustainability reporting. (ESRS2-GOV-5-36-(c))

Sustainability reporting items are integrated into Outokumpu's common processes, with clear roles and responsibilities defined. Group-wide policies guide employees, and communication occurs through meetings, intranet, emails, and digital platforms. The ESG Steering Group regularly addresses sustainability topics and oversees issues related to reporting. (ESRS2-GOV-5-36-(d))

The Audit Committee oversees the management of sustainability reporting risks. The ESG Steering Group validates sustainability related risk assessments and assesses risk mitigation, including the effectiveness of internal controls. It also recommends corrective actions if needed. Internal control deficiencies are communicated to responsible parties, including executive management and the Board of Directors. The internal audit function ensures a robust control environment, with findings reported to the Audit Committee regularly. (ESRS2-GOV-5-36-(e))

Strategy

In the second phase of Outokumpu's strategy, the aim was to strengthen the company's core by the end of 2025. The focus was on three key priorities: sustainability, growth from productivity, and customer-focused steering. Outokumpu remained committed to capital discipline, limiting its capital expenditure to EUR 550 million for the years 2023–2025, while also increasing its focus on shareholder returns. Outokumpu's planned capital expenditure for the year 2025 was EUR 160 million.

In June 2025, Outokumpu announced its growth-focused EVOLVE strategy, aiming to build a stronger portfolio and improve resilience to cyclicality. With EVOLVE, Outokumpu aims to increase its value by driving cost competitiveness and cash generation in sustainable stainless steel, growing profitably in advanced materials and alloys, and revolutionizing value creation with innovative materials and technologies. Outokumpu's strategic direction is guided by the EVOLVE strategy for 2026–2030, which builds on its established leadership in sustainable stainless steel.

As Outokumpu transitions to the EVOLVE strategy, its priorities shift toward expanding its portfolio into high-margin, high-value grades, and differentiating through close customer collaboration. Outokumpu is also exploring new frontiers in innovative materials and metals, with a particular focus on producing low-CO_2 metals. Through targeted investments in smart decarbonization and low-emission solutions, Outokumpu aims to create a lasting competitive advantage and deliver value for all stakeholders. (ESRS2-SBM-1-40-(g))

The implementation of the Carbon Border Adjustment Mechanism (CBAM) from January 2026 represents a key step toward fair carbon pricing and the development of lead markets for green steel. With its low-carbon stainless steel and ferrochrome, Outokumpu is well positioned to benefit from CBAM. To ensure the mechanism's full effectiveness and a level playing field, the company continues to urge the EU Commission to expand CBAM to steel-intensive downstream sectors and indirect emissions, and to introduce robust measures that prevent circumvention.

Outokumpu's current offering consists of low-emission stainless steel produced mainly from recycled materials and ferrochrome. Stainless steel products can further be divided into classic products that provide the most commonly used stainless steel products, and the advanced materials serving specific stainless steel applications or demanding end use.

Most of the products are offered to customers as flat products, that is, as hot and cold rolled coils, strip or sheet, but Outokumpu also offers a variety of options ranging from heavy plates and hot rolled coil to specialized components and metal powders. Outokumpu's commitment to innovation drives identifying new business opportunities, investments in technologies, and the invention of new products. (ESRS2-SBM-1-40-(a)-(i))

Outokumpu's main markets are Europe (65% of the Group's sales in 2025) and the Americas (31%). The main customer segments are distributors (48% of sales), metal processing and tubes (16%), automotive (10%), heavy industries (1%), and appliances (8%). (ESRS2-SBM-1-40-(a)-(ii))

No Outokumpu products are banned in any markets, and the company does not operate in the fossil fuel sector. (ESRS2-SBM-1-40-(a)-(iv), (ESRS2-SBM-1-40-(d)-(i))

Outokumpu's headcount of 8,605 (number of employees) (8,736 in 2024) by geographical area is disclosed in chapter S1 Own workforce. (ESRS2-SBM-1-40-(a)-(iii))

Outokumpu is not disaggregating information based on ESRS sector classification. (ESRS2-SBM-1-40-(c)) (ESRS2-SBM-1-41)

Outokumpu has set its sustainability targets based on material impacts, risks, and opportunities, considering the magnitude of its entire business, and it does not have separately defined goals for specific products or customer groups. The company's mid-term climate target is to reduce emission intensity by 42% by 2030, from the 2016 baseline, in line with its science-based climate target. This target applies to operations of both the company and its supply chain. Outokumpu's long-term target is to be carbon neutral by 2050. In line with its purpose, working towards a world that lasts forever, the company's ambition is to support its customers in reducing their emissions in all customer groups in all geographies. (ESRS2-SBM-1-40-(e))

In line with the company vision of pioneering materials and technologies to power tomorrow's world, Outokumpu today produces stainless steel with an approximately 75% lower product carbon footprint than the global industry average*. During 2025, the company supported customer industries in reducing their carbon footprint approximately by 12 million tonnes, and had a recycled material content of 97%***. To push the industry even further, the company innovated the Outokumpu Circle Green© product line, with an up to 93% lower product carbon footprint compared to the global average**. The detailed environmental impact of Outokumpu's product categories always depend on the raw materials and production processes used. (ESRS2-SBM-1-40-(f))

Alongside our new strategy, EVOLVE, Outokumpu introduced the Outokumpu Way – a set of guiding principles, ABCs. While the company strategy, EVOLVE, sets the direction and vision for the company, the Outokumpu Way brings it to life. Outokumpu's ABCs – Ambition beyond the obvious, Better together and Customer success – invites the organization to deliver on the strategy in every day decisions and actions.

* Outokumpu's average product carbon footprint (2025): 1.6 kg CO_2e per kg of stainless steel based on lifecycle assessment. Global average carbon footprint of stainless steel: 7.3 kg CO_2e per kg of stainless steel. (Outokumpu's calculation based on data provided by CRU, worldstainless and Kobolde & Partners AB, 2022).

** The recycled material content measures the amount of recycled and recovered metals in relation to crude steel output. It is aligned with ISO 14021, and it excludes recovered metals generated in the same steel making process. The method is also aligned with the EU taxonomy criteria for use of recycled steel in steel manufacturing.

*** Global average carbon footprint of stainless steel:7.3 kg CO_2e per kg of stainless steel (Outokumpu's calculation based on data provided by CRU, worldstainless and Kobolde & Partners AB, 2022). Outokumpu Circle Green CO_2 emissions: down to 0.5 kilos of CO_2e per kg of stainless steel.

Business model and value chain

Outokumpu's business model is based on circularity, and the majority of the company's raw materials comes from recycled steel. Outokumpu's value chain includes research and development, raw material sourcing and extraction, inbound logistics, production, sales and marketing, outbound logistics, processing and use, as well as scrapping and recycling back to the value chain. Structurally, the business is divided into three business areas – Europe, the Americas, and Ferrochrome – where each has responsibility for sales, supply chain management and operations. They are also Outokumpu's operating segments under International Financial Reporting Standards (IFRS). The Ferrochrome business area operates in the upstream of Outokumpu's value chain, producing ferrochrome raw material for the other business areas, which focus on stainless steel and advanced materials manufacturing and sales. The business areas are supported by the Group functions. (ESRS2-SBM-1-42)

Outokumpu is part of a global supply chain, including raw material, service, and other material suppliers worldwide. Sustainable sourcing, with the process of selecting and managing suppliers, is critical across all purchases, especially in raw material sourcing. The key inputs Outokumpu sources from its partners are scrap metal, metals required for stainless steel production, such as nickel and molybdenum, and low-emission energy to run its energy-intensive manufacturing operations. Responsible sourcing is a pivotal part of Outokumpu's sustainability roadmap, and the company is actively partnering with companies in its upstream to secure access to low-emission raw materials. Examples of this are the partnerships with CRONIMET to retain a supply of high-quality scrap metal, with a Canadian company, FPX Nickel, to secure a long-term supply of low-emission nickel metal and with Greenland Resources, to secure access to low-emission molybdenum from Greenland. (ESRS2-SBM-1-42-(a))

Outokumpu's main outputs are stainless steel products that have an approximately 75% lower carbon footprint compared to the industry average. In 2025, Outokumpu delivered roughly 1.8 million tonnes of stainless steel (1.8 million tonnes in 2024), which supported their customers in reducing their supply chain emissions by approximately 12 million tonnes*. The annual production of ferrochrome is roughly 382,000 tonnes in 2025 (2024: 398,000 tonnes) .

Outokumpu creates value for its stakeholders by being the global leader in sustainable stainless steel. For customers, Outokumpu's products provide a solution to reduce their Scope 3 emissions. For investors, Outokumpu aims to pay a stable and growing dividend

over time, while maintaining the flexibility to invest in transformative initiatives that yield a minimum internal rate of return (IRR) of 20%, accounting for market cyclicality.

In addition, for 2025 interests and financing expenses were EUR 65 million, (2024: EUR 74 million) and employee benefits EUR 782 million to employees in 2025 (2024: EUR 714 million). Outokumpu Group is contributing to society with operational taxes, value-added taxes, and employment taxes etc. Corporate taxes in 2025 had a cash flow impact of EUR -9 million (2024: EUR 2 million refund). Outokumpu contributes to the United Nations' Sustainable Development Goals through both the way it operates and its products. (ESRS2-SBM-1-42-(b))

Outokumpu's role and presence varies between each part of its value chain. Outokumpu's core activities range from research and development to outbound logistics, while further processing, use and recycling are not part of Outokumpu's core activities. Research and development focuses on the innovation of products and materials, including, high alloy steels, other steels and side-stream products. In raw material sourcing and extraction Outokumpu plays a double role: Outokumpu has its own mining operations in Kemi, Finland, for the extraction of chromite ore, the required primary raw material for stainless steel, but is also active in raw material sourcing, focusing on securing low-emission scrap, nickel and other relevant raw materials from external sources. The production step covers refining, smelting, and production of stainless steel, including casting, shaping, heat treatment, and finishing. The sales and marketing step includes sales, customer relationships management, and distribution and channels. In inbound and outbound logistics, Outokumpu manages inventories of both raw materials and finished products, and utilizes partners for the transportation of both. (ESRS2-SBM-1-42-(c))

* Outokumpu's average product carbon footprint (2025): 1.6 kg CO_2e per kg of stainless steel based on lifecycle assessment. Global average carbon footprint of stainless stee): 7.3 kg CO_2e per kg of stainless steel. (Outokumpu's calculation based on data provided by CRU, worldstainless and Kobolde & Partners AB, 2022).

Interests and views of stakeholders

Having global operations, Outokumpu engages with a variety of stakeholders around the world. Outokumpu engages with these stakeholders and communities to understand expectations, address concerns, and support long-term positive impacts in the areas where it operates. Company's own workforce, customers, investors, value chain workers and the communities the company affects directly or indirectly are among the key stakeholders for Outokumpu. (ESRS2-SBM-2-45-(a)-(i))

Engagement with stakeholders takes place both locally in the operations and centrally at the group level. Currently, Outokumpu has certain structured frameworks in use locally to engage with stakeholders, for example at Kemi mine, Finland, through the Towards Sustainable Mining Finland standard. During 2025, Outokumpu continued to develop a systematic engagement approach for European operations based on the ResponsibleSteel certification. Outokumpu also launched a closed mines program in Finland 2025, and part of the work is increased transparency and systematical engagement with local stakeholders and other interested parties.

In 2025, Outokumpu started to develop its approach to stakeholder engagement. The work will continue in 2026 with the aim to gradually establish a group-level process to identify and better understand various stakeholder interests and views and how they are connected to Outokumpu's strategy and business model. The process development is supported by an internal guideline on stakeholder engagement that was published in December 2025.

The interests, views and rights of Outokumpu's own workforce, including respect for their human rights, are integrated into strategy and decision-making through a range of established engagement and feedback mechanisms. Outokumpu's own workforce is a key group of affected stakeholders, and their perspectives inform the company's people strategy, safety priorities, pay-equity commitments and operational leadership approach.

Workforce engagement takes place at corporate and local level through employee-representative cooperation, continuous dialogue between employees and managers, personnel and Fairness & Belonging surveys, leadership and capability-building trainings, town halls and other operational meetings, as well as dedicated reporting and grievance channels such as the Speak Up channel. These mechanisms collect insights on topics such as safety and work environment, fairness and equal treatment, leadership behaviors, communication practices, career opportunities, and confidence in raising concerns.

In addition, Outokumpu's human-rights impact assessments, ResponsibleSteel audits, pay-equity analysis, occupational safety reviews, and structured processes under collective agreements provide important views and risk insights from different workforce groups, including production employees, shift workers, temporary or agency workers, migrant workers and low-paid workers.

The results of these assessments and engagement channels feed directly into Outokumpu's sustainability strategy, shaping decisions related to pay transparency and equity, workforce wellbeing, leadership development, working-time practices, and occupational safety. These ongoing insights also support enhancements to Outokumpu's operational culture and inform the development of longer-term people-related priorities. This approach ensures that the workforce's views and rights are systematically integrated into Outokumpu's business model. ESRS2-SBM-2-45-(a)-(ii))

The views, interests and rights of value chain workers and affected communities are taken into account at the group level and locally at operations through various practices. Outokumpu's double-materiality assessment identifies upstream value-chain workers related to mining, refining, alloy production and scrap processing activities. Among these workers, young and migrant workers in higher-risk sourcing countries are identified as

stakeholder groups with potential negative impacts concerning working conditions, forced and child labour risks and community impacts. These worker-related risks may translate into financial and operational exposures such as supply disruption, regulatory risk and reputational loss, and consequently inform Outokumpu's sourcing and procurement strategy. Besides the value-chain workers, related local affected communities are also considered as part of Outokumpu's supplier sustainability due diligence.

Outokumpu addresses the risks related to value chain workers and related affected communities through its Supplier Code of Conduct and supplier sustainability due diligence including EcoVadis screening, onsite sustainability audits and human-rights impact assessments with related corrective-action plans. The local communities are approached case-by-case, based on the company's risk-based approach to mapping and screening its suppliers and related community stakeholders. The results of these assessments feed into supplier selection, long-term partnerships and procurement decisions that reinforce Outokumpu's low-emission, circular business model.(ESRS2-SBM-2-45-(a)-(ii))

In addition to the communities in Outokumpu's upstream value chain, the local communities around Outokumpu's own operations are also impacted by the company. The local engagement activities range from addressing environmental concerns and supporting local education to participating in public consultations, partnering with business stakeholders and contributing to community well-being. The feedback informs local site-level actions and decision-making. The following examples illustrate key interactions at Outokumpu's local operations during the reporting year:

- Environmental responsiveness: Addressed community concerns on noise, dust, and water quality through targeted corrective actions, equipment upgrades, and research partnerships to improve resource efficiency and environmental performance.
- Community dialogue and public participation: Participated in public consultations for future investments, provided transparent communication through media engagement, and held open-day events to build trust and strengthen community relationships.
- Education and talent development: Collaborated with universities, colleges, schools, and vocational institutions through career fairs, site visits, workshops, apprenticeships, and thesis opportunities, supporting local skills development and attracting future talent. Special initiatives promoted greater participation of young women in steel industry career paths.
- Business partnerships: Engaged with business stakeholders through presentations, facility tours, and advisory roles to discuss supply chains, workforce needs, regional development, and sustainability priorities.
- Community support and volunteerism: Supported local organizations, youth activities, cultural events, and non-profits through sponsorships and employee volunteer programs benefiting children, families and seniors, among others.
- Innovation collaboration: Presented ongoing research and advanced sustainable material innovations through stakeholder forums and partnerships, promoting circular solutions and low-carbon technologies.

In 2025, Outokumpu established an internal guidance on stakeholder engagement, including local affected communities. Based on this guidance published in December 2025, Outokumpu continues to integrate the views of affected communities into its strategy and decision-making by developing further structured stakeholder engagement and sustainability due diligence processes as of 2026. These development actions ensure that Outokumpu's business model supports both long-term value creation and positive societal impact. More information on the affected communities can be found in the chapter S3 of this Sustainability statement.

In 2025, a group-wide approach on Outokumpu's stakeholder engagement and tools for planning and tracking the engagement activities and outcomes were tested locally at pilot sites in Finland, Sweden and Germany. Aspects related to informing the company's administrative, management, and supervisory bodies about stakeholder views and interests and how they are linked to the strategy and business model were also discussed. The approach will be further developed and rolled out to all locations in 2026. (ESRS2-SBM-2-45-(d))

The attached table includes a summary of Outokumpu's key stakeholders, as well as the topics and forms of engagement. In 2026, Outokumpu will continue the stakeholder engagement process development in unison with the sustainability due diligence process regarding its own workforce, value chain workers, and the affected communities as these two topics are closely interlinked. (ESRS2-SBM-2-43) (ESRS2-SBM-2-45-(a)-(iii-v)), (ESRS2-SBM-2-45-(b-c))

Interests and views of various stakeholders

Stakeholder type	Examples of engagement topics	Examples of engagement types
Shareholders, investors, other capital market stakeholders	• Profitability • Long-term value creation • Societal value creation • Strategy and governance • Environmental and social impact	• Continuous dialogue • Annual General Meeting • Quarterly and annual publications • Events and site visits
Own workforce	• Strategy and organization • Well-being, health and safety • Competence development • Fairness and belonging • Working conditions and labour rights	• Continuous dialogue • Employee representative cooperation • Personnel surveys and trainings • Townhalls and other meetings • SpeakUp and other reporting channels
Customers and end-users	• Quality and service • Product information and safety • Environmental and social impact	• Continuous dialogue • Customer surveys and audits • Contractual requirements • Sustainability due diligence
Suppliers, partners and workers in the value chain	• Production input quality and availability • Environmental and social impact	• Continuous dialogue • Supplier visits and audits • Joint projects and trainings • Contractual requirements • Sustainability due diligence
Affected communities (own operations and value chain)	• Well-being, health and safety • Environmental and social impact • Community impact • Rights of indigenous peoples	• Continuous dialogue • Site visits • Supporting local community projects • Sustainability due diligence
Policymakers	• Industrial and trade policy • Climate policy • Sustainability regulation • Political and regulatory landscape	• Continuous dialogue • Public hearings and other consultation processes • Events and site visits
Authorities	• Legal compliance • Environmental and social impact	• Continuous dialogue • Compliance reporting • Inspections and other site visits
Business organizations	• Competitiveness and sustainability • Industry standards and initiatives • Corporate approach on political and regulatory developments	• Continuous dialogue • Representation and events
Civil society representatives	• Environmental and social impact	• Continuous dialogue • Joint projects
Research and educational institutions	• Research and innovation • Product and process development • Future employment needs • Environmental and social impact	• Joint projects • Recruitment events and student fairs • Lectures, study visits, thesis assignments and traineeships

Impact, risk and opportunity management

Outokumpu identified a total of nine material topics consisting of 21 material sub-topics for the company in its double materiality assessment. Stainless steel production and its supply chain require significant amounts of energy and raw materials, contributing to greenhouse gas emissions and impacting negatively on climate change. Energy and raw material price volatility and high renewable fuel costs pose financial risks for the company's operations. However, additional energy efficiency initiatives create opportunities for reducing energy consumption and costs. Outokumpu has mitigated its impacts by using recycled raw materials, low-emission energy, and improving energy efficiency.

Producing stainless steel with over 90% recycled raw materials has a positive impact by reducing reliance on primary raw materials, reducing carbon emissions and mitigating biodiversity loss caused by mining. Rising carbon prices, availability of low-emission raw materials and uncertain decarbonization technologies are seen as a financial risk. On the other hand, the significantly lower carbon footprint of Outokumpu's stainless steel compared to the industry in general, along with vertically integrated ferrochrome production, can create a competitive advantage and financial opportunities for the company, especially considering the EU's Carbon Border Adjustment Mechanism.

Stainless steel production processes and mining operations in Outokumpu's supply chain can cause negative impacts on the environment. These potential impacts are caused by water usage, release of emissions to air and water, and generation of waste, if not mitigated appropriately. Tighter regulation and rising costs of landfill waste can potentially increase costs and compliance risks for the company. However, the life-cycle benefits of long-lasting stainless steel can have a positive impact by supporting sustainability, safety and hygiene in applications within the downstream. Additional financial opportunities exist in recycling raw materials and developing by-products from the company's waste streams.

Due to the nature of steel production processes, employees can face dangerous working conditions. Outokumpu has invested in high safety standards and employee well-being which represent financial opportunities in enhanced performance and talent attraction. By promoting a fair and inclusive workplace, the company fosters innovation and attracts talent. To prevent incidents of harassment, discrimination and unconscious biases that can lead to financial risks, the company puts significant efforts into educating its employees on appropriate work behavior.

Materials topics based on impact and financial materiality

In total nine out of the ten topics were assessed to be material for Outokumpu. Five topics were assessed to have both impact and financial materiality and four topics were found to have purely impact materiality.

Description of material impacts, risks and opportunities resulting from materiality assessment

Outokumpu's material impacts, risks, and opportunities have been identified through a comprehensive materiality assessment. These factors are closely linked to our strategy and business model, influencing resource allocation and driving continuous adaptation across the company's operations and value chain.

E1 Climate change

Climate change is a material issue due to the emission and energy-intensive nature of Outokumpu's operations and upstream activities, such as raw material extraction, processing, and transportation. Regulatory developments and growing demand for low-emission stainless steel present competitive advantages. While energy cost and availability pose business risks, opportunities exist in enhancing energy efficiency and adopting new energy technologies.

E2 Pollution

Potential negative impacts may arise from air and water pollution if not properly managed, both within direct operations and throughout the value chain.

E3 Water and marine resources

Water consumption and discharges in direct operations and the value chain can have negative impacts. Conversely, stainless steel products contribute positively to water supply infrastructure.

E4 Biodiversity and ecosystems

Outokumpu's production activities and legacy sites, especially in vulnerable areas, can affect species and ecosystem health. Supply chain impacts include habitat disturbance and biodiversity loss, particularly from mining high-risk commodities near sensitive regions.

E5 Resource use and the circular economy

The use of primary resources and waste generation in our operations are key negative impacts. However, stainless steel products are durable and recyclable, and they support circularity. Increased demand for low-emission stainless steel and by-product utilization offers business opportunities, although scrap availability and pricing remain risks.

S1 Own workforce

Positive impacts stem from prioritizing physical and mental well-being, which enhances talent attraction, retention, and productivity. Risks include negative health outcomes, reduced productivity, and legal costs if working conditions fall below company standards.

Fair pay, collective bargaining, employee engagement, equal opportunities, training, and inclusive workplace initiatives drive innovation and employer attractiveness, while minimizing risks such as inequality, harassment, and discrimination.

S2 Workers in the value chain

Risks for supply chain workers include health and safety issues, excessive working hours, limited freedom of association, and inadequate wages. Severe human rights concerns in the value chain, such as forced, bonded, or child labor, may arise. Strong due diligence processes can mitigate these risks and enhance value chain resilience.

S3 Affected communities

Outokumpu contributes to community development through taxes, support initiatives, and sponsorships. However, environmental degradation can impact local communities near the production sites and within our supply chain. Indigenous rights, including land, forest, and water rights, may be at risk in the supply chain without a sufficient due diligence in place.

G1 Business conduct

Robust business conduct policies and a culture of transparency, ethics, and responsibility drive positive impacts and promote responsible practices also among suppliers. Non-compliance or lapses in corporate culture can result in financial and reputational risks. Emphasizing sustainability in sourcing enhances resilience and operational efficiency. (ESRS2-SBM-3-48-(a))

Material impacts, risks and opportunities per topic and value chain phase

Topic	Impact materiality		Financial materiality		Value chain		
	Positive	Negative	Opportunity	Risk	Upstream	Own operations	Down-stream
E1 Climate change		x	x	x	x	x	x
E2 Pollution		x			x	x	
E3 Water and marine resources	x	x			x	x	x
E4 Biodiversity and ecosystems		x			x	x	
E5 Resource use and circular economy	x	x	x	x	x	x	x
S1 Own workforce	x	x	x	x		x	
S2 Workers in the value chain		x	x	x	x		
S3 Affected communities	x	x			x	x	
G1 Business conduct	x	x		x	x	x	x

Material impacts, risks and opportunities in this report

Processes to identify and assess material impacts, risks and opportunities (IRO-1) are disclosed in General disclosure (ESRS2), in the Impact, risk and opportunity management section, for environmental topics, E1-E5. Disclosure requirements in ESRS covered by the undertaking's sustainability statement (IRO-2) are presented after IRO-1.

Material impacts, risks and opportunities and their interaction with the strategy and business model (ESRS2-SBM-3) are described in each topic's section covering Material impacts, risks and opportunities.

Effects of material impacts, risks and opportunities on the business model, value chain, strategy and decision-making

Outokumpu has integrated sustainability into its strategy, vision and purpose. The company's vision is to pioneer materials and technologies that power tomorrow. Outokumpu's vision directly aligns with its strategy to mitigate sustainability-related risks and capture opportunities associated with the transition to a low-carbon economy. Outokumpu's EVOLVE strategy emphasizes sustainability leadership as one of Outokumpu's strategic pillars.

The identified impacts, risks and opportunities, particularly those linked to climate change, the circular economy, and biodiversity, influence Outokumpu's business model by shaping product innovation, operational processes, and the adoption of low-emission technologies. For instance, commitments to reducing greenhouse gas emissions and improving energy efficiency drive investments in low-emission production methods and renewable energy, ensuring alignment with global warming targets aimed at keeping global warming below 1.5°C.

In the value chain, sustainability considerations are central to fostering resilience and enhancing supply chain practices. Efforts to promote circular economy principles, such as increasing recycled content in stainless steel production, mitigate risks of resource scarcity and strengthen relationships with environmentally conscious suppliers. Biodiversity preservation further supports long-term operational continuity and resource security.

Pollution prevention and waste reduction efforts are done not only to meet regulatory standards but also to reduce operational costs and enhance Outokumpu's competitive advantage. Similarly, fostering supply chain sustainability reduces risks associated with unethical practices or non-compliance among suppliers. The company's targets also guide Outokumpu's efforts to achieve zero safety incidents, enhance fairness and belonging, and foster supply chain sustainability. Outokumpu is strongly committed to the highest ethical standards and complies with the applicable laws and regulations of the countries in which it operates as well as with the agreements and commitments it has made. (ESRS2-SBM-3-48-(b))

Material impacts

People and the environment

The production of stainless steel demands significant amounts of energy and resources, leading to greenhouse gas emissions and underscoring the importance of climate change mitigation for Outokumpu. Effective waste management is crucial to prevent possible environmental and health problems. By providing employment to thousands of employees across its operations, Outokumpu has positive impacts on the livelihoods of its workers and their families. Outokumpu also provides training and skills development, with a further positive impact on people and ensuring potential negative health and safety impacts are minimized. Outokumpu has also recognized that individuals involved in their supply chain, especially within alloy manufacturing, may face adverse impacts due to working conditions or effects on surrounding communities. (ESRS2-SBM-3-48-(c)-(i))

The business model

The main impacts originate from Outokumpu's business model, as manufacturing stainless steel is energy-intensive due to melting processes and requires significant amounts of resources, such as scrap metal and metal alloys. Outokumpu's business model reduces the need for virgin raw material, but due to large volumes impacts are still significant. Large amounts of greenhouse gases are still released into the atmosphere. The mining of primary metals for alloys is also energy intensive and contributes to resource depletion. Outokumpu includes impact mitigating actions in its strategy and ways of working. The company has also established a climate transition plan which is integrated into the strategy. In addition, Outokumpu continues to use large amounts of recycled metals in its production, in 2025 96.7% (2024: 95.3%). (ESRS2-SBM-3-48-(c)-(ii))

Time horizons

The expected time horizons of the described impacts are short-term when considering the company's own workforce and value-chain workers, short-to mid-term when considering pollution, water, the circular economy, and affected communities, and long-term for climate change and biodiversity. (ESRS2-SBM-3-48-(c)-(iii))

Business relationships

Material impacts occur in Outokumpu's own business activities as well as in the upstream and downstream value-chain, as described above. Business relationships extend impacts to value chain workers, in particular Outokumpu's raw material suppliers, since the mining of metals for alloying elements has the potential to negatively affect local environments and communities where they are mined.
(ESRS2-SBM-3-48-(c)-(iv))

Current and anticipated financial effects

Major current financial effects of sustainability related to impacts, risks and opportunities stem from investments related to Outokumpu's decarbonization. For the reporting year 2025, the capital expenditures related to decarbonization and the climate transition are presented in the notes to the financial statements, in the section Climate matters, as well as in the E1 Climate change chapter, in the section Climate transition plan. (ESRS2-SBM-3-48-(d))

Outokumpu is not reporting on the information prescribed by ESRS2-SBM-3 paragraph 48(e) based on the extended phase-in period provided by the quick-fix delegated act of 11 July 2025. (ESRS2-SBM-3-48-(e))

Resilience

Outokumpu assesses the resilience of its strategy and business model on an ongoing basis. A review of resilience was done in 2025 during development of the new EVOLVE strategy. Outokumpu's strategy and business model are resilient to the identified material impacts, risks and opportunities. Outokumpu's low-carbon footprint and high use of recycled raw materials build resilience against climate-related transition risks and helps take advantage of new business opportunities involving the green transition. Outokumpu is committed to the science-based target of keeping global warming below 1.5°C. Outokumpu reduces its transition risks by implementing low-carbon technologies, and increasing the use of clean energy in its product portfolio. Outokumpu also has preventive measures in place to minimize pollution at its production facilities. Outokumpu's production facilities are situated close to water sources and a major share of Outokumpu's water use is recycled. Outokumpu's only operational mine is based on underground mining, with limited direct biodiversity impacts. With a strong focus on safety, Outokumpu is able to reduce negative safety incidents. Through its supplier engagement and sustainability requirements Outokumpu is able to mitigate risks related to its upstream value chain, including minimizing negative impacts on workers in its value chain. Good business conduct and a robust governance structure are built into Outokumpu's strategy and business model, which support addressing material impacts and risks and taking advantage of opportunities.
(ESRS2-SBM-3-48-(f)

Changes compared to the previous reporting period

The reviewed double materiality assessment performed in 2025 resulted in slight changes to material impacts, risks and opportunities overall. Some changes were due to methodological advancements in evaluations of impacts, risks and opportunities.

In summary, key changes to the previous double materiality assessment are as follows:

- Identification of the material positive impacts Outokumpu has in managing its relationships with suppliers resulting in materiality of G1-2 Management of relationships with suppliers. These were deemed material due to Outokumpu's increased activity on managing sustainability matters in supplier management and growing business importance.
- Non-materiality of potential negative impacts Outokumpu may have in terms of substances of concerns and very high concern leading to non-materiality of E2-5. These

were deemed non-material due to low or no amounts handled by Outokumpu activities or low or no negative health effects in the state the substances are handled.
- Non-materiality of sub-topic E4 Impacts and dependencies on ecosystem services. These were deemed non-material due to unidentified material impacts, risks and opportunities.
- Non-materiality of S3 Communities' civil and political rights. These were deemed non-material due to unidentified material impacts, risks and opportunities.
- Evaluation scaling of risks and opportunities better aligned with Outokumpu's enterprise risk management.
- Update of tools used for evaluating impacts, risks and opportunities. (ESRS2-SBM-3-48-(g))

Additional disclosures

Outokumpu provides entity-specific information in addition to disclosures required by ESRS in cases where it is believed to be material for gaining a better understanding of Outokumpu's impacts, risks and opportunities. (ESRS2-SBM-3-48-(h))

Double materiality assessment process

The double materiality assessment adhered to the general principles described in ESRS1 chapter 3. Outokumpu reviewed its double materiality assessment during the spring of 2025. The materiality assessment process consisted of four parts:

1. Exploring impacts, risks and opportunities
2. Engaging stakeholders
3. Assessing impact and financial materiality
4. Validating and finalizing outcomes

Key activities involved a preliminary assessment (including a review of the previous double materiality assessment), focused analysis on subject-matter topics, interviews, cross-functional workshops, analysis of identified impacts, risks and opportunities and materiality definition for these impacts, risks and opportunities as well as ESRS topics, sub-topics and sub-sub-topics based on a set threshold. The process inherently assumes that sufficient understanding of impacts, risk and opportunities related to complex and interdependent phenomena was achieved. (ESRS2-IRO-1-53-(a))

The process to identify, assess, prioritize and monitor Outokumpu's potential and actual impacts on people and the environment includes both continuous monitoring and focused efforts by both Outokumpu employees and external parties such as partners, service providers and other stakeholders. Outokumpu's Sustainability function coordinates several of the efforts, such as the double materiality assessment process, which is reviewed every year, and updated if major changes occur in Outokumpu's business. The double materiality assessment is performed as a network activity and involves representatives of various functions, such as Sustainability, Finance, Enterprise Risk Management, Strategy, Operations, Legal, Compliance and HR. (ESRS2-IRO-1-53-(b))

For analyzing specific issues that give rise to a heightened risk of adverse impacts, Outokumpu's value chain (upstream and downstream) and its own operational activities are mapped out to enable a full scope analysis. All sites and locations are included in the analysis, with Outokumpu's production sites residing in Finland, Sweden, Germany, the United States and Mexico. As raw materials consumption, energy use and industrial manufacturing operations are significant factors in Outokumpu's potential impacts on people and the environment, these are given specific focus. The general double materiality assessment process included the assessment of material impacts, risks and opportunities related to business conduct matters. (ESRS2-IRO-1-53-(b)-(i)), (G1-ESRS2-IRO-1-6)

Value chain and key activities

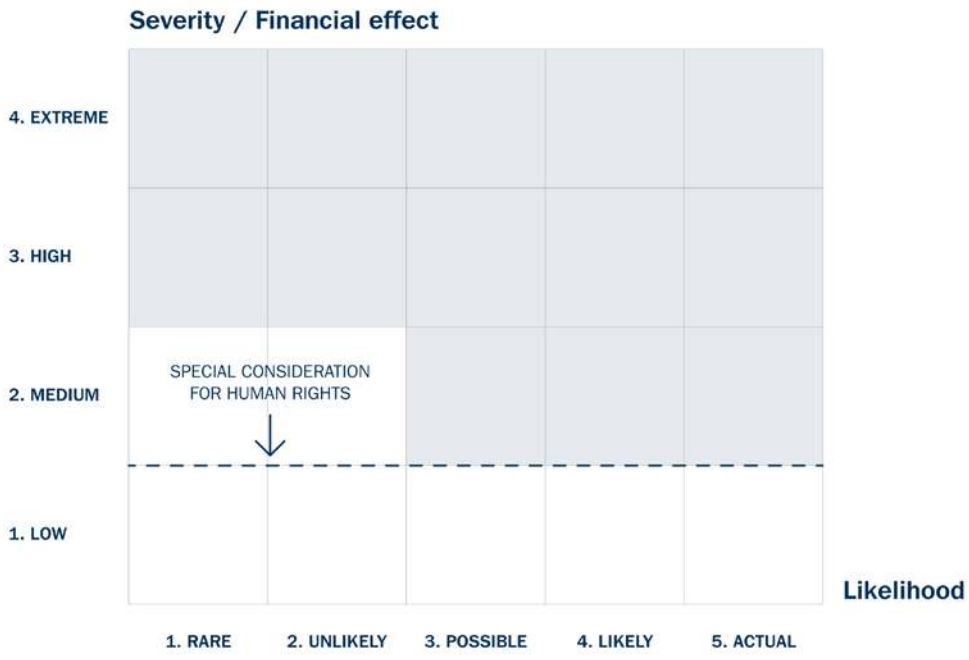
Outokumpu considers potential impacts it may be involved with through its own operations or as a result of its business relationships with continuous monitoring activities, preventive measures and addressing issues. (ESRS2-IRO-1-53-(b)-(ii))

To help understand potential impacts Outokumpu may have on its stakeholders, interviews with stakeholders, such as customers, investors, suppliers and NGOs, were held during the double materiality assessment review in 2025. In addition, continuous dialogue and engagement with various stakeholders and external experts is done throughout the year to ensure a broad understanding of stakeholder concerns. (ESRS2-IRO-1-53-(b)-(iii))

Outokumpu's double materiality assessment process involved identifying potential and actual impacts on people and the environment, both negative and positive impacts. These impacts were categorized to be related to one of the ESRS topics. Impacts were assessed for severity (considering scale, scope, and irremediability for negative impacts) and likelihood, following ESRS guidelines. Severity was rated from 1 (low) to 4 (extreme), scale from 1 (very low) to 5 (very high), scope from 1 (limited) to 5 (global), and irremediability from 1 (easily remediated) to 5 (non-remediable). Likelihood ranged from 1 (rare, 0-6%) to 5 (actual, 100%). Materiality was determined using combined severity and likelihood scores, as shown in the image. (ESRS2-IRO-1-53-(b)-(iv))

The process used to identify, assess, prioritize and monitor risks and opportunities that have or may have financial effects on Outokumpu was performed together with the those for impacts. The process used similar methodologies. (ESRS2-IRO-1-53-(c))

Outokumpu considered the connections of impacts and dependencies with risks and opportunities by using a common categorization provided by the ESRS topics, sub-topics and sub-sub-topics and mapping both the impacts and the risks and opportunities for Outokumpu on this common framework. Further evaluation of the size and likelihood of the risks and opportunities further allowed for the analysis of these connections. The main identified connections were related to climate change mitigation, resource inflows and working conditions of own workforce. (ESRS2-IRO-1-53-(c)-(i))



The financial effects on earnings, cash flow and equity of risks and opportunities of sustainability related matters were evaluated on size of financial effect and likelihood of financial effect. Size of effect was scored on a range of 1 (low, below EUR 50 million), 2 (medium, more than EUR 50 million), 3 (high, more than EUR 100 million) and 4 (extreme, more than EUR 150 million). The size of financial effects estimates used in the double materiality assessment contained significant uncertainties as the evaluations were based on expert judgment, and not on advanced financial modelling. Likelihood of financial effect was scored using a similar range to that of potential and actual impacts. The materiality was determined with a combined scoring of financial effect and likelihood. The materiality threshold for risks and opportunities was depicted in the image above. (ESRS2-IRO-1-53-(c)-(ii))

Outokumpu's Enterprise Risk Management assesses and ranks sustainability-related risks in the same way as other risk categories. Material sustainability risks are incorporated into Outokumpu's digital risk evaluation systems, enabling the implementation of suitable controls and mitigation strategies. (ESRS2-IRO-1-53-(c)-(iii))

The double materiality assessment and its results were discussed and validated throughout the process by Outokumpu's ESG Steering Group, which includes representation by the Outokumpu Leadership Team. Monthly meetings in Spring 2025 were used for decision-making on the double materiality assessment. The outcomes of the assessment were confirmed with Outokumpu's Audit Committee. Internal control procedures included a multi-step approval process, data validation by subject matter experts and the CSRD reporting process as part of Outokumpu's group internal control supervision. (ESRS2-IRO-1-53-(d))

The process to identify, assess and manage impacts and risks is integrated into Outokumpu's overall risk management process by involving the Enterprise Risk Management team in the double materiality assessment preparation process and utilizing the outcomes of the double materiality assessment as in input to Outokumpu's overall risk management process. This integrative approach supports the evaluation of Outokumpu's overall risk profile. (ESRS2-IRO-1-53-(e))

The opportunities identified in the double materiality assessment process are reported to Outokumpu management through which they become integrated into management processes. The identified opportunities serve for consideration in the development of sustainability-related planning and action, strategy and operational improvement. (ESRS2-IRO-1-53-(f))

Input parameters used in Outokumpu's double materiality assessment included previous double materiality assessment, Outokumpu's existing research materials and documentation, publicly available reporting and statistics, industry-specific publications, and expertise provided by both internal and external stakeholders. The scope of input parameters used in the process to identify, assess and manage material impacts, risks and opportunities included Outokumpu's activities in which Outokumpu has operations, as well as Outokumpu's upstream and downstream value chain activities. (ESRS2-IRO-1-53-(g))

The double materiality assessment was reviewed for the financial year 2025. The review included a more granular level assessment compared to the assessment done for financial year 2024 in terms of impacts, risks and opportunities evaluations. The assessment also benefited from being able to utilize the previous assessment as an input. Further integration between Outokumpu's Enterprise Risk Management process was also achieved. Outokumpu reviews its double materiality assessment annually, and revisions are triggered by major changes in Outokumpu's business activities or environment. (ESRS2-IRO-1-53-(h))

Identifying material climate-related impacts, risks and opportunities

In Outokumpu's 2025 double materiality assessment review, climate-related impacts, risks and opportunities from its earlier assessments in 2023 and 2024 were taken as the basis and re-evaluated according to the updated methodology described above. Findings and conclusions are based on a combination of pre-2025 analysis as well as analysis performed during the double materiality assessment review of 2025. The process included internal and external expert evaluation.

Impacts on climate change

Outokumpu's operations impact climate change through greenhouse gas emissions. By incorporating inputs such as evaluations of different mitigation techniques and calculated transition scenarios that project future emissions, as well as value chain emissions identified and assessed based on life-cycle studies and expert judgment, different greenhouse gas emission sources were identified. The majority come from indirect emissions connected to the sourcing of raw materials such as nickel, as well as energy consumption. (E1-ESRS2-IRO-1-20-(a)), (E1-ESRS2-SBM-3-AR-9)

Physical risks in own operations and the value chain

Outokumpu has identified climate-related hazards as part of physical climate risk analysis for production sites, as required by the EU taxonomy's do-no-significant-harm criteria for climate change adaptation. The assessments have been based on the methodology presented in Appendix A in Annex I of the Climate Delegated Act, focusing on short-, to long-term effects by considering climate projections up to at least 10-30 years in the future. The assessments have focused only on Outokumpu's own operations and the physical risks they face. (E1-ESRS2-IRO-1-20-(b))

Transition risks and opportunities in own operations and the value chain

Outokumpu has identified climate-related transition events as part of its transition plan. In Outokumpu's scenarios, it is acknowledged that the stainless steel industry is energy-intensive, and production processes have high greenhouse gas emissions. Raw materials and transport also contribute to these emissions. The main risk is that decarbonization technologies and investments would not be viable and effective enough to meet transition requirements. New regulations and new technologies needed for transition could increase production costs. Limited availability of low-emission raw materials, like steel scrap or alloys with reduced climate impact, is also a risk. (E1-ESRS2-IRO-1-20-(c))

Scenario analysis regarding physical and transition risks and opportunities

To identify and assess the physical and transition risks and opportunities, Outokumpu has performed a variety of analyses. Regarding physical risks, Outokumpu has performed a risk analysis for its own operations, according to the EU taxonomy's do-no-significant-harm criteria, and has evaluated the financial risks by site. The supply chain was evaluated in terms of the risk of interruption in supply to its operations. According to the analysis, physical climate risks do not pose a material financial risk for Outokumpu. Regarding transition risks and opportunities, Outokumpu has performed a stated policy scenario and sustainable development scenario analysis in line with the International Energy Agency Iron and Steel Technology Roadmap (2020). (E1-ESRS2-IRO-1-21), (E1-ESRS2-SBM-3-AR-13)

Identified climate-related hazards

Outokumpu has identified transition-related climate change risks based on its double materiality assessment. In addition, climate-related hazards have been identified as part of a physical climate risk analysis for production sites, according to the EU taxonomy's do-no-significant-harm criteria for climate change adaptation. These assessments follow the methodology of Appendix A, Annex I of the Climate Delegated Act, focusing on short to long-term effects, considering climate projections up to at least 10–30 years in the future. These assessments focus only on Outokumpu's own operations and the physical risks they face. In these assessments, Outokumpu identified climate-related risks from short- to long-term time horizons. However, the hazards were not linked to the expected lifetime of the assets, strategic planning horizons or capital allocation plans.

The site-specific assessment took into consideration the likelihood, magnitude, and duration of the hazards at each location, whenever deemed necessary or plausible. Each factor was assessed based on scientific research of potential changes under different scenarios. The assessments took into consideration the different likelihood of extreme weather conditions, such as cyclones, floods, and so on, in different geographical locations. Duration was a key factor when looking at the effects of heat stress in Alabama, where the number of hot-temperature days is expected to increase from 7 in 2022 to 47 in 2050, under a high-temperature scenario. The magnitude of the hazards at Group level were assessed as part of the double materiality assessment and overall business risk processes, which determined the physical risks to be non-material.

Assessments were largely based on shared socioeconomic pathways (SSPs) and climate change scenarios by the UN's Intergovernmental Panel on Climate Change (IPCC), including SSP5 – 8.5, where physical risks are most prevalent. The scenarios were considered through local or regional projections of climate-related hazards under the IPCC's climate change scenarios, such as those made by the Swedish Meteorological and Hydrological Institute. These projections provided insights into local risks at each site in different scenarios. Due to the limited data on scenarios from different local or regional providers, the level of detail varied across the assessments. Some assessments were able to identify risks based on geospatial coordinates, whereas others looked at changes on a national level. Additionally, some projections relied on the IPCC's Sixth Assessment Report data, while others relied on the older Fifth Assessment Report data. (E1-ESRS2-IRO-1-AR-11-(a-d))

Identified transition events

Outokumpu has identified transition events that may pose risks to Outokumpu and have an adverse impact on Outokumpu's operating environment and financial position in the long, medium, and short term.

Identified transition events in Outokumpu's climate-related scenarios include:

- evolving climate change policies, increasing regulation and reporting requirements;
- increased price of CO_2 emissions and the related rising electricity price;
- increased cost of raw materials and uncertainty about availability of energy and low-emission raw materials at affordable prices;
- viability and effectiveness of decarbonization technologies in the coming years;

- risk of losing customers and market share; on the other hand, customers switching to low-emission steel could have a positive impact.

The financial impacts of the climate transition risks are significant and have been estimated for the target period until 2030. To be able to attain the 1.5°C climate target, the company has created and committed to a transition plan, in which many greenhouse gas emission reduction projects have been initiated already.

Outokumpu has also assessed assets and business activities that are incompatible with or that need significant efforts to be compatible with the transition to a climate-neutral economy. The production of ferrochrome requires coke as a reductant in the process, and while coke is used in the ferrochrome production process, emissions could be seen as partly locked in. Ferrochrome production is not included as eligible under the EU taxonomy. In stainless steel production, the use of electrodes is considered as locked-in emissions, but does not pose a material risk to the greenhouse gas emission reduction targets. Outokumpu has also assessed locked-in emissions from the upstream value chain with lime-related emissions being the main source. However, the company has identified ways to reduce greenhouse gas emissions from locked-in emissions, as well. (E1-ESRS2-IRO-1-AR-12-(a-d))

The climate scenarios used by Outokumpu are seen to be compatible with assumptions made in its financial statements. Outokumpu includes current and rising EU ETS emission allowance costs in its financial calculations. Further information on purchases and related costs for emission allowances is available in the Financial Statements, Note 4.1 Intangible assets and property, plant and equipment (in the Intangible assets table). Expenses related to the use of emission allowances are included in Other operating expenses in the consolidated statement of income. Increasing costs of emission allowances have been taken into account in the DMA process. (E1-ESRS2-IRO-1-AR-15)

Identifying material pollution-related impacts, risks and opportunities

All Outokumpu production sites have valid environmental permits. Production-related emissions from the company's own operations have been assessed by continuous monitoring and in environmental impact assessments. Impacts and risks have also been identified in discussions with local authorities. This is an ongoing process since the sites are in constant dialogue with local authorities due to renewal of permits or if there are investigations. Value chain emissions have been screened mainly by means of life cycle assessments, according to ISO 14040 methodology indicating where in the value chain highest risks are. LCAs have identified that mining and production of alloying elements could potentially cause pollution in the upstream value chain. (E2-ESRS2-IRO-1-11(a))

Local communities have the possibility to raise topics either in permit processes or in regular stakeholder meetings at which Outokumpu production site representatives explain their activities to local residents. This is part of normal business, and no additional measures were introduced in the context of the double materiality assessment process. (E2-ESRS2-IRO-1-11(b))

Stainless steel and ferrochrome manufacturing have a negative impact on the environment in the form of air and water emissions. The production processes generate pollutants such as metals and nitrates that may enter water bodies and have negative impacts on water quality and aquatic ecosystems, if not properly managed. Thus, all operating sites are subject to environmental permits and have pollution abatement techniques such as waste water treatment plants installed at sites. This applies to the company's operations in Kemi and Tornio in Finland; Avesta, Nyby and Degerfors in Sweden; Krefeld and Dillenburg in Germany; Calvert, Alabama in the US; and San Luis Potosí in Mexico. (E2-ESRS2-IRO-1-AR-9)

Identifying material water-related impacts, risks and opportunities

Actual and potential impacts, risks, and opportunities regarding water resources at Outokumpu's own production sites and in the value chain have been assessed in the double materiality assessment process. All Outokumpu's production sites were screened to understand impacts resulting from their water use. Screening was performed through site representative interviews and data analysis. Marine resources were analyzed as part of the process; however, the results indicated that they are immaterial in terms of impacts, risks, and opportunities for Outokumpu. A water risk mapping tool (Aqueduct WRI) was also utilized to assess water-related risks. (E3-ESRS2-IRO-1-8-(a))

Water-related topics are a part of the human rights impact assessments that Outokumpu conducts in the upstream value chain. Assessments include gathering input from affected communities. This information has been utilized as background information in the double materiality assessment. Direct suppliers were consulted for double materiality assessments, as well as customers, representing the downstream value chain. (E3-ESRS2-IRO-1-8-(b))

Identifying material biodiversity-related impacts, risks and opportunities

Actual and potential impacts on biodiversity and ecosystems at our own site locations and in the value chain have been assessed during the double materiality assessment process and a comprehensive biodiversity assessment done in 2025. The assessment covered the scope, which was widened to cover also the supply chain, policies, methodology, pressures, dependencies, and analysis approach. After reassessment, based on the location-specific environmental factors, major pressures, supply chain risks, dependencies and the actual biodiversity drivers, the final risk level and the priority sites and recommendations were determined. (E4-ESRS2-IRO-1-17-(a))

Dependencies on biodiversity and ecosystems and their services have been assessed in the double materiality assessment. Outokumpu also conducted a biodiversity screening in 2023, and a comprehensive biodiversity assessment in 2025, including dependencies on biodiversity and ecosystems. (E4-ESRS2-IRO-1-17-(b))

Transition and physical risks and opportunities related to biodiversity and ecosystems have been assessed in the double materiality assessment. Outokumpu also conducted a biodiversity screening in 2023, and a comprehensive biodiversity assessment in 2025, including dependencies on biodiversity and ecosystems, including transition and physical risks. These confirmed the conclusions of the double materiality assessment. (E4-ESRS2-IRO-1-17-(c))

Outokumpu has considered systemic risks by understanding that there are interdependencies between ecosystems and climate change and resource use. A more detailed systemic risks analysis was not performed during the double materiality assessment. (E4-ESRS2-IRO-1-17-(d))

Outokumpu has consulted local communities as part of the environmental permit process. Regarding suppliers, affected communities are being consulted as part of the human rights impact assessment. A holistic approach to consulting affected communities will be developed moving forward, and more information about this is in the S3 chapter.

Currently, Outokumpu does not have a corporate-wide approach or a documented process on how to engage affected communities directly in setting targets to manage material negative impacts, advance positive impacts, and manage material risks and opportunities. In 2025, Outokumpu continued to develop its sustainability due diligence process, covering its own operations and the value chain. Defining an approach for engaging with various affected communities was part of this work. The process development will continue in 2026 to enable direct engagement with affected communities regarding target setting. (E4-ESRS2-IRO-1-17-(e))

While Outokumpu's sites are not located in sensitive areas, Outokumpu has identified areas of high biodiversity value that are owned by the company or located near its sites. Activities at these sites include stainless steel manufacturing and chrome mining. All operational sites are located within 10 kilometers of at least one protected area. Activities have potential negative impacts on biodiversity. (E4-ESRS2-IRO-1-19-(a))

Due to identified impacts on nature in the value chain and its own operations, Outokumpu plans to implement biodiversity mitigation measures. Biodiversity management requirements are also determined by the ResponsibleSteel standard and the Towards Sustainable Mining standards. In addition, Outokumpu has defined biodiversity management plans for Stainless Europe and Advanced Materials. (E4-ESRS2-IRO-1-19-(b))

Identifying material resource use and circular economy-related impacts, risks and opportunities

Impacts, risks, and opportunities related to resource use and the circular economy, particularly concerning resource inflows, resource outflows, and waste, at Outokumpu's own site locations and in the value chain, have been assessed in the double materiality assessment process. The process included screening of the company's own assets and activities. (E5-ESRS2-IRO-1-11-(a))

Outokumpu's human rights impact assessments are used to gather input from local communities in the upstream value chain. This information feeds into the double materiality assessment. Direct suppliers were consulted for the double materiality assessment, as well as customers, representing the downstream value chain. (E5-ESRS2-IRO-1-11-(b))

Disclosure Requirements in ESRS covered by the sustainability statement

Section	Disclosure requirement	Disclosure requirement name	Location (page #)
General disclosures	BP-1	General basis for preparation of the sustainability statements	43
General disclosures	BP-2	Disclosures in relation to specific circumstances	43
General disclosures	GOV-1	The role of the administrative, management and supervisory bodies	44
General disclosures	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	47
General disclosures	GOV-3	Integration of sustainability-related performance in incentive schemes	47
General disclosures	GOV-4	Statement on due diligence	48
General disclosures	GOV-5	Risk management and internal controls over sustainability reporting	51
General disclosures	SBM-1	Strategy, business model and value chain	51
General disclosures	SBM-2	Interests and views of stakeholders	53
General disclosures	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	55
General disclosures	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	59
General disclosures	IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statements	65
Environmental, Social, Governance	MDR-P	Policies adopted to manage material sustainability matters	Within each sustainability matter
Environmental, Social, Governance	MDR-A	Actions and resources in relation to material sustainability matters	Within each sustainability matter
Environmental, Social, Governance	MDR-M	Metrics in relation to material sustainability matters	Within each sustainability matter
Environmental, Social, Governance	MDR-T	Tracking effectiveness of policies and actions through targets	Within each sustainability matter
Environmental	Taxonomy Regulation	Disclosures pursuant to Article 8 of Regulation (EU) 2020/852	72
Environmental	E1-1	Transition plan for climate change mitigation	79
Environmental	E1-2	Policies related to climate change mitigation and adaptation	80
Environmental	E1-3	Actions and resources in relation to climate change policies	82
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Environmental	E1-5	Energy consumption and mix	85

Section	Disclosure requirement	Disclosure requirement name	Location (page #)
Environmental	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	86
Environmental	E1-8	Internal carbon pricing	89
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Environmental	E2-2	Actions and resources related to pollution	91
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Environmental	E3-1	Policies related to water and marine resources	94
Environmental	E3-2	Actions and resources related to water and marine resources	95
Environmental	E3-3	Targets related to water and marine resources	96
Environmental	E3-4	Water consumption	96
Environmental	E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	99
Environmental	E4-2	Policies related to biodiversity and ecosystems	99
Environmental	E4-3	Actions and resources related to biodiversity and ecosystems	100
Environmental	E4-4	Targets related to biodiversity and ecosystems	101
Environmental	E4-5	Impact metrics related to biodiversity and ecosystems change	101
Environmental	E5-1	Policies related to resource use and circular economy	102
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Environmental	E5-3	Targets related to resource use and circular economy	103
Environmental	E5-4	Resource inflows	104
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Social	S1-1	Policies related to own workforce	110
Social	S1-2	Processes for engaging with own workers and workers' representatives about impacts	112
Social	S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	113
Social	S1-4	Taking action on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to own workforce and effectiveness of those actions	114

Section	Disclosure requirement	Disclosure requirement name	Location (page #)
Social	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	116
Social	S1-6	Characteristics of the undertakings employees	116
Social	S1-8	Collective bargaining coverage and social dialogue	120
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Social	S1-15	Work-life balance metrics	123
Social	S1-16	Compensation metrics (pay gap and total compensation)	124
Social	S1-17	Incidents, complaints and severe human rights impacts	124
Social	S2-1	Policies related to value chain workers	127
Social	S2-2	Processes for engaging with value chain workers about impacts	131
Social	S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	132
Social	S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	132
Social	S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	134
Social	S3-1	Policies related to affected communities	137
Social	S3-2	Processes for engaging with affected communities about impacts	139
Social	S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	139
Social	S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	139
Social	S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	140
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List of data points that derive from other EU legislation

Section	Disclosure requirement	Data point name	Location (page #)
General disclosures	ESRS2 GOV-1	Board's gender diversity paragraph 21 (d)	45
General disclosures	ESRS2 GOV-1	Percentage of board members who are independent paragraph 21 (e)	45
General disclosures	ESRS2 GOV-4	Statement on due diligence paragraph 30	48
General disclosures	ESRS2 SBM-1	Involvement in activities related to fossil fuel activities paragraph 40 (d) i	52
General disclosures	ESRS2 SBM-1	Involvement in activities related to chemical production paragraph 40 (d) ii	Not material
General disclosures	ESRS2 SBM-1	Involvement in activities related to controversial weapons paragraph 40 (d) iii	Not material
General disclosures	ESRS2 SBM-1	Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	Not material
Environmental	ESRS E1-1	Transition plan to reach climate neutrality by 2050 paragraph 14	79
Environmental	ESRS E1-1	Undertakings excluded from Paris-aligned benchmarks paragraph 16 (g)	80
Environmental	ESRS E1-4	GHG emission reduction targets paragraph 34	84
Environmental	ESRS E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	85
Environmental	ESRS E1-5	Energy consumption and mix paragraph 37	85
Environmental	ESRS E1-5	Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	86
Environmental	ESRS E1-6	Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	86
Environmental	ESRS E1-6	Gross GHG emissions intensity paragraphs 53 to 55	89
Environmental	ESRS E1-7	GHG removals and carbon credits paragraph 56	Not material
Environmental	ESRS E1-9	Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	Phased-in transition
Environmental	ESRS E1-9	Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	Phased-in transition
Environmental	ESRS E1-9	Location of significant assets at material physical risk paragraph 66 (c)	Phased-in transition
Environmental	ESRS E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)	Phased-in transition
Environmental	ESRS E1-9	Degree of exposure of the portfolio to climate- related opportunities paragraph 69	Phased-in transition
Environmental	ESRS E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil paragraph 28	93
Environmental	ESRS E3-1	Water and marine resources paragraph 9	94

Section	Disclosure requirement	Data point name	Location (page #)
Environmental	ESRS E3-1	Dedicated policy paragraph 13	95
Environmental	ESRS E3-1	Sustainable oceans and seas paragraph 14	Not material
Environmental	ESRS E3-4	Total water recycled and reused paragraph 28 (c)	97
Environmental	ESRS E3-4	Total water consumption in m3 per net revenue in own operations paragraph 29	97
Environmental	ESRS2 IRO 1 - E4	paragraph 16 (a) i	98
Environmental	ESRS2 IRO 1 - E4	paragraph 16 (b)	99
Environmental	ESRS2 IRO 1 - E4	paragraph 16 (c)	99
Environmental	ESRS E4-2	Sustainable land / agriculture practices or policies paragraph 24 (b)	Not material
Environmental	ESRS E4-2	Sustainable oceans / seas practices or policies paragraph 24 (c)	Not material
Environmental	ESRS E4-2	Policies to address deforestation paragraph 24 (d)	Not material
Environmental	ESRS E5-5	Non-recycled waste paragraph 37 (d)	105
Environmental	ESRS E5-5	Hazardous waste and radioactive waste paragraph 39	105
Social	ESRS2 SBM3 - S1	Risk of incidents of forced labor paragraph 14 (f)	110
Social	ESRS2 SBM3 - S1	Risk of incidents of child labor paragraph 14 (g)	110
Social	ESRS S1-1	Human rights policy commitments paragraph 20	111
Social	ESRS S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	111
Social	ESRS S1-1	Processes and measures for preventing trafficking in human beings paragraph 22	111
Social	ESRS S1-1	Workplace accident prevention policy or management system paragraph 23	111
Social	ESRS S1-3	Grievance/complaints handling mechanisms paragraph 32 (c)	113
Social	ESRS S1-14	Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	123
Social	ESRS S1-14	Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	123
Social	ESRS S1-16	Unadjusted gender pay gap paragraph 97 (a)	124
Social	ESRS S1-16	Excessive CEO pay ratio paragraph 97 (b)	124
Social	ESRS S1-17	Incidents of discrimination paragraph 103 (a)	125

Section	Disclosure requirement	Data point name	Location (page #)
Social	ESRS S1-17	Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	125
Social	ESRS2 SBM3 – S2	Significant risk of child labor or forced labor in the value chain paragraph 11 (b)	127
Social	ESRS S2-1	Human rights policy commitments paragraph 17	129
Social	ESRS S2-1	Policies related to value chain workers paragraph 18	131
Social	ESRS S2-1	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	131
Social	ESRS S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	131
Social	ESRS S2-4	Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	134
Social	ESRS S3-1	Human rights policy commitments paragraph 16	138
Social	ESRS S3-1	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	139
Social	ESRS S3-4	Human rights issues and incidents paragraph 36	140
Social	ESRS S4-1	Policies related to consumers and end-users paragraph 16	Not material
Social	ESRS S4-1	Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Not material
Social	ESRS S4-4	Human rights issues and incidents paragraph 35	Not material
Governance	ESRS G1-1	United Nations Convention against Corruption paragraph 10 (b)	Not material
Governance	ESRS G1-1	Protection of whistleblowers paragraph 10 (d)	Not material
Governance	ESRS G1-4	Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Not material
Governance	ESRS G1-4	Standards of anti-corruption and anti-bribery paragraph 24 (b)	Not material

(ESRS2-IRO-2-56)

Determination of materiality

Outokumpu concluded that the ESRS topic S4 of consumers and end-users was not material in its double materiality assessment, based on Outokumpu's limited impacts, risks and opportunities related to consumers and end-users explained by the nature of Outokumpu's business-to-business activities and value-chain position. (ESRS2-IRO-2-58)

Outokumpu's double materiality assessment identified material impacts, risks and opportunities based on the evaluation and thresholds described above. Management judgment was also used when determining material ESRS sub-topics. Determination of material disclosure requirements and individual data points was based on the results of the double materiality assessment on material sub-topics. The following perspectives were considered: significance of the information in relation to the matter it purports to depict or explain, and the capacity of such information to meet the users' decision-making needs. In addition, the Omnibus Package's quick fix amendments were considered in determining information required for disclosures. (ESRS2-IRO-2-59)

Environmental information

Outokumpu is setting the industry standard with its low carbon footprint stainless steel and high level of circularity. Stainless steel has a pivotal role in mitigating climate change and accelerating the green transition.

EU Taxonomy	72
E1 – Climate change	78
E2 – Pollution	90
E3 – Water resources	94
E4 – Biodiversity and ecosystems	98
E5 – Resource use and the circular economy	102

Outokumpu's turnover is 91% eligible and aligned to the EU taxonomy. Finland-based Lappset has chosen Outokumpu Circle Green® for its slides as part of its mission to create more environmentally friendly playgrounds.

EU Taxonomy

Non-financial companies are required to disclose the share of their sales, and both the capital and restricted operational expenditure associated with environmentally sustainable economic activities, as defined in the EU Taxonomy Regulation (2020/852). Eligible activities are those that are within the scope of the regulation. An aligned activity is defined as an eligible economic activity that is making a substantial contribution to at least one of the climate and environmental objectives, while also doing no significant harm to the remaining objectives and meeting minimum safeguards.

Outokumpu has evaluated its activities in relation to the EU taxonomy, resulting in the identification of aligned, eligible and non-eligible activities. Outokumpu has identified it's steel making activities as eligible, in line with economic activity 3.9 "Manufacture of iron and steel" as outlined in Commission Delegated Regulation (EU) 2021/2139. Key performance indicators were calculated using consolidated financial information and additional accounting principles are disclosed after the table below. Full tables are available at the end of the EU Taxonomy section.

EU Taxonomy key performance indicators

2025	Total € million	Eligible and aligned, %	Eligible and non-aligned, %	Non-eligible, %
Sales (Turnover)	**5,468**	**91 %**	**0 %**	**9 %**
Capital expenditure	**143**	**77 %**	**0 %**	**23 %**
Restricted operating expenditure	**604**	**79 %**	**0 %**	**21 %**
2024				
Sales (Turnover)	5,942	93 %	0 %	7 %
Capital expenditure	201	78 %	0 %	22 %
Restricted operating expenditure[1)]	595	79 %	0 %	21 %

1) Percent related data has been revised. The calculation method for the restricted operating expenditure has changed from previous year after a review of accounts. Accounts that were previously fully attributable are now only partly attributable and therefore more representative. 2024 figure has been adjusted.

The preparation of the key performance indicators requires management to make judgments, estimates and assumptions on eligible and aligned economic activities, capital expenditure allocated to those activities and related restricted operating expenditure.

Taxonomy sales (turnover) are presented in accordance with IFRS, in line with the reported sales in the Group's consolidated Financial Statements. Outokumpu's principles for defining sales (turnover) can be found in note 2.2 in the Group's consolidated Financial Statements. The manufacturing of iron and steel is listed as an eligible economic activity.

Taxonomy eligibility and alignment is reported only for Outokumpu operations; sales from service centers are excluded from eligibility. The impact of service centers is, however, insignificant as Group internal sales from mills to service centers are still eligible. Since the service centers are excluded from eligibility, restricted operating expenditure and capital expenditure associated with service centers is also excluded from eligibility. The main items of sales that are considered non-eligible include sales of ferrochrome, raw materials, other services, and energy. Only eligible activities have been assessed for alignment.

Outokumpu has invested in and holds stakes in energy companies in order to secure low emission electricity. However, Outokumpu does not hold direct nuclear ownership; its ownership is considered immaterial and is not included in the group taxonomy key performance indicators.

All steelmaking sites have been assessed, and they meet the technical screening criteria for substantial contributions to climate change mitigation, which requires that the steel scrap input relative to product output is not lower than 70% in the production of high alloy steel. Activities have been assessed to comply with the Do No Significant Harm (DNSH) criteria.

- Criteria for DNSH to climate change adaptation: physical risks material to Outokumpu's production units have been screened and assessed and are part of the company's overall risk management strategy.
- Criteria for DNSH sustainable use and protection of water and marine resources and criteria for DNSH for protection and restoration of biodiversity and ecosystems: assessment, permits and plans are in place for all production sites, and all sites meet current legislation.

Outokumpu's production sites do not use any prohibited substances. In a few activities where substances of concern are being used, Outokumpu has considered them either essential since the use is defined as best available technology in the Bref documents, or non-material as the activity is insignificant compared to total eligible sale, thus meeting the DNSH criteria for pollution prevention and control.

In 2025, Outokumpu conducted a self-assessment related to the EU taxonomy minimum safeguards. The self-assessment was based on the previous external evaluations (2022 and 2024) on Outokumpu's alignment on minimum safeguards. The self-assessment covered human rights due diligence, liability, corruption, taxation and fair competition. Based on the progress made with no reported breaches against the criteria, it was concluded that Outokumpu continues to align with the minimum safeguards, The results were documented and validated by senior management.

Taxonomy capital expenditure is presented and measured as cash-based. Taxonomy capital expenditure consists of purchases of property, plant and equipment and purchases of intangible assets excluding purchases of emission allowances (Note 4.1 in Group Financial Statements). Taxonomy capital expenditure is presented in accordance with IFRS and in line with Outokumpu's consolidated statement of cash flows. Capital expenditure associated with taxonomy-eligible economic activities has been considered eligible, while capital expenditure related to the Ferrochrome business area, service centers, and directly to corporate functions has been considered non-eligible.

As all steelmaking activities were considered aligned, related capital expenditure was also considered aligned, since it is necessary to uphold the substantial contribution of the activities. As there are no eligible but non-aligned activities, there are no CapEx plans to expand taxonomy-aligned economic activities, or plans to allow the activities to become taxonomy-aligned. Outokumpu discloses its climate transition plan including information on capital expenditure in the section E1 Climate Transition Plan. The climate transition plan covers both eligible and non-eligible activities.

Taxonomy-restricted operating expenditure consists of expenses related directly to maintenance and servicing of assets, as well as research and development expenses. Of the total taxonomy-restricted operating expenditure, the portion supporting taxonomy-eligible economic activities has been considered eligible. Expenses related to the Ferrochrome business area, service centers, and corporate functions have been considered non-eligible. Research and development expenses have been included in full and considered eligible except for the part related to the manufacture of ferrochrome, service centers and corporate.

Only one taxonomy-eligible economic activity has been identified as relevant and taken into account in the calculations, together with one environmental objective. While recycling of metallic scrap is at the core of Outokumpu's business, the collection and sorting of scrap as outlined in the circular economy criteria document is not considered an economic activity in itself for Outokumpu. Outokumpu continues to develop its calculations and definitions as new information becomes available.

EU Taxonomy turnover, capital expenditure and operational expenditure

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025

Financial year 2025		2025		Substantial Contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	Turnover	Proportion of Turnover, 2025	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or - eligible (A.2) turnover, 2024	Category enabling activity	Category transitional activity
		EUR (millions)	**%**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
A . TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacturing of iron and steel	3.9	4,971	91%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	93%		T
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		**4,971**	**91%**	**91%**	**0%**	**0%**	**0%**	**0%**	**0%**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**93%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		4,971	91%	91%							Y	Y	Y	Y	Y	Y	93%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacturing of iron and steel	3.9	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0**	**0%**	0%	0%	0%	0%	0%	0%								0%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		**4,971**	**91%**	91%	0%	0%	0%	0%	0%								93%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		497	9%																
TOTAL		**5,468**	**100%**																

Taxonomy turnover total is presented in accordance with IFRS, in line with the sales in the Group's consolidated statement of income in the Financial Statements. Outokumpu's principles for defining turnover (sales) can be found in note 2.2 in the Group's Financial Statements. The manufacturing of iron and steel is listed as an eligible economic activity.

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025

Financial year 2025		2025		Substantial Contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	CapEx	Proportion of CapEx, 2025	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or - eligible (A.2) CapEx, 2024	Category enabling activity	Category transitional activity
		EUR (millions)	**%**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
A . TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacturing of iron and steel	3.9	110	77%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	78%		T
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		**110**	**77%**	**77%**	**0%**	**0%**	**0%**	**0%**	**0%**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**78%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		110	**77%**	77%							Y	Y	Y	Y	Y	Y	78%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacturing of iron and steel	3.9	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0**	**0%**	0%	0%	0%	0%	0%	0%								0%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		**110**	**77%**	77%	0%	0%	0%	0%	0%								78%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		33	23%																
TOTAL		**143**	**100%**																

Taxonomy capital expenditure is presented and measured as cash-based and reported in the Group's Financial Statements, Consolidated statement of cash flows, in line items in Cash flow from investing activities. Taxonomy capital expenditure consists of purchases of property, plant and equipment and purchases of intangible assets excluding purchases of emission allowances (Note 4.1 in Group Financial Statements). Taxonomy capital expenditure is presented in accordance with IFRS and in line with Outokumpu's statement of cash flows. Capital expenditure associated with taxonomy-eligible economic activities has been considered eligible while capital expenditure related to the Ferrochrome business area, service centers and directly to corporate functions has been considered non-eligible.

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025 [1)]

Financial year 2025		2025		Substantial Contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	OpEx	Proportion of CapEx, 2025	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or - eligible (A.2) OpEx, 2024	Category enabling activity	Category transitional activity
		EUR (millions)	**%**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
A . TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacturing of iron and steel	3.9	477	79%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	79%		T
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		**477**	**79%**	**79%**	**0%**	**0%**	**0%**	**0%**	**0%**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**79%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		477	79%	79%							Y	Y	Y	Y	Y	Y	79%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacturing of iron and steel	3.9	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		**477**	**79%**	79%	0%	0%	0%	0%	0%								79%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		126	21%																
TOTAL		**604**	**100%**																

Taxonomy-restricted operating expenditure consists of expenses related directly to maintenance and servicing of assets, as well as research and development expenses. Of the total taxonomy-restricted operating expenditure, the portion supporting taxonomy-eligible economic activities has been considered eligible. Expenses related to the Ferrochrome business area, service centers, and corporate functions have been considered non-eligible. Research and development expenses have been included in full and considered eligible, except for the part related to the manufacturing of ferrochrome, service centers and corporate.

[1)] Comparative data has been revised. The calculation method for the restricted operating expenditure has changed from previous year after a review of accounts. Accounts that were previously fully attributable are now only partly attributable and therefore more representative. 2024 figure has been adjusted.

Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels	No

Due to insignificant ownership in nuclear and fossil related activities, Outokumpu does not do further analysis on related activities.

Addressing climate change is one of the greatest opportunities of our time to drive innovation and build sustainable economies. Outokumpu has committed to the science-based climate target of limiting global warming below 1.5°C. The company accelerates the green transition through its products' low carbon footprint and by supporting customers in reducing their emissions.

TARGETS

Reduce direct, indirect and supply chain emission intensity by

42%

by 2030 from a 2016 baseline

PROGRESS

Reduced emission intensity across direct, indirect and supply chain altogether

33%

by end of 2025 from a 2016 baseline

E1 – Climate change

Material impacts, risks and opportunities

Climate change mitigation		
Negative impact	Actual	High greenhouse gas emissions from energy-intensive production of stainless steel, even with energy efficiency measures and lower-emission energy sources
Negative impact	Actual	High emissions associated with raw materials and transportation logistics
Opportunity		Well positioned towards sustainability regulation (e.g. Carbon Border Adjustment Mechanism (CBAM) and EU Taxonomy alignment)
Opportunity		Demand for low-emission stainless steel is expected to grow in future
Risk		Increased production costs due to additional regulation and required technologies
Risk		Limited availability and high price of low-emission raw materials such as steel scrap or alloys

Energy		
Negative impact	Actual	Significant energy consumption of stainless steel production and reliance on fossil fuels
Negative impact	Actual	High energy demand of raw material extraction, processing, and transportation
Opportunity		Enhancing cost competitiveness, innovation, and business resilience from new energy technologies, energy efficiency and optimizing energy utilization
Risk		High cost and limited availability of renewable energy

(E1-ESRS2-SBM-3-48-(a))

Outokumpu has assessed climate impacts in its double materiality assessment, in connection with the company's strategy and business model. Most of the impact arises from the nature of Outokumpu's key activity, stainless steel production, which is energy-intensive. Outokumpu has, however, reduced that impact significantly over the years, which now presents a competitive advantage by being able to provide low-carbon footprint stainless steel.

Outokumpu identified the following climate transition risks, related to Outokumpu's business model and strategy:

- new regulations and technologies needed for the transition, which could increase production costs,
- availability and price of low-emission raw materials and energy,
- energy cost constituting a substantial part of the total steel manufacturing costs, and the vulnerability of energy-intensive operations to fluctuations in energy prices.

Outokumpu considers the climate-related risks it has identified to be climate-related transition risks. Climate-related physical risks were not considered material for Outokumpu. (E1-ESRS2-SBM-3-18)

Climate resilience is at the core of Outokumpu's strategy and operations. In spring 2025, Outokumpu analyzed on a high-level the resilience of its strategy and business model during the double materiality assessment and the revision of the company strategy. The assessment done by the Group Sustainability and Group Strategy, covering the whole value chain with a focus on Outokumpu's own operations and upstream supply and the customers' perspective. The outcome of the analysis is not reported in isolation, but it is part of the overall resilience of Outokumpu which is disclosed in the Impact, Risk and Opportunity Management chapter's Resilience section. (E1-ESRS2-SBM-3-19-(a))

Outokumpu has analyzed its transition risks based on the Task Force on Climate-related Financial Disclosures (TCFD) when committing to science-based targets in 2021. Technology deployment and energy consumption have been taken into account in the decarbonization plan, which is aligned with the 1.5 degree science-based climate target and outlines mitigation actions and related costs and opportunities (E1-ESRS2-SBM-3-19-(b)), (E1-ESRS2-SBM-3-AR-7-(a))

In the short-term, Outokumpu aims to continue to strengthen its core by delivering low-emission stainless steel as a solution for customers to reduce their climate impact. This foundational business ensures competitiveness and raw material security while generating the financial strength needed to fund transformation initiatives. In the medium-term the company further aims to build resilience in its strategy through its science-based climate targets and expansion into lower-emission advanced materials and alloys. In the long term, the EVOLVE strategy targets the transformation of Outokumpu into a pioneering force in materials and technology solutions that power tomorrow by innovating low-CO_2 metals and enriched ferrochrome. (E1-ESRS2-SBM-3-AR-8-(b))

Due to its low-carbon footprint and high use of recycled raw materials, the company has built resilience against climate-related transition risks. Outokumpu is further committed to the science-based target by 2030 and to reducing its transition risk by implementing low-carbon technologies, and increasing the use of clean energy in its product portfolio. (E1-ESRS2-SBM-3-19-(c)), (E1-ESRS2-SBM-3-AR-7-(b)), (E1-ESRS2-SBM-3-AR-8-(a))

Climate transition plan

Outokumpu is committed to climate targets in line with the Paris Agreement, aiming to keep global warming below 1.5°C and achieve carbon neutrality by 2050. The company prepared its decarbonization roadmap in 2021 and has since continuously assessed and updated it. In 2025, an updated roadmap and transition plan were developed to mitigate climate change as an integral part of the company's strategy and business planning. (E1-1-14) Detailed below are the various elements within Outokumpu's transition plan.

Greenhouse gas emission reduction targets

Outokumpu targets a reduction in carbon emission intensity across scope 1, scope 2, and scope 3 by 42% by 2030 from the 2016 baseline. This target follows the cross-sectoral pathway. Outokumpu's stainless steel already has an approximately 75% lower carbon footprint than the industry average. Innovations such as Circle Green, featuring an up to 93% lower carbon footprint compared to the industry average*, support customers in reducing their emissions.

Outokumpu's exposure to coal and gas is mainly through the use of coke in ferrochrome production and natural gas in stainless steel processing. The company's transition plan includes a gradual switch to bio-based coke and biofuels, thereby reducing fossil fuel dependency. Exposure to oil-related activities is not material and continues to decline, as demonstrated by the ongoing fuel switch from light fuel oil to natural gas. (E1-1-16-(a))

Decarbonization levers

Outokumpu's key decarbonization levers in the transition plan are:

- increasing the use of scrap,
- improved energy efficiency and yield,
- increasing the use of low-carbon energy,
- increasing the use of alternative fuels and electrification,
- increasing the use of biocoke,
- increasing low-emission primary raw materials, and
- investigating carbon capture and storage/utilization

Ongoing and planned actions that align with these listed decarbonization levers can be found under E1-3 in the action and resources section below. (E1-1-16-(b))

* Global average carbon footprint of stainless steel: (2025): 7.3 kg CO_2e per kg of stainless steel (Outokumpu's calculation based on data provided by CRU, worldstainless and Kobolde & Partners AB, 2022). Outokumpu Circle Green product carbon footprint: down to 0.5 kg of CO_2e per kg of stainless steel.

Investments and funding

To meet its 1.5°C-aligned climate targets, Outokumpu has committed to doing smart decarbonization investments. In 2022-2025, Outokumpu has invested EUR 56.8 million in areas such as energy efficiency, low-carbon energy, and biocoke. An additional approximately EUR 122.6 million in investments is planned for the coming years to support decarbonization initiatives. The company continues to evaluate the transition investments required by 2030 as well as evaluating the operational expenditure related to the transition plan. Read more about key actions in 2025 in the Actions section in this chapter. Investments are also disclosed in the Financial statements' 1.2 Basis of preparation, in the section Climate matters.

In 2025, approximately EUR 7 million (2024: EUR 5 million) of EU taxonomy eligible and aligned capital expenditure were towards projects related to the climate transition plan. The investments related to biocoke support reducing a significant amount of Outokumpu's direct emissions, but this capital expenditure is not included in the EU eligible and aligned taxonomy KPI since ferrochrome manufacturing is not taxonomy eligible. (E1-1-16-(c))

Locked-in emissions and regulatory alignment

Outokumpu has conducted a qualitative assessment of potential locked-in fossil greenhouse gas emissions from its key assets, products, and value chain at the end of 2023 and January 2024. The analysis indicated that some emissions related to coke and lime are considered locked-in. However, these are not expected to pose a material risk or jeopardize Outokumpu's science-based target. (E1-1-16-(d))

Regarding alignment with the EU Commission's Delegated Regulation 2021/2139, Outokumpu has no additional objectives or plans at this stage, as all current economic activities that are eligible are expected to remain aligned. (E1-1-16-(e)) Outokumpu derives its revenue mainly from steel manufacturing and is thus not excluded from the EU Paris-aligned benchmarks. (E1-1-16-(g))

Capital expenditure in coal, oil and gas-related economic activities

Outokumpu did not have any capital expenditure in oil-, gas-, and coal-related activities in 2025. Total capital expenditures including decarbonization and EU Taxonomy-related investments are presented in previous sections. (E1-1-16-(f))

Alignment with strategy and financial planning

Decarbonization has been an integral part of Outokumpu's strategy. In the phase 1 of its previous strategy, Outokumpu committed to the 1.5°C target and created its decarbonization roadmap, and in phase 2, continuing through 2025, the focus was on strengthening the core business through sustainability, productivity-driven growth, and customer-focused steering. In the new growth-focused strategy decarbonization is a key lever when Outokumpu aims to evolve from a trusted stainless steel producer into a pioneering force in low-emission metals and technologies. The climate transition plan is embedded in financial planning by considering financial investments needed to execute its emissions reduction activities. Internal carbon pricing is used to evaluate the most feasible decarbonization levers for Outokumpu. (E1-1-16-(h))

Governance and oversight of the transition plan

Outokumpu's science-based climate target was proposed by the CEO and approved by the Board of Directors in 2021. The transition plan is approved by the ESG Steering Group and the CEO. The plan is regularly reviewed as part of the company's strategic process. The CEO and the Board approve specific action plans linked to the transition plan during annual strategy and planning cycles, and the transition plan is integrated into the Sustainability Statement.

In addition to internal governance, Outokumpu has benefitted in 2025 from the support of an external ESG Advisory Council, which advised on all sustainability matters, including the company's pathway to decarbonization. More detailed information on governance roles is available in the General Information chapter. (E1-1-16-(i))

Progress in implementing the transition plan

By the end of 2025, Outokumpu achieved a 33% (2024: 32%) greenhouse gas emission intensity reduction from the 2016 baseline, demonstrating that the company is ahead of its SBTi target, which is aligned with the implementation of Outokumpu's transition plan. This was achieved through high use of recycled steel as raw material, low-carbon energy, and incremental improvements in operations, reaching a lower emission intensity than set in the transition plan. Read more about the progress in the Metrics and targets section in this chapter. Outokumpu also set an ambitious target to reach carbon neutrality at the Kemi mine by the end of 2025. Achieving carbon neutrality at the Kemi mine has been an investment worth millions of euros for Outokumpu. Outokumpu was on schedule in terms of reaching the goal. However, due to uncertainty with the national mining tax increase, the company could not implement the final measures planned to achieve the goal in 2025, and as a result, achieving carbon neutrality will be delayed. (E1-1-16-(j))

Policies

Outokumpu's Sustainability Policy outlines the company's sustainability principles and goals, in relation to the sustainability of the economic, environmental, and social aspects. The main principles of the policy outline that sustainability has a central role in Outokumpu's vision, strategy and planning. The principles include acting safely for the employees and the company's stakeholders, respecting human rights, and committing to increasing fairness and belonging. The Sustainability Policy includes topics on climate change mitigation, energy efficiency, and renewable energy deployment, and outlines steps to reach carbon neutrality.

While the company is committed to keeping global warming below 1.5°C, Outokumpu manages climate change by embedding the circular economy into the core of its business by utilizing over 90% recycled steel to reduce dependence on primary raw materials. This also reduces greenhouse gas emissions and mitigates biodiversity loss, which Outokumpu also considers in its decision-making. The company employs risk-based environmental management to actively minimize waste, pollution, and water use, with reuse practices and targeted conservation in high-risk regions. Outokumpu optimizes material and energy use to continuously improve efficiency and prioritize renewable energy and raw material sources over non-renewable options whenever viable to help reduce GHG emissions. The company is committed to conducting business with high integrity, by making responsible, sustainable, and ethical decisions. The company operates based on its key ethical principles, the Outokumpu Code of Conduct, and other company policies and instructions, as well as the Outokumpu Way (replacing the previous Ways of Working), which form the basis of Outokumpu's actions, operations, and corporate culture. (E1-2-25)

Outokumpu's Sustainability Policy states that Outokumpu helps its customer to tackle climate change through lower-emission solutions, creating value for the company, society, and the environment. Through the policy, Outokumpu commits to take climate change seriously, acknowledges the need for a just transition, and operates according to long-term climate targets based on science. Outokumpu's transition plan states targets and steps to reach the long-term target of carbon neutrality by 2050. (E1-MDR-P-65-(a))

Scope, accountability, stakeholders, and availability

The Sustainability Policy must be followed globally by all Outokumpu businesses, companies, directors, officers and employees. In addition, Outokumpu also expects its business partners across the value chain to follow similar standards to those outlined in the Sustainability Policy. (E1-MDR-P-65-(b)) The CEO and the Executive Vice President, Strategy, Sustainability and People (until October 6, 2025) is accountable for the implementation of the policy. (E1-MDR-P-65-(c)) Outokumpu includes the views of stakeholders such as shareholders, employees, customers, suppliers, investors and authorities, as well as general public and non-governmental organizations, as part of its policy management. The public policies are also available for external stakeholders on Outokumpu's website. (E1-MDR-P-65-(e)) The policy requires Outokumpu to strive for a continuous, systematic, and open dialogue through engaging with stakeholders. (E1-MDR-P-65-(f))

Third-party standards

Outokumpu is committed to the UN Sustainable Development Goals and is also a signatory member of the UN Global Compact. The company is committed to the business ambition of the 1.5°C objective by 2050 and is a member of the Science Based Targets initiative. Outokumpu is also a member of the ResponsibleSteel initiative and committed to supporting its vision and mission. Outokumpu also has ResponsibleSteel certification for all its manufacturing sites in Europe, and all Outokumpu production sites are ISO 14001-certified. As a chromium mining operator, Outokumpu is a member of the Finnish Network for Sustainable Mining with related certification. (E1-MDR-P-65-(d))

Addressing material areas

Climate change mitigation

The Sustainability Policy includes climate change mitigation and outlines steps to reach carbon neutrality. The policy includes actions to reduce greenhouse gas emissions both in our own operations and in the supply chain, as well as improving energy efficiency and the use of renewable energy. The policy also guides minimizing the use of primary raw materials by replacing them with circular materials as one of the key actions to mitigating climate impact.

In addition, Outokumpu's Supplier Code of Conduct also addresses climate change by expecting suppliers to reduce the negative impacts of their operations on the environment, and especially on climate. More information about Outokumpu's Supplier Code of Conduct can be found in S2 Workers in the value chain chapter. (E1-2-25-(a))

Energy efficiency

As stated in Outokumpu's Sustainability Policy, Outokumpu aims to minimize the use of resources and the negative impact of its operations on the surrounding environment by proactively developing its production processes and its energy and material efficiency. This means that Outokumpu continuously optimizes energy use and proactively develops and improves energy efficiency to help reduce its impact on the environment. (E1-2-25-(c))

Renewable energy deployment

As part of its Sustainability Policy, Outokumpu minimizes the negative impacts of its operation on the environment by increasing the share of low-carbon electricity, which is one of the key elements in Outokumpu's transition plan. The low carbon electricity includes both renewable and nuclear energy. Outokumpu is also taking steps to replace its fossil fuels with alternative solutions such as biofuels and electrification. (E1-2-25-(d))

Other

The Sustainability Policy also addresses biodiversity and its dependence on climate change. By reducing greenhouse gas emissions and virgin resource material dependency, Outokumpu contributes to maintaining biodiversity globally. In addition, the policy outlines Outokumpu's aim of reducing pollution, waste, and emissions to air, and reducing environmental impacts through risk-based environmental management. (E1-2-25-(e))

Actions

Outokumpu has identified and implemented key actions to mitigate climate change, and both operational and financial resources have been reserved for them. During 2025, Outokumpu continued to execute its decarbonization roadmap.

Outokumpu's key decarbonization levers, actions and expected outcomes to mitigate climate change during 2025 have been:

- continuing the high use of scrap to reduce emissions from raw materials and reduce virgin raw material dependency,
- establishing energy efficiency initiatives to reduce emissions from energy use and costs,
- securing availability of low-emission electricity through PPA's and certificates to reduce emissions from energy use,
- switching from fossil fuels to alternative fuels to reduce emissions from energy,
- bringing the Tornio biocoke agglomeration line into operation and securing a reliable supply of high-quality biochar,
- signing a Memorandum of Understanding (MoU) with Boston Metal to enhance the production of critical carbon-free metal, thus reducing the emissions from stainless steel production.

Decarbonization levers, key actions and expected outcomes in the following reporting years:

- securing low-emission raw materials and energy through partnerships to further reduce emissions from virgin raw materials and fossil energy,
- investing in biocoke to reduce emissions from coke,
- carbon capture and utilization of CO_2 and CO gas and supporting other industries to reduce emissions through utilization of waste streams,
- capitalizing on proprietary technology to produce low-CO_2 metals.

Execution of these actions is also outlined in Outokumpu's transition plan and is crucial to meet Outokumpu's science-based emission reduction target as outlined in its Sustainability Policy objectives and targets. The company also participated in a three-year program toward carbon neutral metals TOCANEM2, which supports the metal industry's transition toward carbon neutrality. (E1-MDR-A-68-(a)), (E1-3-29-(a))

Scope and time horizon

Actions to reduce greenhouse gas emissions cover Outokumpu's value chain, focusing especially on direct operations and the supply chain, where majority of the company's emissions are generated and in all geographical areas in which the company either operates in or which are part of its upstream supply chain. If an action applies specifically to a particular location, this is explicitly stated. For example, the biocoke agglomeration plant in Tornio is specific to that site. Additionally, actions such as building partnerships with suppliers extend to the upstream value chain of Outokumpu, demonstrating coverage beyond the company's direct operations. (E1-MDR-A-68-(b))

As decarbonization technologies develop, the company assesses the expected time horizons for each key action continuously. The high use of scrap, low-emission raw materials and low-emission energy are a continuous effort especially in the short-term, whereas the current biocoke investments reported are for mid-term. Carbon capture and storage/utilization is in the research phase and to be evaluated further. As a general rule, Outokumpu applies the same definition of short-, medium- and long-term as in the Corporate Sustainability Reporting Directive ("CSRD"): short-term is one year, mid-term is up to five years, and long-term is more than five years. (E1-MDR-A-68-(c)) None of the actions were related to any provision of remedy since there was no harm to society from actual material impacts. (E1-MDR-A-68-(d)) Prior to the reporting year 2025, at the end of 2024, Outokumpu had improved its emissions intensity by 32% from the 2016 baseline. (E1-MDR-A-68-(e))

Financial resources

In 2025 Outokumpu has invested capital expenditures of EUR 8.3 million in smart decarbonization and has decided to invest a further EUR 122.6 million in the following years. The company continues to evaluate investments required by 2030, as well as possible subsidies and other financing instruments to execute its decarbonization targets. (E1-MDR-A-69-(a)) Outokumpu's mid-term targets are based on existing, cost-efficient decarbonization technologies, and the company has taken resource allocation into account as part of its strategy process. In the long-term, Outokumpu sees decarbonization as generating value in its business and enabling the achievement of the transition plan. (E1-3-AR-29)

Outokumpu's current operating expenses to implement actions taken are included in the expenses disclosed in the consolidated statement of income and in Note 2.3. Any related current capital expenditures is part of the line item Additions in Note 4.1 Intangible assets and property, plant and equipment. (E1-MDR-A-69-(b)) The company has not yet made any future allocation of financial resources. (E1-MDR-A-69-(c))

Achieved and expected GHG emission reductions

By the end of the reporting year, Outokumpu achieved a 33% reduction in CO_2 emissions intensity against the 2016 baseline (2024: 32%). The expected CO_2 emission intensity reduction according to the target was 27% in 2025 (2024: 24%). The expected emission intensity reduction until 2030 is 42%, which corresponds additionally to approximately 1 Mt CO_2 in absolute emissions. (E1-3-29-(b))

Resource dependence in action implementation

According to its strategy disclosed earlier, Outokumpu has gained a strong financial position with a strong balance sheet to prepare the company for future investments.

Decarbonization is an integral part of the company's value creation, and so the investments to mitigate climate change are also seen as an opportunity for the company. Already today, Outokumpu supports its customers with low-emission stainless steel. Additionally, with the biocoke investment, Outokumpu also sees the opportunity for new business models by utilizing biogenic side-streams. In addition to its own capital expenditure investments, the company also considers national and EU funds to decarbonize the industry. (E1-3-AR-21)

Capital expenditure and operational expenditure relationships

To achieve the SBTi target, Outokumpu has defined actions that are part of its smart decarbonization. As reported above, in 2025, Outokumpu invested EUR 8.3 million (2024: EUR 21.5 million) of capital expenditure in the implementation of those actions, in particular improving energy efficiency and using biocoke. In addition, the company made additional operational investments, following changes in operating methods. These are not disclosed as separate line items in the Financial Statements. The investments made and planned for the climate transition plan are included in the Financial Statements (Note 4.1, Intangible assets and property, plant and equipment) (E1-3-29-(c)-(i))

In terms of capital and operational expenditure required to implement the actions taken or planned, the majority of Outokumpu's operative and capital spending is eligible (in the sense of EU 2021/2178), and it mainly excludes spending in the Ferrochrome business area, as the relevant scope is manufacturing of iron and steel. (E1-3-29-(c)-(ii))

Targets

As outlined in Outokumpu's Sustainability Policy, Outokumpu acknowledges the need for the transition and operates according to long-term targets based on science. The transition plan shows initiatives and steps toward both mid-term target by 2030 and carbon neutrality by 2050. (E1-MDR-T-80-(a))

Outokumpu has set measurable targets for greenhouse gas emissions reduction and energy efficiency improvement. The greenhouse gas emission reduction target is a relative target of a 42% reduction per tonne of crude steel (measured in CO_2/tonne crude steel) by 2030, based on the 2016 baseline. Outokumpu's climate target of reducing greenhouse gas emissions is relative, measuring the intensity per tonne of crude steel.

Outokumpu has set an energy efficiency target of 8% for 2025 as part of its decarbonization program. The energy efficiency target is an absolute reduction from the baseline. (E1-MDR-T-80-(b))

Scope and baseline year

The target of reducing emission intensity includes emissions in all three scopes: direct emissions (Scope 1) and indirect and value chain emissions (Scopes 2 and 3). The energy efficiency target covers Outokumpu's own operations. (E1-MDR-T-80-(c))

To be as representative as possible, the current baseline for the emission intensity reduction target is set as an average of three consecutive years, which are 2014, 2015 and 2016. Based on this, the baseline emission intensity value is 2.1 tCO_2/tonne of crude steel. The base year for the energy efficiency target is January–September 2022, and the baseline value is 5,404 GWh. (E1-4-MDR-T-80-(d))

Milestones

Outokumpu's climate targets span until 2050. Outokumpu's mid-term greenhouse gas emissions intensity target is set by 2030, which is then broken down into short-term, annual targets that are executed by the business areas and functions. The company also has a short-term target for energy-efficiency which is set for 2025. The Kemi mine's carbon neutrality target is also set for 2025. (E1-MDR-T-80-(e))

Methodologies and assumptions

To set the greenhouse gas emission reduction target, Outokumpu has performed a climate scenario analysis according to the stated policies scenario, and a sustainable development scenario analysis in line with the 1.5°C ambition of the Science Based Targets initiative. The scope of Outokumpu's SBTi target is stainless steel manufacturing and externally sold ferrochrome is not included in this target. The energy efficiency target is measured in cumulative run rate improvement from the baseline, measured in GWh. (E1-MDR-T-80-(f))

The greenhouse gas emissions intensity reduction mid-term target is science-based, and the energy efficiency target is relative to past performance. (E1-MDR-T-80-g)) The GHG emissions target has been reviewed and approved externally by the Science Based Targets initiative, while the energy efficiency target has not been assessed by external stakeholders. (E1-MDR-T-80-(h))

Changes in targets and metrics

For the science-based emission intensity target set in 2021, Outokumpu has not made any changes in methodologies during the reporting year. However, the emission factors that are used to calculate the greenhouse gas emissions are reviewed and updated annually. For the energy efficiency no changes in methodology have been introduced in 2025. (E1-MDR-T-80-(i))

Performance against disclosed targets

By the end of 2025, Outokumpu reduced its emission intensity by 33% (2024: 32%) from the 2016 baseline. This was enabled through high recycled material content, low-carbon energy and operational improvements. With regards to the energy efficiency target a run-

rate improvement of 495 GWh (2024: 391 GWh) was achieved by the end of the year, out of a total target of 600 GWh (E1-MDR-T-80-(j))

Managing material impacts, risks and opportunities through targets

Outokumpu's climate targets are science-based, aligned with the aim of limiting the increase in the global average temperature to 1.5°C above pre-industrial levels in line with the Paris Agreement. To reach this target, Outokumpu aims to decrease direct emissions (Scope 1) and indirect emissions (Scope 2) as well as emissions from the supply chain (Scope 3) by 42% per tonne of stainless steel by 2030 compared to the 2016 baseline. (E1-4-33)

Greenhouse gas emissions target and inventory boundaries

Outokumpu's climate target is a combined emission intensity target, including Scope 1, Scope 2 and Scope 3. The company has not disclosed specific targets for each scope. The target differs from total reported GHG emission as it is set based on CO_2 emissions only, since other emissions were considered insignificant in the steel production process. The target is based on market-based Scope 2. The target boundary also differs from gross greenhouse gas emissions as it addresses the steelmaking process (excluding sold ferrochrome) and does not include downstream processing. The baseline emission intensity in 2016 for Scope 1 emissions was 0.45 tCO_2/tonne of crude steel, Scope 2 was 0.45 tCO_2/tonne of crude steel and Scope 3 was 1.18 tCO_2/tonne of crude steel.

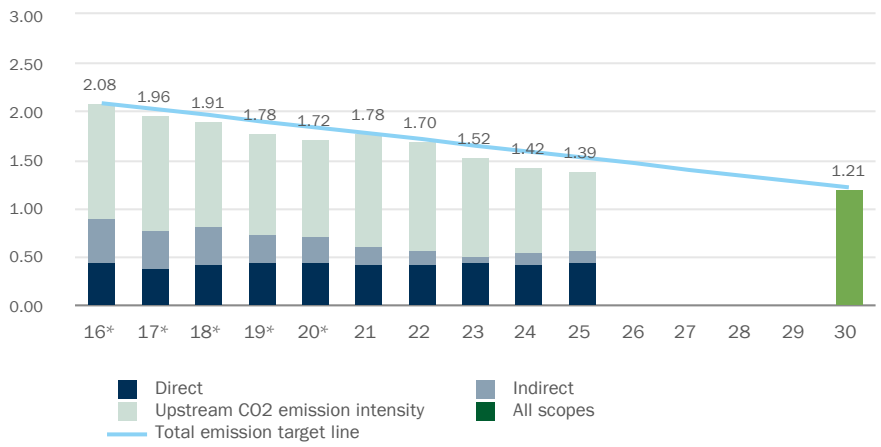
In 2025 the emission intensity was 0.45 tCO2/tonne of crude steel in Scope 1 (2024:0.44 tCO2/tonne), 0.13 tCO2/tonne of crude steel in Scope 2 (2024: 0.13 tCO2/tonne) and 0.81 tCO2/tonne of crude steel in Scope 3 (2024: 0.86 tCO2/tonne). Outokumpu's target is set for the emission intensity and the company currently does not have absolute science-based emission targets.

Compared to the gross greenhouse gas emissions, the science-based target covers 96.7 % of the emissions in Scope 1 (2024: 99.9%), 80.2 % in Scope 2 (2024: 78.7%) and 80.8 % in Scope 3 (2024: 84.5%). (E1-4-34-(b))

As reported above, the current baseline for the emission intensity reduction target is set as an average of three consecutive years, which are 2014, 2015 and 2016. Based on this, the baseline emission intensity value is 2.1 tCO_2/tonne of crude steel. (E1-4-AR-25-(a-b))

The climate target is science-based and is compatible with limiting global warming to 1.5°C, and it has been approved and published by the Science Based Targets initiative in 2021. The target is a non-sectoral intensity target. The assumptions around the target are explained in the decarbonization plan, which is described in the chapter "Climate transition plan" in this statement. (E1-4-34-(e)), (E1-4-16-(a))

Outokumpu's CO_2 emission intensity progress, tonnes of CO_2 per tonne of steel

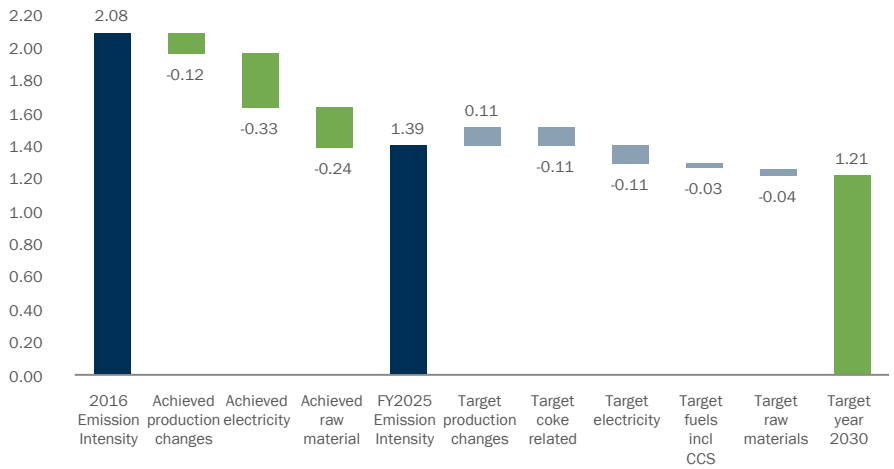


The restructuring resulted in a recalculation of the baseline and in 2% higher emission intensity figures.

* Including discontinued operations

Decarbonization levers and their contributions to the emissions reduction target

Expected emission reductions from 2016 to 2030 (tCO_2/tCS)



(E1-4-34-(a))

Currently expected emissions reductions by source of emissions until the target year 2030 from the baseline in 2016 are outlined in the graph above in the report. Reduction measures address all three scopes. In 2016, the company's emission intensity was 2.1 tCO_2/tCS and by 2030, the company aims to reduce its emission intensity to 1.2 tCO_2/tCS. In this timeframe, Outokumpu aims to reduce emission intensity by 0.11 tCO_2/tCS from coke-related emissions by switching to biocoke, and by 0.14 tCO_2/tCS by increasing low-carbon energy use globally as well as by replacing fossil fuels with renewable alternatives. By integrating with the supply chain, Outokumpu aims to reduce its raw material emission intensity by 0.04 tCO_2/tCS. The company also sees that in the long-term, beyond the 2030 target carbon capture will be key in reducing emissions that are hard to abate. (E1-4-34-(f), (E1-4-16-(b))

Use of scenario analysis in metrics and targets

Outokumpu has performed a policy scenario and sustainable development scenario analysis in line with the International Energy Agency Iron and Steel Technology Roadmap (2020). The company's scenario analysis is according to a scenario well below 2°C and the 1.5°C ambition of the Science-Based Targets initiative. Available scenarios take into account countries' energy and climate-related policy commitments, and they provide a baseline scenario against which Outokumpu assesses the additional policy actions and measures needed to achieve the sustainable development scenario (SDS). The trajectory for emissions in the sustainable development scenario of the IEA is consistent with reaching global "net-zero" greenhouse gas emissions for the energy system as a whole by around 2070. (Source: International Energy Agency or IEA Iron and Steel Technology Roadmap, 2020.) Existing scenarios do not take into account the special features of stainless steel production. Stainless steel is produced mainly from scrap but requires the input of ferroalloys to achieve the right composition. To translate steel industry scenarios to stainless steel production, it is assumed that the emission intensity of the steel sector is the same as the intensity of stainless steel production, including Scope 3 emissions. The target year for the scenarios is set to 2050 in line with the company's carbon neutrality target. (E1-4-AR-30-(c))

Energy consumption and mix

In 2025, Outokumpu monitored energy consumption both related to total energy used and as a key performance indicator (KPI) tailored to the stainless steel process. The latter is an intensity KPI that covers all Outokumpu's production processes from ferrochrome production to melting, hot-rolling and cold-rolling processes. The KPI is expressed as MWh/ produced steel and it is followed up on a monthly basis. (E1-5-MDR-M-75))

Total energy consumption

MWh or %	2025	2024
(1) Fuel consumption from coal and coal products (MWh)	0	0
(2) Fuel consumption from crude oil and petroleum products (MWh)	179,671	92,143
(3) Fuel consumption from natural gas (MWh)	1,835,545	1,689,701
(4) Fuel consumption from other fossil sources (MWh)	1,018,853	975,166
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	716,967	714,565
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	3,751,036	3,471,574
Share of fossil sources in total energy consumption (%)	53.0 %	50.7 %
(7) Consumption from nuclear sources (MWh)	2,687,489	2,714,398
Share of consumption from nuclear sources in total energy consumption (%)	37.9 %	39.6 %
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	56,325	30,044
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	589,039	632,120
(10) The consumption of self-generated non-fuel renewable energy (MWh)	0	0
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	645,364	662,164
Share of renewable sources in total energy consumption (%)	9.1 %	9.7 %
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	7,083,889	6,848,136

(E1-5-37), (E1-5-38), (E1-5-39), (E1-5-AR-34)

In addition to energy intensity Outokumpu monitors specific metrics like the share of low-carbon electricity use and the energy intensity expressed as total energy use per produced ton of steel.During the reporting year, Outokumpu bought guarantees of origin from energy producers covering 72% of its electricity need. In total the share of low-carbon electricity was 89% (2024: 90%) Total energy intensity was 11,5 GJ/produced tonne of stainless steel (10,9 GJ/ ton steel in 2024). Taking only the steel related operations into account, the intensity was 8,6 t GJ/ton steel

Energy intensity

MWh/EUR	2025	2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/EUR)	0.0013	0.0012

(E1-5-40)

As Outokumpu produces stainless steel and ferrochrome, which are energy-intensive processes, the company's entire operations are defined as a high climate impact sector according to the EU regulation. The company's operations are covered by NACE code 24.1, which matches economic activity 3.9 of Annex I to the Climate Delegated Act: manufacture of iron and steel. (E1-5-42)

Outokumpu's net revenue is EUR 5,468 million in note 2.2 in the Financial Statements (2024: EUR 5,942 million). (E1-5-43)

Net revenue

€ million	2025	2024
Net revenue from activities in high climate impact sectors used to calculate energy intensity	5,468	5,942
Net revenue (other)	—	—
Total net revenue (Financial Statements)	5,468	5,942

(E1-5-AR-38-(b))

Energy methodologies, assumptions and verification

Outokumpu monitors energy as total energy consumption, expressed in MWh. In total consumption all production sites as well as offices and service centers are included. Consumption information and heat values are based on documentation from suppliers, Lower heat values are used. The entity-specific metric on energy intensity is calculated as Total Energy consumption in GJ divided by crude steel production. Used heat values and the consumption of energy are based on documentation from suppliers. (E1-5-MDR-M-77-(a))

Energy use is part of the verification process by which the sites subject to the EU emissions trading scheme report their emissions and energy use to local authorities. Outokumpu's production units included in the emissions trading scheme are Tornio, Finland; Avesta, Nyby and Degerfors, Sweden; and Krefeld and Dillenburg; Germany. (E1-5-MDR-M-77-(b))

Scopes 1, 2 and 3 greenhouse gas emissions

Outokumpu's key performance indicator in following its emissions is intensity-based greenhouse gas emissions (GHG) per tonne of crude steel. This metric includes all three scopes, and it is Outokumpu's target in the Science Based Targets initiative. (E1-6-MDR-M-75-(a))

Total greenhouse gas emissions

Scope 1 emissions are 1,027,622 tCO_2eq (28%), Scope 2 emissions are 373,505 tCO_2eq (10%) and Scope 3 emissions are 2,237,699 tCO_2eq (61%) of Outokumpu's total emissions in 2025. In total, Outokumpu's market based greenhouse gas emissions were 3,638,827 tCO_2eq. (E1-6-44-(a-d))

Outokumpu's European production sites are subject to the EU ETS scheme. The percentage of Outokumpu's Scope 1 GHG emissions that are subject to this emission reduction scheme is 84.0% , this number includes also the ships transporting material between Tornio and Terneuzen. Outokumpu is not subject to any other regulated emission reduction schemes. Further informations on purchases and related costs for emission allowances are available in the Financial Statements, Note 4.1 Intangible assets and property, plant and equipment (in the Intangible assets table). Expenses related to the use of emission allowances are included in Other operating expenses in the consolidated statement of income.

Outokumpu has no associate or joint ventures that Outokumpu has control over and needs to report. However, if an associate is part of the value chain, the related value chain emissions are accounted for. Therefore, the gross emissions reported are the emissions for the consolidated group. (E1-6-50)

Outokumpu also uses biomaterials in production processes. The biogenic emissions from biofuels amounted to 15,745 tCO_2 in 2025 (2024: 8,256 tCO_2). In addition to biofuels there were biogenic emissions from raw materials like biocoke which have not been quantified in 2025. (E1-6-AR-43-(c))

Greenhouse gas emissions and targets

	Retrospective				Milestones and target years	
	Base year[2]	Comparative	N	%N/N-1		
	2016	2024	2025	Change, %	2030[3]	Annual % Target / base year
Scope 1 GHG Emissions						
Gross Scope 1 GHG emissions (tCO_{2eq})[1]	1,213,634	990,643	1,027,622	4%	689,400	3 %
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes (%)		84 %	84 %			
Scope 2 GHG Emissions						
Gross location-based Scope 2 GHG emissions (tCO_{2eq}))[4]	n/a	448,567	435,773	-3%	n/a	n/a
Gross market-based Scope 2 GHG emissions (tCO2eq)	1,210,872	364,704	373,505	2%	28,200	7 %
Significant scope 3 GHG emissions						
Total gross indirect (Scope 3) GHG emissions (tCO2eq)	3,163,556	2,347,109	2,237,699	-5%	2,211,400	2 %
1 Purchased goods and services	n/a	1,843,340	1,666,717	-10%	n/a	n/a
2 Capital goods	n/a		47,005		n/a	n/a
3 Fuel and energy-related activities (not included in Scope1 or Scope 2)	n/a	111,493	123,500	11%	n/a	n/a
4 Upstream transportation and distribution	n/a		26,585		n/a	n/a
5 Waste generated in operations	n/a	21,957	15,309	-30%	n/a	n/a
6 Business traveling	n/a	4,469	4,103	-8%	n/a	n/a
9 Downstream transportation	n/a	218,934	221,641	1%	n/a	n/a
11 Use of sold products	n/a	146,917	132,839	-10%	n/a	n/a
Total GHG emissions						
Total GHG emissions (location-based) (tCO2eq)	n/a	3,786,319	3,701,094	-2%	n/a	n/a
Total GHG emissions (market-based) (tCO2eq)	5,588,062	3,702,456	3,638,827	-2%	2,929,000	3 %

(E1-6-44), (E1-6-48), (E1-6-49), (E1-6-51), (E1-6-52), (E1-6-AR-46-(d)), (E1-6-AR-48)

[1] Tonnes of CO_2 equivalent.
[2] Base year emissions are only reported as CO_2.
[3] The company has set its science-based target only on emission intensity, however reported in the table as illustrative absolute emission target for 2030.
[4] Scope 2 (location-based) greenhouse gas emissions calculations have been updated to utilize more recent emission factors, resulting in changes to prior period's reported emissions. Reported value for 2024 Scope 2 (location-based) emissions changed from 540,274 tCO_2 to 448,567 tCO_2. This also affects Total greenhouse gas emissions values for prior period, changing from 3,878,026 tCO_2 to 3,786,319 tCO_2.

Methodologies, assumptions and validation for GHG emissions

The greenhouse gas measuring and reporting follows the GHG Protocol Corporate Standard and steel industry standards such as ISO 14404. CO_2 emissions of electricity are given both as market-based and location-based. CO_2 emissions outside the company (Scope 3) are included. The main impact comes from purchased goods, mainly alloys. Emissions from business travel and waste generated are also reported, at least partly, as well as downstream transportation of products. Biogenic emissions in Scope 2 and 3 have not been disclosed as the emission factors used do not include biogenic emissions (E1-6-MDR-M-77-(a))

Outokumpu's sites that are subject to EU Emissions Trading have to verify their CO_2 emissions annually; energy use is part of this verification process. The sites are Tornio, Avesta, Nyby, Degerfors, Krefeld, and Dillenburg. Emissions are verified by accredited verification bodies for the EU ETS scheme. The verifier depends on the country in which the site is operating. (E1-6-MDR-M-77-(b))

Outokumpu is for the first time reporting emissions from upstream transportation and capital goods, which impacts comparison to previous year values. Outokumpu has also assessed the liner ships that transport steel coils and other materials between Tornio to Terneuzen and concluded that while they are not owned by Outokumpu they will be reported

in Scope 1 due to the nature of their use. In previous years product transports from Tornio site have all been reported in Scope 3 as downstream transport. (E1-6-47)

Outokumpu has not identified any effects of significant events and changes in circumstances (relevant to its GHG emissions) that occurred between the reporting dates of the entities in its value chain and the date of the undertaking's general purpose Financial Statements. (E1-6-AR-42-(c))

Scope 1

Scope 1 emissions were calculated based on fuel and material consumption, including the following greenhouse gases: CO_2, N_2O, and CH4. The rest of the GHGs were not relevant for the fuels used. National emission factors from authorities were used for fuels, as these are also used for ETS reporting. For materials, emissions were calculated based on carbon content, in line with ETS methodology.

Scope 2

Greenhouse gas emissions of Scope 2 electricity are calculated and monitored by the emissions factor of Outokumpu's market-based electricity given by the electricity supplier for the used electricity. This includes 100% of electricity use in the EU market, which comes with guarantees of origin and from ownership in power production. In addition, location-based electricity emissions are disclosed. They are calculated using public country-specific emissions factors for electricity. the methodology and source of this data can vary, for the main locations the electricity emission factor is based on latest available public data. Electricity consumption in operations is calculated based on measured consumption, and electricity consumption of offices is based on full-time employees multiplied by a factor for electricity use. Purchased heat Scope 2 emissions are calculated based on supplier-specific information or the US EPA data for heat.

Outokumpu reports both location-based and market-based GHG emissions. The science-based target is calculated and reported using market-based Scope 2 emissions. During the reporting year, Outokumpu bought guarantees of origin from energy producers covering 72% of its electricity need. Outokumpu has access to certificates through ownership, power purchase agreements (PPA) and electricity suppliers. The market-based emissions do not include GHGs other than CO_2. (E1-6-AR-45-(d))

Outokumpu uses electricity emission factors from suppliers or country-specific emissions factors that do not separate the percentage of biomass or biogenic CO_2 . Referring to transitional provision related to the value chain, Outokumpu is not reporting on Scope 2 biogenic emissions in this report. Outokumpu is assessing how to retrieve this information in future disclosures, for example by directly engaging with suppliers. (E1-6-AR-45-(e))

Scope 3

The percentage of GHG Scope 3 emissions calculated using primary data is 54% (2024: 66%). (E1-6-AR-46-(g))

Scope 3 emissions are reported from the following categories: purchased goods and services (3.1), capital goods (3.2), fuel and energy-related activities (not included in Scope 1 or Scope 2)(3.3), waste generated in operations (3.5), business travel (3.6.), upstream and downstream transportation and distribution (3.4, 3.9) and use of sold products (3.11). Categories that are not reported include leased assets (3.8, 3.13) and franchises (3.14) as not applicable. The processing and use of sold steel (3.10 and 3.11) are not included for the material steel due to the wide and dispersed use of the material. However, the use of sold waste gas is included under 3.11 End-of-life treatment(3.12) is not disclosed in the table, but it is included in the purchased goods as the upstream emissions from collecting, sorting and treating secondary steel are included. For investments (3.2 and 3.15), and for employee commuting (3.7) Outokumpu is not reporting on these emissions since they have been assessed as not material for Outokumpu. (E1-6-AR-46-(i))

Outokumpu uses both specific data and data base emission factors to calculate value chain emissions; no biogenic emissions have been reported for the value chain. (E1-6-AR-46-(j))

The reporting scope is the same as for Scope 1&2 which means that Outokumpu reports on Scope 3 for processes over which it has operational control. The main Scope 3 impact comes from purchased goods, mainly alloys. Emissions from business travel and waste generated are also reported, and sold products to the extent feasible, as well as downstream transportation of products.

Outokumpu follows a tiered approach for Scope 3 emission factors for both carbon footprint calculations and greenhouse gas reporting. Outokumpu uses specific emission factors when available, secondly industry-average collected data, and thirdly data from databases or standards, such as ISO 14404 or the Ecoinvent database.

- Category 1 (purchased goods and services): This category includes raw materials and consumables used by Outokumpu and the external hot rolling of slabs in the US. Outokumpu calculates annual weighted average emission factors for its raw materials. For each material raw material supplier Outokumpu requests first-hand specific data. Where specific emission factors are missing, Outokumpu uses emission factors of the life-cycle assessments of relevant industry associations such as the Nickel Institute and the International Molybdenum Association when available. If neither specific supplier data nor industry average data are available, data from ISO 14404 or EcoInvent is used. Emissions related to other purchased goods are also calculated based on supplier-specific emission factors when available, which is the case for lime and dolomite. For consumables like electrodes emission factors from ISO 14404 are used.
- Category 2 (capital goods) emissions are based mainly on capital expenditure for construction (buildings), machinery and equipment. Emission factors from the EPA database 2022 have been applied to the amounts to calculate the emissions.
- Category 3 (fuel and energy-related activities not included in Scopes 1 and 2): Upstream emissions of fuels are calculated using relevant emission factors from literature such as the Well-to-Tank report from JRC. In some cases, emission factors from the steel industry association are also used.
- Category 4 (upstream transport): Emissions are calculated based on distance and mode of transport. Emission factors used are according to according to EEA report 2/2022 of the European Environmental Agency for European transport, and with the published e-factors of the US EPA for US transport.
- Category 5 (waste generated in operations): Outokumpu uses specific data from waste treatment facilities
- Category 6 (business travel): For cars, trains and flights, Outokumpu uses the emission reports from the service provider. The reports contain information on travelled distances and related CO_2 emissions, calculated using emission factors from relevant databases.

- Category 9 (downstream transportation): Outokumpu calculates the emissions for intra-company transport and deliveries based on mode of transport and typical distances. The same emission factors as for category 4 (upstream transport) are used.
- Category 11 (use of sold products): Since there is a large range of uses it is not feasible to calculate emissions for use for steel. Outokumpu also sells waste gas from ferrochrome production, and that use is included in the calculations. The emissions are calculated based on the carbon content of the waste gas. (E1-6-AR-46-(h)

(E1-6-AR-39)

Greenhouse gas emission intensity

GHG intensity per net revenue	2025	2024
Total GHG emissions (location-based) per net revenue ($tCO_2eq/€$)	0.0007	0.0007
Total GHG emissions (market-based) per net revenue ($tCO_2eq/€$)	0.0007	0.0006

(E1-6-53)

Quantitative reconciliation and GHG intensity per net revenue

Outokumpu's total amount of net revenue in the reporting year, as used to calculate the greenhouse gas emission intensity, was EUR 5,468 million (2024: EUR 5,942 million). More information can be found in Note 2.2 in the Financial Statements. (E1-6-55)

Net revenue

Net revenue, € million	2025	2024
Net revenue used to calculate GHG intensity	5,468	5,942
Net revenue (other)	—	—
Total net revenue (in Financial Statements)	5,468	5,942

(E1-6-AR-55)

Internal carbon pricing

Internal carbon pricing has been used for several years for business case calculations related to decisions on capital expenditure, as well as research and development projects. The carbon price is part of Outokumpu's guidelines on capital expenditure. In particular, it is applied to the Group-wide decarbonization program when allocating the annual budget to the projects submitted by each facility. Carbon pricing is applied to greenhouse gas emissions of all scopes. The carbon price is reviewed annually, and it is based on the EU emissions trading scheme's price development assumptions of Bloomberg NEF and management judgment. Outokumpu uses a fixed carbon price over time to reduce fluctuations caused by uncertain price variations. (E1-8-62), (E1-8-63), (E1-8-MDR-M-75)

For 2025, the internal carbon price used was 100 EUR/tCO_2. The same price was also used for 2024. There is no external verification for the internal carbon price. (E1-8-MDR-M-77)

Outokumpu's internal carbon pricing is not used for actual emission calculations or fixed asset assessment. The Financial Statements include the allowances of the EU emissions trading scheme which are assessed according to the company's financial accounting principles and differ from the internal shadow price. Information on emission allowance purchases and costs is disclosed in the Financial Statements (Note 4.1, Intangible assets and property, plant and equipment. In the financials statements, internal carbon pricing has only been used in estimating avoided emission allowances costs in the Financial Statements section on Climate matters and has utilized a consistent internal carbon price of 100 EUR/tCO_2. (E1-8-AR-65)

Our environment is facing growing pressure from pollution and industrial emissions. Outokumpu prevents, controls and mitigates pollution to protect people and the environment.

KEY ACTIONS IN 2025	PLAN FOR 2026–2029
Pilot trials for hexavalent chromium (Cr(VI)) reduction are being conducted at the Degerfors and Avesta sites.	Continuous monitoring of performance in water discharges and air emissions.
A new scrubber is being installed at the Degerfors site to comply with the 2026 BAT limits	Implementing best available techniques in all operations to reduce the emission of pollutants.
Projects to meet new limits and improve efficiency at the Tornio site.	Apply precautionary risk-based environmental management to prevent incidents.

E2 – Pollution

Material impacts, risks and opportunities

Pollution of air, water and soil		
Negative impact	Potential	Emissions to air and water from own operations
Negative impact	Potential	Upstream value chain emissions to air, water and soil

(E2-ESRS2-SBM-3-48-(a))

Policies

Management of pollution is a part of Outokumpu's Sustainability Policy. Outokumpu's Sustainability Policy commits to minimizing the negative impacts of its operations on the environment and surrounding communities by continuously improving production processes and energy and material efficiency. Performance in water consumption and discharges, input materials and recycling, waste, and environmental incidents is continuously monitored, with immediate action taken when required. To mitigate environmental impacts, Outokumpu applies precautionary, risk-based environmental management to prevent incidents and reduce emissions to air and discharges to water. The company aims to reduce adverse effects from both current and past operations, including any associated health impacts, and to remediate significant impacts to the best of its ability. Continuous monitoring covers energy use, greenhouse-gas emissions, and water-related emissions, including both regulated pollutants and those identified as relevant in impact assessments. Details are provided in the table "Emissions to Air and Water." (E2-MDR-P-65-(a)), (E2-1-15-(a)), (E2-1-AR-11)

Outokumpu prevents incidents through precautionary, risk-based environmental management. In cases of unforeseen water or soil contamination, Outokumpu aims to remediate the negative impacts and restore the environment as closely as possible to the state prior to the event. (E2-1-15-(c))

More information about Outokumpu's Sustainability Policy and its scope, the approval process for the policy, and disclosure of third-party standards, consideration given to key stakeholders, and the availability of the policy, can be found in the Climate change (E1) chapter. (E2-MDR-P-65-(b-f))

Outokumpu addresses pollution within its supply chain in the Supplier Code of Conduct, which outlines environmental expectations for suppliers, for example, to reduce emissions

into air, water, and soil. More information on pollution in the supply chain can be found in the Workers in the Value Chain (S2) chapter, in the Policies section.

Actions

Key actions in 2025 included:

- At the Degerfors and Avesta sites, pilot trials are ongoing for a hexavalent chromium (Cr(VI)) reduction method with strong lab results.
- At the Degerfors site, a new scrubber is being installed to meet 2026 BAT limits.
- In the reporting year, the Tornio site continued, as in the previous year, with projects to meet new environmental limits, enhance air purification, cut oil use, reduce metals in wastewater, and improve material efficiency.

As disclosed in the previous year regarding Outokumpu's compliance with Best Available Techniques (BAT) criteria and local permit levels, the actions are part of the company's ongoing efforts to reduce pollution and improve environmental performance. (E2-MDR-A-68-(e))

Ongoing and future initiatives include:

- Outokumpu continuously monitors performance in water discharges and air emissions.
- To avoid and reduce pollution, Outokumpu follows local permit levels as the key driver for reducing impact, as many of Outokumpu's sites are subject to the Industrial Emission Directive and Best Available Techniques (BAT) criteria. (E2-2-19)
- Precautionary, risk-based environmental management is applied to prevent incidents and minimize emissions to air and water.
- Environmental incidents are followed up with immediate action when needed to prevent negative impacts.
- Engaging stakeholders: where relevant, each site interacts with local stakeholders, including businesses, government authorities, and surrounding communities.

The pollution action plan supports the policy objectives and contributes to the company's sustainability goals. In addition, the action plans contribute to achieving policy objectives related to stakeholders, such as fostering continuous engagement, ensuring transparent communication on sustainability performance, and meeting the expectations and requirements of shareholders, employees, customers, suppliers, investors, and authorities, as well as the public and non-governmental organizations. (E2-MDR-A-68-(a))

Outokumpu continuously measures relevant pollutants and takes action when needed, for example, if emissions exceed target values. In such a case, the company takes immediate action to prevent damage to the environment. All Outokumpu's production sites have limit values for emissions that are set together with relevant authorities, based on the legislation and environmental impact assessment. (E2-2-18)

Outokumpu's technical experts work together with selected customers to design end-products that minimize pollution. (E2-2-AR-13) The operational expenditures and capital expenditures for the implementation of the previously described action plan are part of Outokumpu's business-as-usual expenditures. (E2-MDR-A-69)

When it comes to actions in the value chain, Outokumpu conducts on-site assessments to evaluate suppliers' environmental practices, including how they manage pollution. More information can be found in the Workers in the Value Chain (S2) chapter, in the Engagement section.

Closed mines

Outokumpu dedicates significant effort each year to evaluating and managing previously operated closed mines. Some of them still carry environmental permits and other environmental and safety obligations. The water pollution topic is relevant to the closed mines and a key focus area, and it is also closely linked to the negative impact on biodiversity outlined in the table at the beginning of the Biodiversity and ecosystems (E4) chapter.

During 2025 Outokumpu published the closed mines program focusing on reducing the environmental impacts of the closed mines based on research. The company also implemented measures at Enonkoski and Kotalahti to improve water flows and treatment to reduce environmental impacts. The work continues in the upcoming years as part of the closed mines program.

Scope and time horizon

Outokumpu takes actions to address pollution by targeting its own operations across all areas of the business. (E2-MDR-A-68-(b)) The time horizon for the actions is from short to medium term, with short-term actions including monitoring of emissions, and taking actions on incidents. Medium-term actions are implementing risk-based environmental management to prevent incidents and reduce emissions, and planning for the new environmental permit in Tornio. (E2-MDR-A-68-(c))

Remedies and provisions

Outokumpu has not had any environmental incidents that would have caused material harm. In the reporting year, there were 9 (2024: 8) environmental permit breaches at operational sites, of which 1 (2024: 2) were related to water emissions. In total, there were 16 (2024: 15) environmental incidents at operational sites. Whenever necessary, Outokumpu reported the incident to the environmental authorities, carried out corrective actions immediately, or resolved the incidents together with the authorities. No environmental damage was detected, nor was there any need for provision or remedy. In addition there were two permit breaches related to water emissions from closed mines. These breaches are addressed as part of the closed mines program. (E2-MDR-A-68-(d))

Targets

Outokumpu has not set specific pollution targets. Instead, Outokumpu focuses on ensuring progress on pollution through actions and policies. (E2-MDR-T-81-(a)) Outokumpu's production sites monitor and track emissions of relevant pollutants. The sites have also implemented techniques to treat both water and air emissions before release into the environment. (E2-MDR-T-81-(b))

The scope of monitoring varies by site size and activity, but all sites track particulate matter and nitrogen oxides in air, and water emissions are monitored for nitrates, suspended solids, and metals such as nickel and chromium. The results are analyzed and followed up over time to ensure that emissions do not exceed environmental permit or target limits, as well as to identify trends. (E2-MDR-T-81-(b)-(i)) The company has committed to reducing environmental impacts and keeping to the limits defined in the environmental permits, and to not increasing the impact on the surrounding environment. (E2-MDR-T-81-(b)-(ii))

Metrics

Outokumpu monitors emissions to air and water in line with site activities, size, and permit requirements. The most significant air emissions are particulate matter, nitrogen oxides, and sulfur oxides. Although steel production typically generates high levels of dust, Outokumpu's filtration systems remove 99% of particulate matter, keeping emissions from melt shops within permit limits and aligned with best available techniques. The main discharges to water include metals and nitrates, which are continuously monitored. Any exceedance of target values is followed up, even if it does not constitute a permit breach. All wastewater is treated in Outokumpu's own or municipal facilities before discharge. Emissions to soil are not monitored regularly, as risks mainly stem from incidents such as oil spills - no material incidents in the company's operations were reported in 2025. (E2-4-MDR-M-75)

Changes over time

Emissions into air have varied from year to year, partly based on production volumes, and in 2025 emissions of particulate matter were 198,586 kg (2024: 125,860 kg), nitrogen oxides emissions 1,369,906 kg (2024: 1,626,233 kg), and sulfur oxides emissions 224,280 kg (2024: 214,632 kg). This means that nitrogen oxide emissions have decreased in 2025 while emissions of sulfur oxide and particulate matter have increased. Emissions into water of nickel from Outokumpu's closed mines has been included in reporting. More information is available in the table on emissions on the next page. (E2-4-30-(a))

Methodologies, assumptions and verification

Outokumpu performs measurements and analyses of pollutants in accordance with the monitoring program specified in each environmental permit. Usually the measurements are carried out by a third party except where Outokumpu has its own laboratory that is accredited for the specific analysis. Outokumpu's measurements are mainly direct measurements. Measurements are in many cases continuous, which is the case with dust and nitrogen oxides, or periodic, as with metals into air. The measurements are made in accordance with recognized standards, such as EN 14792 for NOx and EN 13284 for particles into air, and ISO 11885 or ISO 15587 for metals and minerals into water. For Nitrate-N into water ISO 13395 is used. (E2-4-30-(b)) While emissions are mainly measured directly, in some cases calculations also are applied; for example, NOx is calculated based on NO2 measurements. (E2-4-MDR-M-77-(a))

Outokumpu's production processes are all subject to environmental permits, which dictate how the emissions should be measured and what the frequency is for reporting. The emissions are either monitored in-house, which is the case for some water emissions, as well as particles and nitrogen oxides into air. Emissions can also be monitored by external companies, who provide reports to Outokumpu, which is the case for example for metals into air. Each production facility is responsible for monitoring and reporting their emissions. The emission data is reported both to relevant authorities and to Outokumpu Group. Data on pollutants listed in Annex II of Regulation (EC) No 166/2006 (European Pollutant Release and Transfer Register "E-PRTR Regulation") are monitored and reported for each production facility in accordance with the directive, taking into account relevant thresholds. This data is then consolidated and reported in the emissions table. Nickel emissions to water from closed mines are accounted for in addition to active operations. (E2-4-30-(c)) There is no other external validation for the measurements. (E2-4-MDR-M-77-(b))

The choice of methodology is taken in discussion with local environmental authorities. (E2-4-31)

The scope of reporting in 2024 was Outokumpu's operational sites. In 2025 also closed mines were included in scope and after a screening the emissions from old mines that exceeded the thresholds were reported and included in 2025 emission data.

Emissions into air and water

Pollutant type, 2025	Emission into air (kg)	Emission into water (kg)	Emission into soil (kg)
Ammonia (NH3)	58,739	—	—
Anthracene	—	—	—
Arsenic and compounds (as As)	60	18	—
Asbestos	—	—	—
Benzene	—	—	—
Cadmium and compounds (as Cd)	—	—	—
Chlorides (as total Cl)	—	—	—
Chromium and compounds (as Cr)	2,529	1,218	—
Copper and compounds (as Cu)	155	91	—
Cyanides (as total CN)	—	78	—
Fluorides (as total F)	—	23,213	—
Fluorine and inorganic compounds (as HF)	—	—	—
Hexachlorobenzene (HCB)	—	—	—
Hydrogen cyanide (HCN)	371	—	—
Lead and compounds (as Pb)	328	21	—
Mercury and compounds (as Hg)	43	1	—
Naphthalene	—	—	—
Nickel and compounds (as Ni) [1]	765	937	—
Nitrogen oxides (NOx/NO2)	1,369,906	—	—
Non-methane volatile organic compounds (NMVOC)	—	—	—
Particulate matter (PM10)	198,586	—	—
PCDD + PCDF (dioxins + furans) (as Teq)	—	—	—
Pentachlorobenzene	—	—	—
Polycyclic aromatic hydrocarbons (PAHs)	—	—	—
Sulfur oxides (SOx/SO2)	224,280	—	—
Total nitrogen	—	968,887	—
Total organic carbon (TOC) (as total C or COD/3)	—	—	—
Total phosphorus	—	—	—
Trichlorobenzenes (TCBs) (all isomers)	—	—	—
Zinc and compounds (as Zn)	1,533	1,288	—

(E2-4-28-(a))

[1] 85.67 kg of nickel as emissions into water from closed mines included in total in 2025. In 2024 closed mines were not reporting emissions

Pollutant type, 2024	Emission into air (kg)	Emission into water (kg)	Emission into soil (kg)
Ammonia (NH3)	61,168	5,369	—
Anthracene	—	—	—
Arsenic and compounds (as As)	35	9	—
Asbestos	—	—	—
Benzene	—	—	—
Cadmium and compounds (as Cd)	—	116	—
Chlorides (as total Cl)	—	—	—
Chromium and compounds (as Cr)	2,665	1,369	—
Copper and compounds (as Cu)	162	67	—
Cyanides (as total CN)	—	149	—
Fluorides (as total F)	—	23,555	—
Fluorine and inorganic compounds (as HF)	—	—	—
Hexachlorobenzene (HCB)	—	—	—
Hydrogen cyanide (HCN)	426	—	—
Lead and compounds (as Pb)	206	71	—
Mercury and compounds (as Hg)	54	33	—
Naphthalene	—	—	—
Nickel and compounds (as Ni) [1]	763	1,096	—
Nitrogen oxides (NOx/NO2)	1,626,233	—	—
Non-methane volatile organic compounds (NMVOC)	—	—	—
Particulate matter (PM10)	125,860	—	—
PCDD + PCDF (dioxins + furans) (as Teq)	—	—	—
Pentachlorobenzene	—	—	—
Polycyclic aromatic hydrocarbons (PAHs)	—	—	—
Sulfur oxides (SOx/SO2)	214,632	—	—
Total nitrogen	—	1,303,394	—
Total organic carbon (TOC) (as total C or COD/3)	36,480	—	—
Total phosphorus	—	—	—
Trichlorobenzenes (TCBs) (all isomers)	—	—	—
Zinc and compounds (as Zn)	1,983	—	—

Outokumpu does not have anything to report on soil for the reporting year within its value chain.

Water is essential for people, nature and the economy. Outokumpu uses mainly surface water from rivers and the sea, including rainwater. The company measures the withdrawal of water, recycles it as much as possible, and treats all water before any discharges.

KEY ACTIONS IN 2025

Continuous groundwater measurement devices and additional surface movement monitoring points installed in the Kemi mine.

Prioritizing water efficiency through recycling, treatment, and stakeholder collaboration for improved water management.

PLAN FOR 2026–2027

Assessment of the impact of water use on the environment and more systematic analysis of water resources.

Development of an improvement plan for water management at other sites.

Actions to optimize water use at the San Luis Potosí site, which is located in a high-risk water area

E3 – Water and marine resources

Material impacts, risks and opportunities

Water consumption, withdrawals and discharges		
Positive impact	Actual	Durability and corrosion resistance of stainless steel in water infrastructure
Negative impact	Actual	Water consumption of stainless steel production
Negative impact	Potential	Water use and discharges in the supply chain
Negative impact	Potential	Water discharges in own operations

(E3-ESRS2-SBM-3-48-(a))

Policies

Outokumpu's Sustainability Policy addresses the sustainable sourcing and use of water resources in its operations, optimization of water use, treatment and reuse of water, and the prevention and abatement of water pollution. Whenever commercially viable, the company considers sustainable sourcing practices, while ensuring compliance with applicable regulations and striving to reduce environmental impacts. The preservation of marine resources is not covered by Outokumpu's Sustainability Policy since the topic of marine resources is not material for Outokumpu. (E3-1-12-(a)-(i))

Outokumpu aims to reduce negative impacts through reusing water and wastewater treatment. By optimizing material, energy, and water use, and proactively improving products and processes, Outokumpu reduces its overall environmental footprint and helps address the potential negative impacts of water consumption. In line with these commitments, Outokumpu also creates positive impact beyond its own operations by supplying durable, sustainable stainless steel for water infrastructure, such as desalination plants, supporting long-lasting, resource-efficient solutions for delivering clean water. In addition, Outokumpu is committed to reducing and monitoring material water consumption in production plants located in geographical areas experiencing high water risk. The company operates a cold rolling mill in San Luis Potosí, Mexico, which has been identified by the Aqueduct assessment as a dry, extremely high water stress area. Outokumpu's policy focuses on mitigating these risks within its own operations. (E3-1-12-(a)-(ii)), (E3-1-12-(b))

Complementing these measures, Outokumpu prevents and reduces its impacts through precautionary, risk-based environmental management, which includes preventing incidents, reducing waste, avoiding emissions and discharges into water, and ensuring that waste and production residues are handled without release into water bodies. In the event of

unforeseen water contamination, the company seeks to remediate negative impacts and restore the environment as closely as possible to its prior state. To support this, Outokumpu continuously monitors water consumption and discharges through site-level data collection and performance tracking, with immediate corrective actions taken when necessary, ensuring ongoing improvement and effective water resource management. (E3-1-12-a-(iii)), (E3-1-12-(c)), (E3-1-13), (E3-MDR-P-65-(a))

More information about Outokumpu's Sustainability Policy and its scope, the approval process for the policy, disclosure of third-party standards, consideration given to key stakeholders, and the availability of the policy, can be found in the Climate change (E1) chapter. (E3-MDR-P-65-(b-f))

Outokumpu expects suppliers to minimize adverse impacts on water, as outlined in the Supplier Code of Conduct. More information can be found in the Workers in the Value Chain (S2) chapter, in the Policies section.

Actions

Key actions taken in the reporting year:

- Installing three new continuous groundwater measurement devices in Kemi with additional surface movement monitoring points next to groundwater measurement locations.
- Continuing established practices of recycling and reusing water, treating wastewater before discharge, and monitoring water resources to ensure sustainable management.
- The company also maintained its regular internal environmental audits on water topics and ongoing collaboration with communities, authorities, and other stakeholders to share data and strengthen collective water stewardship in line with its Sustainability Policy.

Key actions planned for the future are based on Outokumpu's Water Stewardship plan, developed in alignment with the Alliance for Water Stewardship standard, and Kemi mine's water management plan, developed to meet the requirements of the Towards Sustainable Mining standard. The water stewardship plan focuses on minimizing water impacts, improving efficiency, conducting regular assessments, engaging stakeholders, and driving continuous improvement, while the Kemi mine's plan addresses water entering the mining area, its treatment, and potential risks such as water contamination.

Key actions planned for the future are the same as those reported in 2024:

- Analyze water usage from each source on each site.
- Assess the impacts of water use on the environment at each site, to gain insight into the impact caused by sites.
- Develop continuous improvement plans for water management at each site.
- At the Kemi mine, efforts focus on preventing surface layer drying and reducing the risk of groundwater depletion, with plans to implement a system for continuous monitoring of groundwater levels and ground surface movements.

Overall, these actions aim to strengthen understanding of water use and its impacts, enable proactive measures to reduce environmental risks, and drive continuous improvement in water management and resource efficiency in line with Outokumpu's Sustainability Policy. For the Kemi mine, the expected outcome is a robust system for tracking groundwater and surface conditions, directly supporting the policy's focus on effective monitoring. (E3-MDR-A-68-(a))

Actions in areas of water risk

For the reporting year, as in previous years, the San Luis Potosí site prioritized water recycling. To enhance water use efficiency, the site not only uses its own treated water in daily operations, but also purchases additional treated water externally.

In the reporting year, Outokumpu evaluated possible future actions at the San Luis Potosí site:

- Standardization and maintenance of sprinkler headers at pickling lines to ensure optimal performance
- Reduction of water flow in the final rinse
- Maximizing the use of longer pickling campaigns whenever possible

The expected outcome is more efficient water usage, in line with Outokumpu's Sustainability Policy, particularly the commitment to reduce and monitor material water consumption in production plants located in geographical areas experiencing high water risk. (E3-2-19)

The operational expenditures and capital expenditures for the implementation of the previously described action plan are part of Outokumpu's business-as-usual expenditure. (E3-MDR-A-69)

When it comes to actions in the value chain, Outokumpu conducts on-site assessments to evaluate suppliers' environmental practices, including how they manage water consumption, recycling, and water flow as part of their overall water management. More information can be found in the Workers in the Value Chain (S2) chapter, in the Engagement section.

Scope and time horizon

The water stewardship plan and its key actions cover only Outokumpu's own operations. Future actions from the plan apply to Business Area Europe (Tornio, Avesta, Nyby, Degerfors, Krefeld, Dillenburg sites). The Americas business area, including sites in the US

and Mexico, currently does not have a water action plan, although the San Luis Potosí site has specific water reduction actions, as mentioned above. The Americas business area's water management plan will be developed within a medium-term time horizon. (E3-MDR-A-68-(b))

Each key action for stainless steel sites, the Kemi mine, and the San Luis Potosí site, is planned to be completed within a medium-term time horizon. The assessment of the impact of water use on the environment and the development of the improvement plans on water management key actions are planned to be fully completed by the end of 2027. (E3-MDR-A-68-(c))

Remedies and provisions

In 2025, Outokumpu did not have any cases of harm by actual material impacts that would require actions to provide remedy. (E3-MDR-A-68-(d))

Targets

Outokumpu has not set specific water targets including those for areas at water risk. Instead, the company has been ensuring progress on water resources through actions, policies, monitoring, and key performance indicators (KPIs). Outokumpu evaluated potential group-level targets during the reporting year and, for the time being, has chosen not to set a specific water-related target. (E3-MDR-T-81-(a)), (E3-3-23-(a,c))

The effectiveness of water-related policies and actions is tracked through multiple processes, including monitoring metrics and KPIs, regular audits, and stakeholder engagement. Outokumpu's Sustainability Policy emphasizes continuous monitoring of water performance. (E3-MDR-T-81-(b)), (E3-MDR-T-81-(b)-(i))

The ambition level and expectations for water-related matters are defined by Outokumpu's Sustainability Policy. At the San Luis Potosí site, the KPI is based on historical data, and reviewed annually with participation from production, maintenance, and management. In comparison to the previous year, during the reporting year, the San Luis Potosí site tracked only one KPI, total water usage per packed tonne, to make water monitoring more streamlined. The actual water volumes are measured directly: in 2025, the total water usage per packed tonne was 1.59 m^3 (2024: 1.75 m^3), below a reference-level of 1.85 m^3 set by the San Luis Potosí site. (E3-MDR-T-81-(b)-(ii))

Metrics

Outokumpu monitors key metrics – water withdrawal, discharge, consumption, recycled/reused water, and total water stored – to track and manage the negative impact associated with water consumption. (E3-4-MDR-M-75)

Total water consumption

Water consumption is a key metric for evaluating water resource management. On-site consumption occurs mainly through evaporation in processes such as cooling systems, as well as through wet waste materials, such as neutralization sludge, which release water into the air as they dry rather than returning it to water bodies. Total water consumption for sites and the Kemi mine is calculated as the difference between total water withdrawal and total water discharged. For offices and service centers, total water consumption is based on the full-time equivalent (FTE).

The provided data on water withdrawal and water discharge has been compiled following recognized environmental management and sustainability standards. All Outokumpu sites are ISO 14001 certified, which provides guidelines for monitoring and measuring environmental performance, including water usage. Additionally, Outokumpu follows the GRI 303: Water and Effluents 2018 standard, which provides a framework for managing water use.

Total water withdrawal includes all measured or calculated volumes of surface water, seawater, municipal water, groundwater, and estimated rainwater. Rainwater is estimated by multiplying annual precipitation, the collection area and surface-specific runoff coefficients. At the Kemi mine, evaporation data is also included for greater accuracy. Total water discharge includes all measured or calculated volumes, or estimated volumes based on historical assumptions. Discharges may be directed to municipal treatment facilities, surface water, groundwater, or seawater. At the San Luis Potosí site, withdrawal volumes are directly measured, while discharged volumes are partially measured and partially estimated.

In 2025, 90.19% (2024: 93.7%) of total water withdrawal volumes were based on measurements, 0% (2024: 0.06%) were based on sampling and extrapolation, and 9.80% (2024: 6.24%) were based on estimations. For total water discharged volumes, 81.35% (2024: 87.16%) were based on measurements, 0.01% (2024: 0.06%) were based on sampling and extrapolation, and 18.64% (2024:12.78%) were based on estimations. Thus, the total water consumption for the reporting period is broken down as follows: 86.21% (2024: 89.53%) of water volumes were based on measurements, 0.01% (2024: 0.06%) were based on sampling and extrapolation, and 13.79% (2024: 10.41%) were based on estimations.

Water consumption data for Outokumpu's own operations

Volume (m³)	2025	2024
(a) Total water consumption	8,015,549	6,289,440
(b) Consumption in areas at water risk	84,101	88,894
(c) Total water recycled and reused	13,379,698	13,070,955
(d) Total water stored	7,900	7,900
(d) Changes in water storage	—	—

(E3-4-28-(a-d))

Water withdrawal and discharges

Volume (m³)	2025	2024
Surface water	25,577,311	24,294,029
Seawater	13,397,907	13,735,214
Municipal water	756,544	923,235
Groundwater	2,891,318	2,713,863
Rainwater	2,020,765	2,315,454
Water withdrawal by source	**44,643,846**	**43,981,794**
Water discharges	**36,628,296**	**37,692,355**
Wastewater to municipal treatment	608,638	1,086,228
Discharge to surface water	28,993,759	30,173,613
Discharge to sea water	6,995,770	6,412,481
Discharge to groundwater	30,129	20,033

Total water recycled and reused

Water recycling in operations takes place within cooling systems, and through the recycling of treated water back to the processes. In cooling systems, make-up water volumes serve as the foundation for calculating recycled water volumes. Treated water is also recycled at the sites, reducing the need to withdraw water from natural sources. Water recycling occurs not only at stainless steel sites but also at the mine. In Kemi mine, around 99% of withdrawn water was recycled during 2025 (2024: 99%).

At Outokumpu, apart from recycled water, there is also reused water, and there are different ways of reusing water, depending on the site and its specific processes. Reused water volumes are reported together with recycled volumes in the table "Water consumption data for Outokumpu's own operations".

Recycled and reused water volumes can be either directly measured if make-up or treated water volumes returned to the process are metered, calculated if data on make-up water flow and production time is available, or estimated if data is based on historical data and specific assumptions.

Total water stored

For total water stored, Outokumpu applies the GRI definition of water held in water storage facilities or reservoirs, excluding water ponds. The water storage volumes are measured. The changes in water storage during the reporting period are 0, as water is continuously retrieved and supplied to the storage.

Water quality and quantity at water basins

Authorities or local water associations measure their respective water basins' water quality. Water basins' water quantity is usually measured in flow rate. (E3-4-28-(e)), (E3-4-MDR-M-77-(a))

The data related to water resources is not validated by any external body other than the assurance provider. (E3-4-MDR-M-77-(b))

Water intensity

2025

Metrics	Volume (m³)	Net Revenue (Million EUR)	Water Intensity (m³/Million EUR)
Water consumption and intensity	8,015,549	5,468	1,465.83

2024

Metrics	Volume (m³)	Net Revenue (Million EUR)	Water Intensity (m³/Million EUR)
Water consumption and intensity	6,289,440	5,942	1,058.52

(E3-4-29)

Biodiversity loss is one of the most significant environmental challenges globally, along with climate change and pollution. Since businesses rely on natural resources, they must also protect them. Outokumpu contributes to mitigating biodiversity loss by reducing emissions, using over 90% recycled raw materials in its production and turning its side streams into by-products.

KEY ACTIONS IN 2025

Completed biodiversity assessment to identify the material biodiversity impacts and actions on a company level, including supply chain..

Continued local work with biodiversity actions.

Launched mine program focusing on closed mines.

Biodiversity studies at two closed mines.

Completed UN Global Compact Finland's training program for science-based targets for nature.

PLAN FOR 2026

Continue to develop the biodiversity approach regarding most material raw material suppliers.

Review and update local biodiversity action plans based on new information from biodiversity study.

E4 – Biodiversity and ecosystems

Material impacts, risks and opportunities

Biodiversity and ecosystems		
Negative impact	Potential	Potential impacts from industrial production activities on local ecosystems and vulnerable areas
Negative impact	Potential	Residual impacts from closed mines
Negative impact	Potential	Habitat disturbance and biodiversity disruption from mining of high-risk commodities in the supply chain

(E4-ESRS2-SBM-3-48-(a))

Outokumpu has conducted a comprehensive biodiversity assessment across its operations and value chain deepening its understanding of the most material biodiversity impacts and physical risks by incorporating environmental pressures into an analysis focusing on sensitivities.

Based on the assessment and local environmental factors, four production sites – Tornio, Calvert, Kemi, and Avesta – were identified as material due to their proximity to biodiversity-sensitive areas and the magnitude of pressures such as land use change, pollution, and water withdrawal. These sites are prioritized for biodiversity action planning and mitigation. In contrast, service centers and office locations were found to have very limited impacts and dependencies on nature, as they are primarily situated in urban or industrial zones with minimal ecological interaction. (E4-ESRS2-SBM-3-16-(a))

Areas of high biodiversity value and threatened areas and species

Although Outokumpu's production sites are not located within officially designated biodiversity-sensitive areas, the company has identified areas of high biodiversity value either owned by Outokumpu or situated nearby. These areas are associated with both stainless steel manufacturing and chrome mining activities. (E4-ESRS2-SBM-3-16-(a)-(i))

Four sites – Calvert in the US, Tornio and Kemi in Finland, and Avesta in Sweden – were assessed to have high biodiversity value. Dahlerbrück and Dillenburg (Germany), previously considered to be priority sites, were reclassified as non-priority sites. The biodiversity pressures of these sites are low, and the Dahlerbrück site is also closed. (E4-ESRS2-SBM-3-16-(a)-(ii))

At the Kemi mine, the Natura 2000 area, Kirvesaapa, is located adjacent to the property boundary in the northwest and east. However, no negative impacts from mining activities on biodiversity have been identified.

The Tornio site, which includes integrated ferrochrome and stainless steel production, is located near the Tornionjoki river and the northern coast of the Gulf of Bothnia. The river is protected under EU Natura legislation. Long-term monitoring since 1975 indicates that the site does not have significant impacts on the Gulf or the river, which is located upstream from the facility.

The second of Outokumpu's two integrated stainless steel plants in Europe is located in Avesta, Sweden, with land property of 2,5 km² in the south part of Dalarna County. Dalälven in central Sweden is the second longest river in the country. It flows from the north of Dalarna and into the Sea of Bothnia at Skutskär in northern Uppland. The main source of water to Avesta site is Dalälven.

At the Calvert site in Alabama, US, approximately 80 hectares of wetland are located within the plant's property. These wetlands host a variety of wildlife, including wild turkeys, black bears, and gopher tortoises. The site management has not identified any negative impacts on local biodiversity. (E4-ESRS2-SBM-3-16-(a)-(iii))

Outokumpu has not identified negative impacts regarding land degradation, desertification, or soil sealing. (E4-ESRS2-SBM-3-16-(b)) Overall, Outokumpu has not identified threatened species affected by its operations. (E4-ESRS2-SBM-3-16-(c))

Biodiversity transition plan

Outokumpu has considered the resilience of its current business models and strategy in relation to biodiversity and ecosystems-related physical, transition and systemic risks during its double materiality assessment process. In addition, resilience was also assessed in biodiversity screening in 2023 and in the biodiversity assessment completed in 2025. (E4-1-13-(a))

Outokumpu's double materiality assessment covered its operations and downstream value chain, while the biodiversity screening performed in 2023 focused on Outokumpu's own operations. (E4-1-13-(b)) In the biodiversity screening, the company used location-based screening with a ten-kilometer threshold from its sites when assessing biodiversity sensitivity. (E4-1-13-(c)) The analysis considered a long-term time horizon of ten years. The study completed in 2025 also looked at biodiversity pressures and widened its scope to the supply chain. (E4-1-13-(d))

At a company level the most significant pressures stem from emissions, water use and pollution, and land use, particularly at high-production sites such as Tornio, Calvert, and Avesta. In the supply chain, raw materials such as nickel and manganese were also found to carry high nature-related pressures due to sourcing from biodiversity-rich regions. The conclusion of the biodiversity screening in terms of direct operations was that there are no systemic risks for Outokumpu. Local physical risks related to biodiversity are currently most relevant to Outokumpu, but transitional risks will increase over the years.

Outokumpu's current strategy demonstrates resilience to biodiversity-related risks through strong climate and circularity targets and site-level action plans. Scenario-based risk analysis will deepen the understanding of the resilience. (E4-1-13-(e)) Outokumpu assessed its stakeholders' views by interviewing customers, suppliers, investors, non-governmental organizations, and external industry specialists when conducting the double materiality assessment. (E4-1-13-(f))

Policies

According to Outokumpu's Sustainability Policy, Supplier Code of Conduct, and Supplier Requirements, biodiversity aspects, including land-use change, direct exploitation, pollution, and the state of species, are systematically considered in decision-making and change management. These aspects are also assessed as part of environmental impact assessments and permitting processes for operations.

Outokumpu demonstrates its commitment to biodiversity by safeguarding ecosystems and maintaining favorable conditions. The company actively manages negative impacts on biodiversity and, when necessary, undertakes remediation efforts, all in accordance with the principles of the mitigation hierarchy.

Outokumpu supports the protection of biodiversity at its production sites located near high-risk biodiversity areas, as well as throughout its value chain. The company also engages with local communities on nature-related matters, including social impacts, whenever these are considered material.

Outokumpu has a program for closed mines. The strategic and long term target of the program is to reduce the environmental impacts of the closed mines based on research. The program also focuses on making the work transparent and having an active dialogue with stakeholders. The expansion of the mining program is evaluated annually.

More information about Outokumpu's Sustainability Policy, including its scope, approval process, disclosure of third-party standards, consideration of key stakeholders, and policy availability, can be found in the E1 Climate Change chapter. Further details about Outokumpu's Supplier Code of Conduct and Supplier Requirements, including their scope, approval processes, disclosure of third-party standards, consideration of key stakeholders, and policy availability, are available in the S2 Workers in the value chain chapter in the Policy section. (E4-2-22) (E4-MDR-P-65)

Outokumpu's Sustainability Policy covers operational sites owned, leased, or managed in or near protected areas or biodiversity-sensitive areas outside protected areas. Outokumpu's Sustainability Policy, Supplier Code of Conduct, and Supplier Requirements address contributions to the drivers of biodiversity loss and impacts on ecosystems. (E4-2-23-(a)) (E4-2-24-(a))

While Outokumpu contributes to maintaining global biodiversity, particularly through the reduction of greenhouse gas emissions and by using recycled materials, and through slag utilization, the company also prevents and reduces its impacts on biodiversity and ecosystems through the policies mentioned above. Outokumpu applies risk-based environmental management to prevent incidents and reduce waste, pollution, and emissions to air, as well as discharges into water and harmful impacts related to noise and vibration. In the event of unforeseen water or soil contamination, Outokumpu seeks to remediate negative impacts and restore the environment as closely as possible to its original state, whenever viable. Outokumpu also expects its raw material suppliers to ensure that materials and services are produced sustainably and in an energy-efficient manner that minimizes environmental impacts. This includes reducing greenhouse gas emissions, sourcing renewable raw materials sustainably, conserving resources, and protecting biodiversity. (E4-2-23-(b))

Outokumpu's Sustainability Policy addresses material dependencies as well as physical and transition risks and opportunities related to biodiversity and ecosystems. As mentioned above, one of Outokumpu's most significant contributions to mitigating biodiversity loss is minimizing the use of virgin resources. The company leverages identified opportunities in resource inflows and outflows, waste management, by-products, and waste recovery.

Furthermore, Outokumpu is committed to minimizing material water consumption at production plants located in geographical areas facing high water risk. The company also considers sustainable water sourcing in its operations whenever viable and aims to reduce environmental impact through water reuse and wastewater treatment. Outokumpu frequently assesses its impact on water. (E4-2-23-(c))

Outokumpu's Supplier Code of Conduct and Supplier Requirements include provisions on supplier transparency regarding biodiversity. According to these policies, suppliers and subcontractors must ensure that all environmental risks are identified, assessed, and mitigated by setting environmental improvement targets. These risks must also be monitored, evaluated, and reported.

Suppliers are expected to cooperate transparently with Outokumpu by documenting compliance, providing requested information, and if deemed necessary by Outokumpu, granting Outokumpu or a third party authorized by Outokumpu access to conduct audits at their facilities. Suppliers must also evaluate and monitor their own supply chains and, upon request, provide evidence of their practices.

Raw material suppliers are required to have a system in place for identifying their products by type and lot or serial number, as well as for tracking their status throughout all stages of production and testing. They must maintain a traceability method that enables tracking of the supply chain back to the original manufacturer of all items included in the supplied product. (E4-2-23-(d))

Outokumpu's Sustainability Policy states that the company supports the protection of biodiversity at its production sites near high-risk biodiversity areas, as well as throughout its value chain. The policy also addresses the consumption of resources from ecosystems, such as water. According to the Supplier Requirements, suppliers must be able to provide a plan for managing environmental risks and impacts, including those related to biodiversity, and a plan to remediate any potential negative impacts. (E4-2-23-(e))

Outokumpu engages with local communities on nature-related matters, including social impacts, whenever these are considered material. The company also interacts with representatives of affected communities both near its own operations and along the supply chain, including on environmental topics. (E4-2-23-(f))

Actions

Key actions related to biodiversity and ecosystems at Outokumpu in 2025 were:

- Completed comprehensive biodiversity assessment to identify the material biodiversity impacts and actions on a company level; including impacts in the supply chain.
- Continued local work on biodiversity.
- Launched a mine program for closed mines.
- Biodiversity studies at two closed mines to define the baseline and potential actions.
- Completed UN Global Compact Finland's training program for science-based targets for nature.

Moving forward, Outokumpu will continue to develop the biodiversity approach with the material impacts in the supply chain, especially nickel suppliers, and will utilize the information from the assessment to develop the local approaches further. We will also continue the closed mines program. The strategic and long-term target of the mine program is to reduce the environmental impacts of closed mines based on research. Within the program, we want to make our work more visible and communicate more with our stakeholders. During 2025 we implemented actions at Enonkoski in Finland to stop negative impacts on a small lake, and directed the waters to passive water treatment. We will also continue the biodiversity work at the closed mines. (E4-MDR-A-68-(a,d))

The assessment of the biodiversity impacts, action plan and strategy was done on a global scope with a time horizon until 2030 (E4-MDR-A-68-(b)), and it was completed in 2025. The scenario work still needs to be deepened during the upcoming years. (E4-MDR-A-68-(c))

Outokumpu contributes to maintaining biodiversity globally especially by reducing greenhouse gas emissions, and virgin resource material dependency and by utilizing slag. Progress on these topics is explained in the chapters on Climate change and Resource use and the circular economy. Additionally, Outokumpu has started to implement local biodiversity action plans, and continues the work moving forward. (E4-MDR-A-68-(e)) The operational expenditures and capital expenditures for the implementation of the previously

described action plan are part of Outokumpu's business-as-usual expenditures. (E4-MDR-A-69)

More information on actions in the value chain can be found in the Workers in the Value Chain (S2) chapter in the Remediation and Action sections. In Outokumpu's analysis of its suppliers it identified biodiversity-related matters.

(E4-3-25)

Incorporation of local and indigenous knowledge

Outokumpu is developing a group-wide approach to engaging affected communities in its action plans. As a result, direct interaction with affected communities on biodiversity was not included in the double materiality assessment process. Currently, Outokumpu is developing a sustainability due diligence process that will cover both its own operations and its value chain. A gap analysis and a related action plan to further develop the due diligence steps were completed in 2024, and work continued in 2025. Outokumpu will continue planning how to engage directly with affected communities.

Locally, Outokumpu has been consulting the affected communities regarding nature-based solutions for example during the environmental permit process and environmental impact assessments. In Kemi, the company also has continuous dialogue with a local bird association to ensure for example that Outokumpu is taking bird-life into account in its operations. In addition Outokumpu has consulted affected communities at it's closed mines by organizing local stakeholder events. (E4-3-28-(c))

Targets

Outokumpu contributes to maintaining biodiversity globally especially by reducing greenhouse gas emissions, and dependency on virgin resources, and by utilizing slag, and it has set targets for these. The progress related to these targets is described in the chapters on E1 Climate change and E5 Resource use and the circular economy. The company has not set specific, group-wide biodiversity targets. (E4-MDR-T-81-(b)),

Outokumpu is tracking the development of its most material biodiversity drivers in its own operations, such as emissions, water consumption, waste and pollution. The company is also reviewing biodiversity plans and actions in its own sites. Biodiversity is also part of the supplier assessment processes for risk categories, such as mining. (E4-MDR-T-81-(b)-(i))

Outokumpu's Sustainability Policy, Supplier Code of Conduct and Supplier Requirements define the ambition level and expectations. In addition, biodiversity management plans for the business lines Stainless Europe and Advanced Materials define the expectations for the company's own operations. The company is also guided by the requirements of the ResponsibleSteel and Toward Sustainable Mining standards. (E4-MDR-T-81-(b)-(ii))

Metrics

As Outokumpu does not have a separate global metric for biodiversity. Outokumpu follows its contribution through the reduction of greenhouse gas emissions, and virgin resource material dependency and through slag utilization. More information on the impact of reducing greenhouse gas emissions, using recycled raw materials and utilizing slag is given in the chapters on E1 Climate change and E5 Resource use and the circular economy. Emissions from closed mines are included in the "Emissions into air and water" table in the chapter E2 Pollution. (E4-5-MDR-M-75), (E4-5-MDR-M-77-(a-b))

Sites located near biodiversity-sensitive areas

	2025		2024	
Description	Number of sites	Area (hectares)	Number of sites	Area (hectares)
Owned	4	2,619	5	2,121
Leased	1	238	1	238
Managed	—	—	—	—

(E4-5-35)

Change of land, freshwater and sea use

Outokumpu is not currently measuring changes in land, freshwater and sea usage. (E4-5-38)

A circular economy is vital for tackling climate change and biodiversity loss. Outokumpu's business is based on circularity: its stainless steel products are made of over 95% recycled material content, which reduces the use of virgin resources.

TARGET IN 2025	PLAN FOR 2026–2027
The ambition to keep recycled material content over **90%** annually, reaching 96.7% in 2025	Developing strategies to minimize waste generation.
	Creating site-specific plans for waste efficiency improvement.
The ambition to reach slag utilization of **90%** by 2030 from a 2024 baseline	Integrating emergency preparedness for waste contamination into site-specific emergency plans.

E5 – Resource use and the circular economy

Material impacts, risks and opportunities

Resource use and outflows		
Negative impact	Actual	Extraction of primary resources
Positive impact	Actual	Stainless steel products provide long-term, durable and recyclable materials
Opportunity		Using recycled steel, new materials streams and innovation with partners to meet growing demand for low-emission stainless steel
Opportunity		By-products from waste streams
Risk		Supply chain disruptions, limited alternatives and growing demand for scrap increase prices
Waste		
Negative impact	Potential	Waste generated in own operations
Positive impact	Potential	Utilization of waste streams from the value chain

(E5-ESRS2-SBM-3-48-(a))

Policies

Outokumpu's commitment to resource efficiency, as outlined in its Sustainability Policy directly addresses the material impacts, risks, and opportunities associated with resource use, outflows, and waste. By prioritizing recycled and renewable inputs and reducing dependence on virgin raw materials, the company helps mitigate negative actual impacts, such as the extraction of primary resources. At the same time, its focus on durable, recyclable stainless-steel products reinforces positive impacts related to long-term material efficiency. The policy's focus on maximizing recycled content and optimizing resource flows also supports opportunities, including the use of recycled steel, alternative material streams, and innovations that meet growing demand for low-emission stainless steel. At the same time, the company's ability to generate value from by-products aligns with opportunities tied to the circular use of waste streams. Outokumpu's Supplier Code of Conduct reinforces these commitments, requiring suppliers to pursue responsible production, reduce resource use, and utilize recycled materials whenever possible. These measures support the potential positive impact of utilizing waste streams across the value chain. (E5-MDR-P-65-(a)), (E5-1-15-(a)), (E5-1-15-(b))

More information about Outokumpu's Sustainability Policy and its scope, the approval process for the policy, disclosure of third-party standards, consideration given to key stakeholders, and the availability of the policy, is in the Climate change (E1) chapter.

More information about Outokumpu's Supplier Code of Conduct and Supplier Requirements and their scope, the approval process for the policies, disclosure of third-party standards, consideration given to key stakeholders, and the availability of the policy, can be found in the Workers in the value chain (S2) chapter. (E5-MDR-P-65-(b-f))

Actions

Outokumpu continues its established practices and follows largely the same key actions in the reporting year as before.

The key actions in relation to resource inflow:

- Improving traceability of internal scrap flows to maintain a high scrap input.
- Screening incoming raw materials to identify and remove any radioactive sources, ensuring that the steel remains free from contamination.

The key actions in relation to resource outflow:

- Extracting valuable metals from slag and dust reducing the need for virgin metals.

The key actions in relation to waste:

- Identifying and categorizing waste generated to minimize risk of inappropriate disposal.
- Improving waste sorting, including biological waste and textiles in Sweden.
- Disposing of all waste safely and responsibly with licensed waste management providers.
- Exploring opportunities to recycle neutralization sludge.
- Conducting regular audits and monitoring at all sites to ensure compliance.
- Reviewing applicable local and national regulations to ensure all requirements are met.

Key actions planned for the future in relation to waste are based on the waste management plan developed by Outokumpu. These actions apply to sites within Business Area Europe (refer to Scope and time horizon section for further information). The waste management plan outlines Outokumpu's commitment to minimizing environmental impacts through effective waste management. Key actions planned for the future are the same as those reported in 2024:

- Implementation of a review of the types of waste whenever there is a significant change to the company's processes, or at least every 5 years.
- Development of strategies to minimize waste generation from operations.
- Development of a continuous improvement plan for each site.
- Integration of emergency preparedness at each site for spills and other types of waste contamination into their specific emergency plans.

These actions are expected to lead to a better understanding of Outokumpu's waste streams, enabling improved management and reduction of overall waste generation. They also aim to enhance resource efficiency, achieve cost savings, and establish stronger monitoring systems and data reporting processes. In addition, improved preparedness will strengthen the company's ability to respond effectively to spills and contamination events, minimizing environmental impact. Together, these efforts support the implementation of Outokumpu's Sustainability Policy by reducing environmental impacts, promoting proactive management, and reinforcing a commitment to continuous improvement in waste and resource efficiency. (E5-MDR-A-68-(a))

The operational expenditures and capital expenditures for the implementation of the previously described action plan are part of Outokumpu's business-as-usual expenditure. (E5-MDR-A-69) More information on actions in the value chain can be found in the Workers in the value chain (S2) chapter.

Scope and time horizon

The waste management plan and future key actions include the company's own operations, and also cover, to some extent, downstream waste recovery operations. Future actions from the plan apply to the Europe business area (Tornio, Avesta, Nyby, Degerfors, Krefeld, Dillenburg). The Americas business area , including sites in the US and Mexico, currently does not have a waste action plan. The Americas business area's waste management plan will be developed within a medium-term time horizon. (E5-MDR-A-68-(b))

Each key action, namely the implementation of the review of waste types, the development of strategies to minimize waste generation, the development of an improvement plan for waste management, and the integration of emergency preparedness for waste contamination in the emergency preparedness plan, is planned to be completed within a medium-term time horizon. The development of strategies and an improvement plan, as well as the integration of emergency preparedness plan key actions are planned to be fully completed by the end of 2027. (E5-MDR-A-68-(c))

Remedies and provisions

In 2025, Outokumpu has not had any cases of harm by actual material impacts that would require actions. (E5-MDR-A-68-(d))

Targets

During the reporting year, Outokumpu established an entity-specific slag utilization target of 90% by 2030, to enhance circularity aligned with its new EVOLVE strategy. The target directly supports Outokumpu Sustainability Policy objectives of minimizing the use of virgin

resources through recycling and reuse, proactively developing products and processes to lower environmental impacts, and utilizing opportunities in resource inflows, outflows, and by-products to advance circularity. The target is relative, expressed as a percentage of total slag generated, and applies to all sites with melt shops where slag is produced in Outokumpu's own operations. The target excludes radioactive slag and the slag generated and stored at Calvert, since Calvert slag is not owned by Outokumpu, and by agreement the slag is the property of the service provider handling the slag. Progress is measured against a revised 2024 baseline of 86.5%. The previously reported figure of 88.6% included Calvert (excluding stored slag at Calvert site). The revised baseline excludes all Calvert slag, meaning Calvert is now fully removed from the scope. The target period covers 2025-2030, with the goal of reaching 90% slag utilization by 2030.

This target is fully aligned with the EU's Circular Economy Action Plan and waste hierarchy principles, as slag utilization contributes to higher circular material use, reduces reliance on primary raw materials, and ensures responsible waste management through recovery and recycling rather than disposal. Internal stakeholder involvement has been key in defining this target, with input from melt shop teams, by-product specialists, upper management, and the sustainability team. Performance is monitored annually, and in 2025 slag utilization reached 86.6%, showing no material change compared with the revised 2024 baseline of 86.5%. (E5-MDR-T-80-(a-h)), (E5-MDR-T-80-(j)), (E5-3-24-(b)), (E5-3-24-(c)), (E5-3-24-(e))

Apart from the slag utilization target, Outokumpu tracks resource use through its recycled material content KPI. In line with the Sustainability Policy and Supplier Code of Conduct, the company is committed to minimizing the use of primary raw materials by maximizing the use of recycled and recovered metals in steel production. The group-level KPI ensures a high rate of circular material use, with an ambition to achieve over 90% recycled material content annually; in 2025 the company reached 96.7% (2024: 95.3%).

The slag utilization target and the recycled material content KPI support the circular economy by addressing resource use and waste reduction. (E5-3-24-(f)) They are not required by law (E5-3-27). Related to the waste hierarchy, the slag utilization target addresses prevention as it aims to support the production of by-product instead of waste, while the recycled material content KPI addresses recycling. (E5-3-25)

Metrics

Resource inflow

The recycled material content KPI supports the material opportunity to use as much recycled metals as viable in the steel making process. This decreases the need for virgin resources and lowers the value chain GHG emissions. For the ferrochrome process, Outokumpu has identified the use of biomass as the best option to mitigate risks identified in the double materiality assessment. (E5-4-MDR-M-75)

Outokumpu's most important raw material is recycled steel, from both stainless and carbon steel. All of Outokumpu's stainless steel mills can be considered as significant recycling facilities, and the company recycles over two million tonnes of metal per year. In addition to recycled steel, Outokumpu uses primary alloys to get the right alloying composition in the steel. The most important alloys are nickel and chrome, which are added to production mainly as ferrochrome and ferronickel. Outokumpu also uses small amounts of other metal alloys, including critical raw materials such as alloys of manganese, niobium, and titanium. Other critical raw materials in the steelmaking process are fluorspar and silica. Slag formers, such as lime and ferrosilica, which are used in the process, result in slag by-products. Other material inflows are pickling acids used in the cold rolling mills. In ferrochrome production the main inputs are chromite from the company's Kemi mine and coke, which is defined as critical raw material according to EU Regulation.

A significant amount of water is used in Outokumpu's production processes, for example for cooling. The company uses mainly surface water for these purposes. Water is not included in the resource use table in this chapter. More information about water management is available in the E3 Water and marine resources chapter.

Metal alloys are the most material upstream resources. The inflows to produce these upstream resources are mainly metal ore, energy and water. (E5-4-30)

Data collection, methodologies and assumptions

The recycled material content KPI addresses resource inflow and is calculated as the share of recycled and recovered metals used to manufacture the steel products in relation to total crude steel produced. The calculations are aligned with ISO 14021 and exclude recovered metals generated in the same steel making process. The method is also aligned with the EU taxonomy criteria for the use of recycled steel in steel manufacturing. Packaging and consumables such as pickling acids, which are not part of the product are not included in these KPI calculations.

The calculation of total material use for monitoring resource inflow include, in addition to the recycled material use, also other raw materials, and utilities for production of all products, including packaging, are considered. More information can be found in the table "Materials used in the process" below.

For resource inflow, the calculation is based on measured consumption, if data is available. Otherwise purchased amounts are used. (E5-4-MDR-M-77-(a)). The KPI for recycled content of Outokumpu's steel products is verified annually against ISO 14021 by TÜV SÜD. (E5-4-MDR-M-77-(b))

Materials use

Product and material category, Weight (tonnes) or %	2025	2024
Total weight of products and materials	4,467,517	4,564,152
of which weight of secondary or recycled materials	2,275,075	2,275,966
% of secondary or recycled materials of total weight	50.9	49.9

(E5-4-31-(a,c))

Outokumpu uses small amounts of biological materials, they constitute only 0.4% of the Total weight of products and materials. The biological materials used are packaging materials and biocoke, the biocoke is sustainably sourced and its´share of Total weight of products and materials is 0.06%. The biocoke is certified under the European Biochar Certificate (EBC) or the FSC. (E5-4-31-(b))

Outokumpu weighs all raw materials entering its processes when the materials arrive at the company's sites. The data reported for the year is based on direct measurement. (E5-4-32) As there is no overlap between categories of recycled and reuse no double counting can occur. However, some virgin material flows are double counted as the input data to both ferrochrome and stainless production is accounted for and there is a flow of virgin materials between both production units . (E5-4-AR-25)

Resource outflow

Outokumpu tracks its performance and effectiveness related to material impacts, risks, and opportunities for resource outflows through several key metrics, including the total waste generated, total waste diverted from disposal, total waste sent for disposal, non-recycled waste, percentage of non-recycled waste, and total hazardous and radioactive waste produced. Metrics are categorized by hazardous and non-hazardous waste where relevant. All the metrics can be found in the tables in the "Waste" section. (E5-5-MDR-M-75) No external body other than the assurance provider has provided validation. (E5-5-MDR-M-77-(b))

Products and materials

Outokumpu's main products are semi-finished products of stainless steel and ferrochrome. While the stainless steel semi-finished products (mainly coils and plates) are used by Outokumpu's customers to manufacture stainless steel products, ferrochrome is used as an ingredient in Outokumpu steel and other producers' steel. Outokumpu's steel is 100% recyclable and is manufactured using, on average, 97% recycled content. The stainless steel features a stable, self-healing oxide layer that protects against rust and corrosion, thereby enhancing durability and eliminating the need for painting or other surface treatments, resulting in low maintenance. The packaging materials (mainly cardboard and plastics) contain on average 66% recycled material and are 100% recyclable. The wooden pallets are sometimes re-used through pallet exchange programs. (E5-5-35)

Expected durability and recyclable content

Stainless steel is often used for its corrosion resistance, which is attributed to the passive surface film that protects the material from corrosion. The service life of the steel depends on the application rather than on the steel itself. It can vary from approximately 6 months in mobile phones to 60 years in buildings or 120 years in bridges. As a steel supplier, it is not possible to relate the durability of Outokumpu material in relation to industry averages since Outokumpu products are semi-finished steel products that are manufactured into new products upon delivery. However, Outokumpu helps its customers increase the durability of their products by supplying information and advice on which steel grades are suitable for different applications, thus prolonging the service life of the customers' products.

Ferrochrome is mainly used as a raw material in stainless steel, which is why it is impossible to estimate its durability. The iron and chrome stay in in the stainless steel product until it is discarded and recycled into new stainless steel. Slag products are mineral by-products from steel that are mainly used to replace primary raw materials such as sand and gravel. When used, for example, as a base layer in road construction, they are expected to exhibit the same durability as the road construction itself.

Outokumpu's main product, stainless steel, had during 2025 an average recycled content of 96,7% (2024: 95%) (calculated according to ISO 14021). Outokumpu's ferrochrome and slag products do not contain any recycled materials. This reduces the weight of secondary materials in relation to the total input of materials, when taking all produced materials into account. The share of recycled material of all input materials and products is 50.9 % as outlined in the previous "Materials used" table.

Ferrochrome and slag are not recyclable as such, but rather are materials to be included in other products. However, the metallic constituents of ferrochrome; iron and chromium, are recycled as part of the steel when the end-product is discarded.

The main packaging used for stainless steel semi-finished products consist of different plastics and wooden pallets that can be reused through pallet exchange programs. The plastics contain, on average, 66% recycled content and are all recyclable. (E5-5-36-(a,c))

Composition of waste and waste streams

The main waste streams come from Outokumpu's ferrochrome operations, mining waste and waste from ferrochrome production, and from its stainless steel production sites. These include tailings sand, steelmaking dust, slag, sludges, oily waste, and scales. Most waste consists of metals and minerals, either as such or as compounds in sludges. The slag contains critical raw materials such as silica and manganese, which are identified as critical raw materials in Annex II of the EU Critical Raw Materials Act. By weight, tailings sand and steelmaking slag dominate, with 1,168,747 tonnes of tailing sand generated in 2025 (2024: 1,250,608 tonnes). Steel slag is partly classified as waste and partly as by-product, with the waste portion also being usable. In 2025, the slag utilization rate, an entity-specific metric, was 86.6% (revised 2024 figure: 86.5%). This figure includes slag as

waste and as a by-product and excludes generated and stored slag at the Calvert site. (E5-5-38)

Total amount of waste generated

Particulars of waste generated, Quantity (tonnes)	Type	2025	2024
Total amount of waste generated		**2,048,286**	**2,787,009**
Total amount of waste diverted from disposal		**646,558**	**1,292,626**
Total amount of hazardous waste diverted from disposal		**53,608**	**57,896**
Hazardous waste diverted from disposal	Preparation for reuse	0	0
Hazardous waste diverted from disposal	Recycling	53,359	57,541
Hazardous waste diverted from disposal	Other recovery operations	250	355
Total amount of non-hazardous waste diverted from disposal		**592,950**	**1,234,730**
Non-hazardous waste diverted from disposal	Preparation for reuse	19,051	15,846
Non-hazardous waste diverted from disposal	Recycling/ Stored[1)]	569,104	1,214,603
Non-hazardous waste diverted from disposal	Other recovery operations	4,795	4,281
Total amount of waste directed to disposal		**1,401,728**	**1,494,384**
Total amount of hazardous waste directed to disposal		**63,094**	**59,371**
Hazardous waste directed to disposal	Incineration	0	0
Hazardous waste directed to disposal	Landfill	63,088	59,299
Hazardous waste directed to disposal	Other disposal operations	7	72
Total amount of non-hazardous waste directed to disposal		**1,338,634**	**1,435,013**
Non-hazardous waste directed to disposal	Incineration	0	0
Non-hazardous waste directed to disposal	Landfill	1,338,634	1,435,013
Non-hazardous waste directed to disposal	Other disposal operations	0	0
Non-recycled waste		1,425,824	1,514,865
Percentage of non-recycled waste		69.61	54.35

(E5-5-37-(a-d))

[1)] The amount of stored slag from the Calvert site is included in the Recycling/Stored* row. The amount of slag generated and subsequently stored in 2025 was 102,408 tons (2024: 962,000 tonnes). The 2024 data was reported as cumulative storage, comparable data for 2024 would be 112 222 tonnes. When applying the previous methodology for comparability, the 2025 figure would have been 720,000 tonnes.

Hazardous and radioactive waste

Waste type, tonnes	2025	2024
Hazardous waste	116,703	117,266
Radioactive waste	0	179

(E5-5-39)

Avesta has radioactive slag stored on site. Radioactive slag generated at the Avesta site was assessed by the Swedish Radiation Safety Authority as unsuitable for landfill disposal and has not yet been categorized as waste. The authority has granted Avesta permission to store this material on site. In 2025, the stored volume of radioactive slag amounted to 165 tonnes. As it has not been classified as waste, the radioactive slag is excluded from the waste volumes reported in the tables.

Methodologies and assumptions

All Outokumpu sites are ISO 14001 certified, which provides a consistent framework for monitoring and measuring environmental performance, including sustainable waste management practices. Outokumpu also follows GRI 306: Waste 2020, ensuring structured waste categorization and reporting. Waste is classified according to the Waste Hierarchy, using standardized definitions for “preparing for reuse,” “recycling,” “other recovery operations,” and “disposal.” Waste prevention, the first and most critical step in the hierarchy, is a key focus area, emphasized in Outokumpu’s Sustainability Policy. Under the “non-recycled” waste category, values are calculated by subtracting recycled waste from the total generated waste. Waste is weighed, and for wet waste such as sludges, reporting is based on dry weight. In cases where weighing is not possible, estimates are made using reasonable assumptions and historical data.

The handling and disposal of Outokumpu’s main waste streams are highly dependent on local regulations and infrastructure. For example, slag classification and utilization vary across regions, and the ability to recycle certain waste streams depends on the availability of further processing. Metal recovery from stainless steel dust, for instance, is only feasible at a limited number of sites in Europe.

Outokumpu’s products are semi-finished and undergo further processing by customers. Therefore, information about expected use and durability is based on industry estimations, supported by factual data on material properties.

For offices and service centers, the waste generated is based on the full-time-equivalent.

For the Calvert site, the reported amount of stored slag in 2025 is lower compared to 2024 due to a revision in reporting methodology. In 2024, the figure reflected the total amount of slag physically stored on site at year-end, including material generated in previous years. In 2025, the reported stored slag includes only slag generated and stored during the reporting year, which aligns better with ESRS requirements focusing on waste generated within the reporting period and improves the comparability and accuracy of annual data. It should be noted that the slag stored at the Calvert site is not owned by Outokumpu and, in accordance with contractual arrangements, is the property of the service provider responsible for handling the slag. (E5-5-40), (E5-5-MDR-M-77-(a))

Social information

Outokumpu's work on social sustainability focuses on its own workforce, workers in the value chain, and affected communities. Outokumpu contributes to economic and social well-being by providing jobs directly to over 8,000 people and additionally indirectly through its value chain around the world, and to local communities, through financial contributions.

S1 – Own workforce	108
S2 – Workers in the value chain	126
S3 – Affected communities	135

Outokumpu employs over 8,000 people in nearly 30 countries. In 2025, focus areas related to its own workforce were health and safety, as well as strengthening fairness and belonging.

TARGETS	PROGRESS
<1.5	1.8
Total recordable incident frequency rate (TRIFR) by the end of 2025	The total recordable incident frequency rate (TRIFR) at the end of 2025
+100	+64
diverse leaders in leadership teams by the end of 2025 from the 2022 baseline	diverse leaders in leadership teams at the end of 2025
Pay equity	Women's euro 0.994

S1 – Own workforce

Material impacts, risks and opportunities

Health and safety		
Positive Impact	Potential	Mental and physical well-being of employees from well-being benefits, stress-reducing work organization and flexible modes of working
Negative Impact	Potential	Potential health and safety hazards from the inherent nature of steel production
Opportunity		Reduction of sick days as well as employee attraction and retention from attractive working conditions
Risk		Health issues and accidents causing decrease in productivity, increased attrition and sick days, legal and remediation costs, and reputational damages
Working time		
Negative Impact	Actual	Mental health and well-being issues from high workload and shift work
Adequate wages		
Positive Impact	Actual	Equal opportunities and fair pay
Social dialogue and collective bargaining		
Positive Impact	Potential	High employee input and frequent engagement of collective bargaining
Diversity, Gender equality, Equal pay		
Positive impact	Potential	Fairness, belonging and solid recruitment and promotion processes
Negative impact	Potential	Gender inequality and unconscious bias
Opportunity		Increased innovation, resilience, productivity and employer attractiveness and engagement from diversity

Training and skills development		
Positive impact	Potential	Providing training and skills development to employees in an equal manner
Opportunity		Productivity and commitment from engaged, resilient and well-trained people

Measures against violence and harassment in the workplace		
Negative Impact	Potential	Harassment and bullying, intimidation, and discrimination

(S1-ESRS2-SBM-3-48-(a))

During the reporting year, Outokumpu finalized the second phase of its strategy and introduced a new EVOLVE strategy to be implemented starting from 2026. Outokumpu's EVOLVE strategy aims to build a resilient, future-ready workforce capable of meeting operational priorities such as delivery speed, production efficiency, and sustainability targets. These priorities may affect workload and ways of working, and the company addresses such risks through proactive measures that safeguard employee well-being, health, safety, and sustainable work practices.

At the core of EVOLVE is a commitment to continuous improvement and development. The strategy strengthens skills, career growth, and internal mobility while promoting engagement, fairness and belonging. Outokumpu fosters collaboration and employee participation in improvement initiatives and decision-making. Open communication, regular feedback, and supportive leadership help employees navigate change, enhance capabilities, and maintain a positive work environment. Ultimately, EVOLVE focuses on attracting, developing, and retaining the talent essential to Outokumpu's long-term success. (S1-ESRS2-SBM-3-13-(a)-(i))

In July 2025, the company announced a restructuring program affecting selected operations mainly in Europe with the objective to improve long-term competitiveness. In total, the restructuring program was expected to impact approximately 650 full-time positions by the end of 2027, including approximately 450 positions subject to negotiations. Negotiations in Finland, Sweden and Germany were concluded by the end of 2025, resulting in reductions of 139, 109, and 120 positions, respectively. Processes in other countries are expected to impact approximately 80 positions.

Outokumpu recorded a restructuring provision of EUR 32 million as an item affecting comparability in EBITDA in the fourth quarter of 2025.

Most of the impacts related to Outokumpu's own workforce arise from the nature of Outokumpu's key activity, stainless steel production. Outokumpu runs industrial operations in which a significant part of its workforce is exposed to hazards such as heat, noise, chemicals, and heavy machinery. The workforce in this type of industry is traditionally male dominated, which may constitute a challenge but also an opportunity for fairness and belonging

In turn, the identified impacts contribute to shaping Outokumpu's strategy and business model. For example, safety is a number one strategic priority, a license for the company to operate, and it is ensured with clear targets and actions. (S1-ESRS2-SBM-3-13-(a)-(ii))

Risks and opportunities related to Outokumpu's own workforce are intrinsically linked to impacts and connected to Outokumpu's business model. Mitigating the potential and actual impacts on the workforce of a heavy industry context supports Outokumpu in avoiding financial risks arising, for example, from hazards or productivity loss, and pursuing financial opportunities linked to a competitive advantage and an engaged and innovative workforce. (S1-ESRS2-SBM-3-13-(b))

Types of employees and non-employees

The company's own workforce considered includes both Outokumpu's own employees and non-employees directly working in Outokumpu's operations. By definition, non-employees are people who work for Outokumpu but are not on Outokumpu's payroll, namely self-employed individuals and agency workers supplied by external staffing agencies. Self-employed individuals are independent workers running their own business whom Outokumpu hires to perform specific tasks or projects. Agency workers are people employed by external staffing agencies for temporary needs, carrying out work under Outokumpu's direction and control, but with the agency as their employer. (S1-ESRS2-SBM-3-14-(a))

Identifying material impacts, risks and opportunities

Outokumpu updated its double materiality assessment in 2025. The identified key impacts, risks, and opportunities related to Outokumpu's own workforce reflect the topics outlined in the table opening this section: health and safety, working time, adequate wages, social dialogue and collective bargaining, fairness, equal pay, training and skills development, and measures against violence and harassment.

The assessment distinguishes between positive and negative impacts affecting employees. Positive impacts derive from Outokumpu's proactive approach to employee well-being, belonging, and skills development. Initiatives that promote flexible working arrangements, strong collective bargaining, equal opportunities, ensuring adequate wages and fair pay across all roles, and continuous training contribute to a fair, engaging, and resilient workplace.

Negative impacts primarily relate to the inherent risks of industrial operations, including health and safety hazards, long or irregular working hours, high workload, or isolated cases of discrimination, harassment, or workplace violence. These are limited in scope and typically remediable through established occupational safety systems, grievance procedures, and corrective actions.

Key risks identified include health and safety incidents, reduced productivity, absenteeism, reputational harm, and legal or remediation costs. Opportunities include higher productivity, stronger employee engagement, innovation, and retention through well-being, safety, belonging, and continuous learning initiatives.(S1-ESRS2-SBM-3-14-(b-d))

Due to the energy-intensive nature of its operations, Outokumpu also considers the effects of its climate transition plan. Mitigating climate change creates opportunities to engage employees in the decarbonization journey, and no material negative impacts on workers are expected, provided that climate targets are achieved. (S1-ESRS2-SBM-3-14-(e))

Risks related to forced or compulsory labor were not identified as material. Outokumpu's own operations are not considered exposed to such incidents and are located in regions with strong labor regulation. Risks related to child labor were also assessed as non-material. The company operates primarily in Europe and the Americas, where such risks are minimal. In Mexico, where exposure is higher, strict recruitment and supplier screening procedures ensure compliance with labor standards. (S1-ESRS2-SBM-3-14-(f-g))

Outokumpu continuously monitors potential vulnerabilities through fairness and belonging surveys, ResponsibleSteel surveillance audits, and human rights impact assessments. The 2024 updated impact assessment on the company's own workforce confirmed that no significant differences exist across workforce groups, other than higher safety exposure for production employees. A strong safety culture and preventive systems continue to minimize these risks, ensuring equitable working conditions across all employee groups. (S1-ESRS2-SBM-3-15), (S1-ESRS2-SBM-3-16)

Policies

The key policies related to Outokumpu's own workforce are the Sustainability Policy, Code of Conduct, Human Rights Policy, Health and Safety Policy, Recruitment Policy, and the Global Policy on Remuneration and Working Time. Together, these policies provide a comprehensive framework covering all of Outokumpu's workforce and set the standards for ethical, safe, and fair treatment of employees across the organization. Local-level policies and regulations continue to apply, addressing topics such as working time, leaves of absence, work environment and safety, equal treatment, training and development, and remuneration practices. These local policies are designed to complement and align with the principles and requirements established in the Key Policies. (S1-1-19), (S1-MDR-P-65-(b))

The Outokumpu Sustainability Policy states the company's commitment to promoting fairness and belonging, a work environment that allows all team members to contribute and to develop, human rights and dignity, a safe and healthy workplace, and employee development.

The Outokumpu Code of Conduct provides the principles and rules that all employees at Outokumpu need to follow in their daily work, and it ensures that all Outokumpu employees live up to the Ethical Principles, as well as the Outokumpu Way (replacing the previous Ways of Working), which form the basis of Outokumpu's actions, operations, and corporate culture, and have the highest standards of integrity by setting examples and giving practical advice.

Through the Global Policy on Remuneration and Working Time, Outokumpu is committed to fair, lawful, and transparent practices regarding compensation, payments, working hours, shift patterns, and overtime. These practices comply with legal standards, collective agreements, and industry norms, and are adapted to local regulations to ensure consistency across regions. All processes are documented and accessible to employees, supporting transparency, fairness, and alignment with both global policies and local practices.

The Human Rights Policy sets out the core principles guiding Outokumpu Group's commitment to respect human rights and manage related impacts through a structured human rights due diligence process.

The Health and Safety Policy describes the main principles and rules followed by Outokumpu in relation to occupational health and safety management. Health and safety are integral parts of Outokumpu operations and decision-making, with a central role in Outokumpu's vision, strategies, and planning.

The Recruitment Policy outlines key principles that apply to recruitment at Outokumpu, such as transparency, equitable opportunities, and one-over-one approval. It mandates the usage of interview panels aligned with the demographics of the organization, and states the goal of 50% diverse candidates on all short-lists. (S1-MDR-P-65-(a))

Scope, accountability, stakeholders, availability, and third-party standards

More information about the approval process, stakeholders and availability, and coverage of the policies as well as third-party standards is available in the following sections: regarding the Sustainability Policy in the Climate change chapter (E1), for Code of Conduct in the Governance chapter (G1) and the Human Rights Policy in Affected communities (S3).

The Recruitment Policy applies to all of Outokumpu's workforce. The Group leadership team member responsible for people matters is accountable for the implementation of this policy. While it does not directly reflect any specific third-party standard, it is set to safeguard the interests of Outokumpu's workforce, notably in terms of equality and nondiscrimination. This policy is available to all Outokumpu's employees on the company's intranet. (S1-MDR-P-65-(b-f))

Human Rights Policy commitments

Outokumpu has a comprehensive Human Rights Policy that defines the company's commitment to respect all internationally recognized human rights and provides a

framework for embedding these principles across its operations and value chain. The policy applies globally to all Outokumpu businesses, companies, directors, officers, and employees, and the company expects its business partners to uphold similar standards.

The policy was updated in December 2025 and is aligned with international frameworks, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the Ten Principles of the UN Global Compact. Outokumpu adheres also to relevant internationally recognized conventions, such as the UN Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the ILO Declaration on Fundamental Principles and Rights at Work. The company is also a certified member of the ResponsibleSteel initiative and the Finnish Network for Sustainable Mining.

More information about the Human Rights Policy commitments relevant to the company's own workforce is available in the Affected communities (S3) chapter in the Policy section. (S1-1-20)

The following Outokumpu's guiding human rights principles are stated in the Human Rights Policy:

- respecting human rights across Outokumpu's operations and value chain and expecting the same commitment from all its business partners,
- complying with all applicable laws and adhering to global human rights frameworks,
- conducting a risk-based due diligence as part of corporate decision-making processes by identifying, preventing, mitigating, and remediating adverse human rights impacts,
- enabling grievance and remedy by providing accessible grievance channels and ensuring fair and effective remediation,
- engaging stakeholders by maintaining meaningful dialogue with communities and vulnerable groups to address the identified impacts,
- ensuring accountability by upholding strong governance, training, and continuous improvement in Outokumpu's human rights practice. (S1-1-20-(a))

Outokumpu also cooperates with, informs and consults its employees and their representatives. The Outokumpu Personnel Forum is an important information channel between its personnel and management in European operations, based on the European Works Council Directive. More information is available in this chapter in "Engaging with own workforce" (S1-2). (S1-1-20-(b))

Measures to provide or enable remedy for human rights impacts were further developed as part of Outokumpu's sustainability due diligence process in 2025. An internal guideline on remedy was published in December 2025, covering both Outokumpu's own operations and value chain, including its own workforce, value chain workers, and affected communities that might be in the need of remedial actions. The remedy process will be elaborated further in 2026 based on this internal guideline. More information on the sustainability due diligence at Outokumpu is available in General Disclosures chapter. (S1-1-20-(c))

Alignment with internationally recognized instruments

In accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs), Outokumpu commits to respecting human rights and undertaking human rights due diligence as part of its corporate decision-making process.

According to Outokumpu's Human Rights Policy, the company complies with all applicable laws and regulations related to human rights and human rights due diligence in every jurisdiction it operates in. Additionally, the policy outlines Outokumpu's commitment to internationally recognized instruments, including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the European Convention on Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the Ten Principles of the UN Global Compact.

The Human Rights Policy also supports the achievement of the UN Sustainable Development Goals and follows relevant UN frameworks protecting vulnerable groups such as women, children and migrant workers. Regarding indigenous peoples, the Policy refers to the Indigenous and Tribal Peoples Convention, 1989 (No. 169) and the UN's Declaration on the Rights of Indigenous Peoples. Besides the Human Rights Policy, aspects related to human rights are covered in the Code of Conduct, Sustainability Policy and Supplier Code of Conduct. (S1-1-21)

As stated in the Human Right Policy, Outokumpu condemns all forms of forced or bonded labor, modern slavery, and human trafficking. The company does not permit or tolerate practices such as restrictions on freedom of movement, recruitment fees, confiscation of identity documents or passports, debt bondage, or withholding of wages. These commitments apply globally and are monitored through Outokumpu's human rights due diligence process. (S1-1-22)

Workplace accident prevention policy

The Health and Safety Policy describes the main principles and rules followed by Outokumpu Group in relation to occupational health and safety management. Outokumpu is aiming for health and safety excellence with implemented, standardized and disciplined health and safety management practices and ambitious objectives. Outokumpu's goal is to prevent all workplace injuries and occupational ill health by eliminating and minimizing health and safety risks, raising awareness and developing a positive culture. (S1-1-23)

Policies eliminating discrimination

Outokumpu's Code of Conduct, Human Rights Policy and Recruitment Policy all play a part in eliminating discrimination and advancing fairness and belonging. (S1-1-24-(a)) Outokumpu's Code of Conduct specifically mentions various grounds for discrimination, including racial and ethnic origin, color, sex, sexual orientation, gender identity, disability, age, religion, political opinion, and more, adhering to both European Union regulations and national laws. (S1-1-24-(b)) Outokumpu does not tolerate discrimination or intimidation; nor verbal, psychological, physical, or sexual harassment; nor abuse at work, such as humiliating or physical punishment. (S1-1-24-(c))

Outokumpu's policies against discrimination and for fairness and belonging are implemented via a combination of well-functioning ways to gain insights into the perspectives of its people, such as formal and informal engagement practices, people pulse surveys and a SpeakUp channel, for which more information is available in the Processes section below in this chapter (S1-2), as well as targeted fairness and belonging related actions, including regular pay equity monitoring and team dialogue trainings in its operations. More information is available in the Actions and resources section below in this chapter (S1-4). (S1-1-24-(d))

Engagement

Outokumpu engages with its workforce both directly and through workers' representatives, to gain perspectives and inform its decisions and activities aimed at managing actual and potential impacts. Outokumpu's own workforce is involved in determining which targets to sets and which actions to drive, as well as in evaluating progress against the targets and the outcomes of actions. (S1-2-27)

As workers' representation largely depends on the location, the table provides an overview of the type of representation in place in Outokumpu's main countries of operation.

Besides local representation, Outokumpu also operates a European Works Council which is kept informed and consulted on group-wide and cross-border topics. (S1-2-27-(a))

Direct engagement includes regular, structured communication with employees at all levels. For example, employees are encouraged to give their views in direct discussions with their manager, but also by contacting HR or management when needed. Regular people pulse surveys provide another opportunity for feedback as do townhall meetings at many levels of the organization, from the quarterly result reviews with the CEO to all-hands meetings in different sites.

More formal engagement with workers' representatives takes place locally from every week to every quarter, depending on the site and the employee group concerned, but also whenever there is a need to inform, consult or co-determine on specific topics. The topics that call for some type of engagement depend on local agreements and regulations, but typical subjects relate to workplace organization, safety and working conditions, remuneration, employment protection and social plans. In some countries, there are separate representatives for health and safety matters.

Type of representation in main countries of operation

Country	Coverage	Workers' representation and collective bargaining
Finland	U	All employees are covered by employee representatives and collective agreements: Teollisuusliitto (blue-collar employees), Pro (salaried employees), YTN (senior salaried employees).
Sweden	U	All employees are covered by employee representatives and collective agreements: "Tjänstemannaavtalet" (white-collar employees) and "Röda Avtalet" (blue-collars)
Germany	U	Tariff and non-tariff employees are represented by a works council and covered by collective agreements. Executives are represented by a speakers' committee and covered by company specific agreements.
UK	R	Employees are represented by the Employee Forum.
Netherlands	U	All employees are represented by a works council and included in collective agreements: CAO Metalelektro and CAO Metalelektro hoger personeel.
Lithuania	R	Employees are represented by a works council with an advisory function.
Italy	U	All employees are covered by employee representatives and collective agreements: "Metal Industry" (CCNL Aziende Industria metalmeccanica e della installazione di impianti) and "Dirigenti Industry".
Poland	R	Employees are represented by a works council, which must be consulted about certain topics and informed about the economic situation of the employer.
USA	N	No unions nor formal employee representation are in place but employees can join regional Team Member Networking Groups (TNG) and reach out directly to any of the executive management via a link on the intranet, to ask a question or make a suggestion. All employee relations matters are handled through direct communication and collaboration between management and employees.
Mexico	U / N	All blue-collar workers are unionized. Every department in the plant has a union representative to support employees' needs. White collar employees are not part of a union or subject to a collective bargaining agreement. Employees can reach out to any of the executive management directly, as in the US. Women may also join the Female TNG group. All employee relations matters for white-collar employees are handled through direct communication and collaboration between management and employees.

U = Collective agreement(s) and union(s) in place.
R = Organized employee representation in place.
N = No union nor organized employee representation in place.

On the European level, the Group Working Committee (GWC) meets on a quarterly basis and the Outokumpu Personnel Forum (OPF) once a year. (S1-2-27-(b))

The person responsible for human resources (HR) in the context where the engagement takes place normally bears the operational responsibility for facilitating that engagement.

For example, in Germany, the labor director accounts for the engagement, and in Sweden, it is the Head of HR who has this responsibility. The Executive Vice President – Sustainability, Strategy and People heads the European Works Council. On some sites, the managing director takes the lead in ensuring that the engagement happens, usually together with the HR Business Partner. (S1-2-27-(c))

Although labor rights are considered in the different collective bargaining agreements and emphasized in Outokumpu's Code of Conduct and policies, there is no global agreement with workers' representatives specifically related to the respect for human rights in the workforce. (S1-2-27-(d))

The effectiveness of the engagement is regularly assessed as part of the discussions between the company and employee representatives, according to procedures described in the different local agreements in place. (S1-2-27-(e))

To gain insights into the perspectives of employees who may be particularly vulnerable or marginalized, Outokumpu combines multiple mechanisms, including both qualitative and quantitative tools. Group-wide pulse surveys are conducted regularly, and the results are analyzed and discussed at multiple levels, from the group and department to team levels, whenever confidentiality allows, with actions taken to address identified issues.

Dashboards on fairness, pay transparency, and job framework, along with manager-level dashboards, enable leaders to identify potential risks or inequities and take timely, data-driven actions.

Employees are encouraged to raise concerns through their manager, manager's manager, company management, HR, compliance, internal audit, physical mailboxes, or the SpeakUp channel. HR also monitors absences and other indicators of potential well-being issues to provide prompt support. In the Business Area Americas, Team Member Networking groups provide a safe space and representation opportunities for certain minority groups. Together, these mechanisms ensure that the perspectives of all employees, particularly those who are vulnerable or marginalized, are systematically captured and addressed. (S1-2-28)

Remediation

In 2025, Outokumpu continued to develop a group-wide sustainability due diligence process based on the gap-analysis and action plan defined in 2024. The scope covers both Outokumpu's own operations and value chain; company's own workforce, value chain workers and affected communities being the main affected stakeholders.

Developing a group-level approach to providing and enabling remedy was one of the focus areas for 2025. Outokumpu established an internal guideline in December 2025 on remedial actions to identify and evaluate the current status of existing remedial practices. The guideline will serve as the basis for further process development for remedy in 2026, coordinated by Outokumpu's Sustainability Due Diligence Working Group. Besides mapping the current remedial actions and identifying completing forms of remedy, a procedure to assess their effectiveness will be developed in 2026. Currently, these situations are managed on case-by-case based on the UN Guiding Principles and OECD Guidelines and consulting external experts, when needed. (S1-3-32-(a))

Grievance mechanisms

In addition to remedial actions, elaborating Outokumpu's approach on grievance mechanisms was a focus area for sustainability due diligence development in 2025. The main grievance mechanism provided by Outokumpu is the SpeakUp channel through which concerns can be raised in a confidential manner. It is hosted by a third party and allows the company's own workforce, workers in the value chain, affected communities, and other external stakeholders to report their concerns confidentially and also anonymously, if allowed by the local laws and regulations. (S1-3-32-(b))

Besides SpeakUp, Outokumpu has recognized the need to provide additional grievance mechanisms to its own workforce, value chain workers and affected communities. Also the ResponsibleSteel surveillance audit findings in 2025 concerning Outokumpu's European operations provided guidance on this topic. Consequently, this approach was elaborated as part of company's sustainability due diligence process development during 2025. Outokumpu published an internal guideline in December 2025 on grievance mechanisms to identify and evaluate the current status of existing channels to raise concerns. The guideline will serve as the basis for further process development on grievance mechanisms in 2026, coordinated by Outokumpu's Sustainability Due Diligence Working Group. (S1-3-32-(c))

Outokumpu actively promotes awareness of the SpeakUp channel among its own workforce through regular internal communications, training sessions, and introduction programs for new employees. The SpeakUp channel is available in several languages. Link to the channel can be found on the company intranet and on Outokumpu's external website. More information about reporting misconduct can be found in the Governance section. (S1-3-32-(d))

The issues that are raised via the SpeakUp channel are handled according to Outokumpu's internal procedure to ensure proper and independent investigation. Monitoring possible remedial actions is included in this procedure. The effectiveness of the SpeakUp channel based on the criteria set for grievance mechanisms by UNGPs or OECD guidelines will be evaluated in 2026 as part of the further development of grievance mechanisms at Outokumpu to ensure that they are aligned with internationally recognized sustainability due diligence frameworks. (S1-3-32-(e))

Outokumpu has a strict non-retaliation policy for reports made in good faith. This means that the person who reports an issue shall not face negative consequences if they have reported their concerns in good faith. Furthermore, if the misconduct report is within the scope of the EU Whistleblower Protection Directive (EU) 2019/1937 and the consequent

local laws and regulations, they also receive protection based on these laws and regulations. Outokumpu's policies and practices are regularly reviewed and updated to ensure that they also account for more recent developments. Business conduct topics and how employees perceive the various elements of the company's actions, operations and corporate culture are also regularly evaluated and measured through various means, such as employee engagement surveys targeted at all employees.

There were two employee engagement surveys conducted in 2025. These surveys included questions around the key themes of corporate culture – ethical behavior, well-being, health and safety, fairness and belonging, and raising concerns. In addition, the ResponsibleSteel surveillance audits for Outokumpu's European operations in 2025 focused on the availability and awareness of grievance mechanisms. The findings emphasized the importance of continued awareness-raising on the existing channels to raise concerns. No indication of concerns about possible negative consequences for using these channels were reported based on the audits. (S1-3-33)

The need to have additional procedures to assess Outokumpu's own workforce's awareness of and trust in structures and processes for raising their concerns or needs and having them addressed, will be evaluated in 2026 when further developing Outokumpu's approach to grievance mechanisms and remedy. (S1-3-34)

Actions

The work with Outokumpu's own workforce focuses on the following topics: safety, health and well-being, learning and development, fairness and belonging. Key actions include the actions taken in 2025, as well as other ongoing and future actions.

Outokumpu takes proactive actions regarding its safety management system, including hazard recognition, safety behavior observations and preventive safety actions, to flag potential risks and unsafe acts and behaviors before they lead to an accident. Outokumpu also continuously trains its employees to behave safely, for example through customized trainings.

In 2025, Outokumpu continued to test state-of-the-art technology for safety and utilized AI-driven robots in Finland, Germany, and Sweden to automate some parts of the safety inspection work and reduce the exposure of employees to hazardous areas. The work on utilizing AI will continue in 2026 in Finland and Germany.

During 2025, Outokumpu worked on enhancing its strategy regarding mental health. An expected outcome of prioritizing the well-being of its employees, is that Outokumpu should gain a competitive advantage by creating a more resilient, healthier, and more productive workforce. The work will continue in 2026. Outokumpu encourages its employees to take care of their physical health by offering various exercise benefits and discounts to sports and well-being services, and health support programs on-site.

During the reporting year, the focus was on leaders as leadership forms the firm foundation for a high-performing organization. Firstly, 360° assessments for Outokumpu leaders continued during 2025, to support their self-awareness and development. Secondly, emphasis was also put on leadership pipeline training for all leaders to develop their leadership skills. During 2025, 4,069 hours of leadership training was delivered across the company (2024: 3,400 hours). In addition, HR-facilitated "Team Excellence" training was offered for leaders and their teams who want to understand and apply the foundations of a high performing team. During 2025, 27 Team Excellence sessions were delivered (2024: 52). The work on leader training and capacity building continues in 2026.

Outokumpu supports professional development and growth by building capabilities across the company, which is expected to meet the business needs and requirements for the future. A total of 68,043 training hours were delivered during 2025 (2024: 70,913), across all of Outokumpu's locations. The average employee spent 7.9 hours in training during the year (2024: 8.1 hours). The top learning categories involving the majority of Outokumpu's employees included safety, compliance, leadership, and belonging. The work is ongoing.

Outokumpu continuously promotes fairness and belonging by standardized recruitment and promotion practices to mitigate potential biases.

In 2025, Outokumpu further advanced pay transparency and pay equity practices as part of its Total Rewards strategy. Employees now have clear visibility to their job grade and comparative ratio, enabling a better understanding of how individual pay aligns with the applicable pay scale for their position and location. These tools empower employees to discuss compensation transparently with their leaders and support trust in the fairness of pay governance. Pay transparency was also embedded into updated Talent Acquisition Ways of Working. Outokumpu implemented equity-first hiring practices by no longer requesting prior salary history from candidates, including salary ranges in job postings, and using transparent offer frameworks instead of salary expectation questions. These updates reduce the risk of perpetuating historical pay inequities and ensure decisions from the start of the employee lifecycle reflect internal fairness and external competitiveness.

Accountability in compensation governance was further reinforced in 2025. Hiring managers and HR professionals now have structured access to digital compensation tools and standardized benchmarking that includes both market-aligned pay scales and statistical insights on internal salary consistency. This combination provides enhanced visibility to external competitiveness and internal pay equity, helping leaders identify and address gaps proactively. These improvements strengthen data-driven decision making and support timely corrective actions where needed. Outokumpu renewed its Fair Pay Workplace certification in 2025, confirming ongoing commitment to rigorous pay equity standards and continuous improvement through regular monitoring and action plan follow up with an external partner. Collectively, these actions help Outokumpu mitigate potential negative impacts associated with operating in a traditionally male-dominated industry, reduce the

risk of unjustified pay variations, and foster the positive outcomes linked to a diverse, fair, and inclusive work environment where all employees can thrive. S1-MDR-A-68-(a))

Scope and time horizon

Safety actions take place globally throughout Outokumpu, with extra emphasize in production sites and service centers. They include both employees and non-employees in the workforce. The actions are part of a comprehensive safety management system which is not limited in time but is operated on a continuous basis and enhanced year after year. While the actions described above take place throughout Outokumpu, some of them are targeted at a specific part of the workforce, such as leaders when it comes to leadership training or operators and technicians when it comes to team dialogue training. They normally do not include non-employees in the workforce.

The actions are part of a comprehensive human resources management framework which is not limited in time but is operated on a continuous basis and enhanced year after year. (S1-MDR-A-68-(b-c))

Actions related to impacts, risks and opportunities

Outokumpu is taking action to prevent negative outcomes related to the safety hazards to which its workforce is exposed. During 2025, the company for example analyzed every incident's root cause and when relevant, shared the results group-wide to ensure that preventive actions across the company were taken. Analysis was also done at group level and embedded in the company's annual planning, for example, regarding hand safety. Already before 2024, it was ensured that all sites have first aiders in place and the company has escalated routines to ensure that employees and contractors have the chance to get to hospital by ambulance as quickly as possible in the case of a safety hazard. These preventative actions will continue to be taken in 2026 and onward. In 2025, the company focused more on learning from near-misses and will continue with the established processes. (S1-4-38-(a))

In 2025, there were 190 (2024: 181) work related incidents reported that led to injuries. Out of the 190 incidents, there were 35 (2024: 31) recordables reported, including the classifications fatality, lost-time injury, restricted work injury or medical treated injury. In each case, Outokumpu has given support with the provision of a remedy in the form of first aid, medical treatment, rehabilitation and time off work. (S1-4-38-(b)), (S1-MDR-A-68-(d))

Outokumpu makes thousands of safety behavior observations (SBOs) each year, carefully reports all hazards, and thoroughly investigates every safety incident. These observations, reports and investigations inform action-taking, from very local and specific levels (for example, changing one specific procedure on one production line) to group level (for example, theme discussions and communication campaigns on a specific type of hazard). (S1-4-39)

In 2025, Outokumpu has not taken any measures to mitigate impacts on workers that arise from the transition to a greener economy, since the impact from this transition is positive for Outokumpu's workforce. The company continuously trains and develops its workforce on green technologies when moving forward in its climate strategy. (S1-4-AR-43)

Outokumpu is taking action to deliver positive impacts to its workforce in terms of health and well-being, learning and development, and fairness and belonging, as described above in the paragraph on key actions. (S1-4-38-(c))

The effectiveness of actions and initiatives is continuously tracked and assessed through a variety of metrics, such as people pulse surveys and health and safety records. Outokumpu also holds regular review meetings and solicits feedback from its workforce, including discussions with workers' representatives, to ensure that its actions are yielding the desired outcomes.

A good example of this tracking is the feedback Outokumpu receives from its employees through regular people pulse surveys. The surveys are conducted with an external partner, Viva Glint, to ensure confidentiality. In 2025, the Outokumpu engagement index remained at a solid level compared to the external benchmarks being at 74 on a scale of 1–100. The response rates are at a good level and provide us with representative and reliable results. The engagement index consists of two questions that are the main drivers for engagement: "How happy are you at Outokumpu?" and "Would you recommend Outokumpu as a great place to work?".

In 2025, people pulse surveys have included topics such as safety behavior, mental health, fair and respectful treatment, strategy awareness, empowerment, and manager satisfaction. After each pulse survey is completed all managers are responsible for making the results transparent to their employees and implementing appropriate improvement initiatives. More information is available in the Targets section below in this chapter. (S1-4-38-(d))

Outokumpu continued to take action to prevent negative outcomes related to unequal or non transparent compensation practices. After obtaining Fair Pay recertification in 2025, the company strengthened its efforts to maintain the required standards and to further reduce the risk of unexplained pay gaps across its workforce. The recertification process reaffirmed the effectiveness of Outokumpu's governance procedures on compensation fairness and highlighted areas where continued monitoring and improvement are essential. During 2025, the company reviewed gender pay outcomes across all countries, analyzed the factors that contributed to any identified differences, and incorporated corrective measures into its annual salary review and decision making processes. These insights supported fair, consistent, and well documented compensation decisions and ensured that local HR teams and leaders were equipped to act on potential risks.

Outokumpu also continued applying and refining the procedures required by the recertification framework, which include structured analytical reviews, process

documentation, and transparent communication on compensation principles. These activities help minimize the risk of unintentional pay disparities and strengthen the company-wide culture of fairness and accountability. Outokumpu also maintained systematic monitoring of the explained salary gap between men and women, taking follow up actions when required. These efforts will remain ongoing as part of Outokumpu's long term commitment to fair and equitable compensation practices. (S1-4-39)

Actions to mitigate material risks related to Outokumpu's own workforce are the same as the actions aiming to prevent, mitigate or remediate material negative impacts, as described above in this section. (S1-4-40-(a))

As to the actions to pursue material opportunities related to the company's own workforce are the same as the actions aiming to deliver positive impacts, as described above in this section. (S1-4-40-(b))

Outokumpu ensures through its policies and targets that the company's own practices do not cause or contribute to material negative impacts on its own workforce. To begin with, Outokumpu has a safety-first approach to all its activities. The company believes that strong safety performance correlates with improved quality and operational efficiency. Good health and well-being of the personnel are essential values on their own. In addition, a healthy and thriving team of professionals is an asset to the company's success, and all employees should return home healthy, safe and sound every day. Outokumpu strives consciously toward a company culture in which all decisions and activities result from the following safety principles:

- Safety before volume: safety takes priority over all other activities, including production.
- Safety starts with me: everyone is responsible for their own safety and for caring for the safety of their colleagues.
- No shortcuts: procedures are followed and risks evaluated before acting.
- No repeats: all incidents are investigated and actions taken to prevent re-occurrence, anywhere.

(S1-4-41)

Resource allocation to manage material impacts

Outokumpu allocates significant resources, both financial and non-financial, to managing material impacts on its workforce. Financial resources include investments in safety equipment, health and safety initiatives, and training programs, as well as the technology and people to manage these. Non-financial resources include for example allocating time and expertise for developing policies and processes, employee engagement and leadership development. (S1-4-43), (S1-MDR-A-69-(a))

In 2025, approximately 80 experts worked in Health and Safety teams, and 124 in Human Resources (in 2024: 100 in Health and Safety and 130 in Human Resources). There were also more than 20 people working on compliance, internal audit, and employee representation activities. Additionally, Outokumpu invested EUR 14.6 million related to health and safety operational and capital expenditure projects (2024: EUR 14 million). Besides project-related investments, Outokumpu also spent EUR 0.5 million in licenses for learning and development tools supporting both health and safety as well as fairness and belonging (2024: EUR 0.5 million). (S1-MDR-A-69-(b))

Outokumpu regularly reviews its resource allocation and adjusts it when needed to meet business needs and the expectations of its own workforce, so that the company is effectively managing its material impacts at all times. In 2025, the financial resources allocated to managing material impacts related to the company's own workforce remained at a similar level as in 2024. (S1-MDR-A-69-(c))

Prior progress

2025, the total recordable incident frequency rate (TRIFR) was 1.8 and declined slightly compared to 2024 with a TRIFR of 1.5. In 2025, Outokumpu's engagement index was 74, being -1 points against the external benchmark provided by the survey provider (in 2024: 76). Over 300 leaders participated in Outokumpu's leadership programs. The number of diverse leaders increased to 64 (in 2024: 57), against a target of +100. A 60% agreement score was reached in all areas of belonging (in 2024: 60 %). In adjusted terms, women earned EUR 0.994 for every EUR 1 earned by men (in 2024: 0.986). (S1-MDR-A-68-(e))

Targets

Outokumpu uses outcome-oriented targets in two focus areas to drive and measure progress in addressing material impacts, risks and opportunities related to its own workforce: safety as well as fair and inclusive workplace. Each individual target described below serves multiple purposes related to the workforce: reducing negative impacts, advancing positive impacts and managing material risks and opportunities. (S1-5-44-(a-c))

The ultimate goal for Outokumpu is to have zero accidents, with an underlying management philosophy to continuously improve our safety practices. To strive towards that, Outokumpu sets total recordable incident frequency rate (TRIFR) targets yearly.

In 2022, Outokumpu's Board of Directors defined a set of fairness and belonging, targets for 2025. These targets support the implementation of the company's Sustainability Policy, Code of Conduct, Human Rights Policy, and Recruitment Policy when it comes to building a work environment where everyone, regardless of their particularities and differences, is treated fairly and has the opportunity to contribute and to develop. (S1-MDR-T-80-(a))

In 2025, the target was to keep a world-class TRIFR level of 1.5, while evening out the solid performance throughout its operations. This target is included for 10% weight in the short-term incentive plan applicable to management, including the CEO.

Fairness and belonging targets are to increase diversity in leadership by adding 100 diverse leaders compared to the baseline of July 2022 and to ensure that all international management teams include a minimum of 30% of diverse leaders, by the end of 2025.

In addition we aim to reach a 60% agreement score in the people pulse survey, on all questions related to belonging and across all diverse employee groups.

The target to reach equal pay was also set in 2022. The pay equity ratio reached in 2025 was women's euro of 0.994 (2024: 0.996). Even if there was no target set for the Fair Pay Workplace Certificate, Outokumpu maintains it to externally verify progress against the equal pay target. (S1-MDR-T-80-(b))

Scope, baseline year and milestones

While these targets are set at a group level, they are turned into to site level targets, which are included in local incentive plans. (S1-MDR-T-80-(c))

Since 2016, Outokumpu has reduced the total recordable incident frequency rates (TRIFR) in relation to one million working hours, meaning work-related incidents, by 79%, from 8.7 to 1.8 in 2025. In targets related to workforce belonging, the baseline for adding 100 diverse leaders is July 2022. In the target of a minimum of 30% diverse leaders in the international management teams, there is no baseline set. The target to reach equal pay was set in 2022, and in belonging, the target is to maintain the baseline set by the fairness and belonging survey conducted in 2022. (S1-MDR-T-80-(d))

Safety targets are set yearly, but closely followed on a monthly basis. For the target of adding 100 diverse leaders by 2025, interim targets are defined for the end of each calendar year and included in the short-term incentive plan applicable to the management for 10% weight. Other target levels are intended to be maintained each year. (S1-MDR-T-80-(e))

Methodologies and assumptions

To define appropriate target levels, the health and safety department analyzes the trends in safety data across sites in the light of industry benchmarks, and it makes a proposal to the management. At group and business area levels, the targets are approved by the Board of Directors.

At Outokumpu, a diverse leader is defined as a manager, meaning an employee with a minimum of one direct report, who is female and/or belongs to an ethnic minority and/or whose nationality differs from their working country. (S1-MDR-T-80-(f))

Process and changes in targets

Outokumpu’s employees are involved in this target setting process via their health and safety representatives as well as via their workers’ representatives. While employee representatives were not directly involved in setting employee related targets, the perspectives of employees obtained in surveys was a key input. (S1-MDR-T-80-(h)), (S1-5-47-(a))

In 2025, there was no change in the target principle, metrics and underlying methodology that would impact comparability. (S1-MDR-T-80-(i))

Performance against disclosed target

In 2025, Outokumpu achieved a TRIFR of 1.8 (2024: 1.5). Performance declined slightly compared to 2024.

By the end of 2025, altogether 64 diverse leaders had been added to the group and all 12 management teams included 30% or more diverse leaders. The Fair Pay workplace certification was achieved in March 2024, and Outokumpu started to publicly disclose both its unadjusted pay gap and adjusted pay gap. At the end of 2025, women in Outokumpu earned EUR 0.994 for every EUR 1 earned by men (a gap of 0.06%), up from EUR 0.996 in 2024. These numbers consider the compensation from similar job positions, qualifications, and experience. Without taking these explanatory factors into account, women earned EUR 1.09 for EUR 1 earned by men on average. This reflects the structural differences in gender by type of job: men dominate the workforce at the mills while the proportion of women is higher in office jobs.

In the company-wide People Pulse 2025 survey, the overall belonging score, calculated as the average of eight related questions, was 79 (2024: 78), with individual question results varying around this average. The agreement score increased +1 since the previous year. The most significant increases were experiences in manager-related questions, such as how the manager cares about the team members as people and values their perspectives. This is reflected in the question “I feel like I belong in our team”, where the agreement score increased +1 since the previous pulse, reaching a result of 83 which is 3 points higher than the average of all companies surveyed using the tool Viva Glint. (S1-MDR-T-80-(j))

Process for tracking performance and identifying improvements

For safety performance, a dashboard and a presentation with more underlying data are made available to all employees on the intranet, and the CEO hosts a monthly call to review the situation and learn from incidents that may have happened. The progress is also closely followed and discussed with all employees at site level.

To track performance against the fair and inclusive workplace targets and to identify improvement opportunities, Outokumpu has several tools and practices. Diverse leaders in leadership is monitored via a dashboard in PowerBI, which is updated quarterly and discussed in management team meetings. Pay equity is regularly checked by HR thanks to Syndio, a specialized pay equity platform, and remediation is proposed when necessary as part of the annual salary review process. Belonging is followed up through regular pulse surveys in Viva Glint, and discussed along with possible actions to take at team,

department and company levels. All these systems operate under strict permission authorization and governance, to ensure data reliability and protection. (S1-5-47-(b))

Every incident or near-miss is analyzed and every hazard is reported. Outokumpu has two safety reporting systems in place: MIA in Europe and Intellex in the US. These systems use workflows to generate actions to mitigate the reported items. More complex cases are analyzed using root cause analysis methods and mitigation actions are also tracked in the reporting system. Learning points and further actions are regularly discussed with employee representatives, for example in the Group Working Committee.

Overall progress against the targets, learning points and further action points are regularly discussed with employee representatives, for example in the Group Working Committee. (S1-5-47-(c))

Characteristics of employees

As of December 31, 2025, the company had 8,605 (2024: 8,736) employees. The four biggest countries represent 81% of the entire Outokumpu Group. At year-end 2025, those four countries with the most employees were, in descending order, Finland, Germany, Sweden and the US.

The tables below present the breakdown of all of Outokumpu's employees by gender, region and type of employment contract.

Employee headcount by gender

Gender	2025 Number of employees (headcount)	2024 Number of employees (headcount)
Female	1,638	1,648
Male	6,967	7,088
Other	0	0
Not reported	0	0
Total employees	8,605	8,736

Employee headcount in countries with at least 50 employees, representing more than 10% of the total headcount

Country	2025 Number of employees (headcount)	2024 Number of employees (headcount)
Finland	2,587	2,589
Sweden	1,549	1,566
Germany	1,824	1,926
USA	970	978

(S1-6-50-(a))

Employees by contract type, broken down by gender (headcount)

2025				
FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Number of employees (headcount)				
1,638	6,967			8,605
Number of permanent employees (headcount)				
1,539	6,733			8,272
Number of temporary employees (headcount)				
99	234			333
Number of non-guaranteed hours employees (headcount)				
Number of full-time employees (headcount)				
1,510	6,048			7,558
Number of part-time employees (headcount)				
128	919			1,047

*Gender as specified by the employees themselves. (S1-6-50-(b))

2024				
FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Number of employees (headcount)				
1,648	7,088			8,736
Number of permanent employees (headcount)				
1,526	6,801			8,327
Number of temporary employees (headcount)				
122	287			409
Number of non-guaranteed hours employees (headcount)				
Number of full-time employees (headcount)				
1,534	6,137			7,671
Number of part-time employees (headcount)				
114	951			1,065

Employees by contract type, broken down by region (headcount)

2025					
Europe	America	Asia	Australia	Africa	Total
Number of employees (headcount)					
6,796	1,758	45	3	3	8,605
Number of permanent employees (headcount)					
6,489	1,736	41	3	3	8,272
Number of temporary employees (headcount)					
307	22	4			333
Number of non-guaranteed hours employees (headcount)					
Number of full-time employees (headcount)					
5,749	1,758	45	3	3	7,558
Number of part-time employees (headcount)					
1,047					1,047

(S1-6-52)

2024					
Europe	America	Asia	Australia	Africa	Total
Number of employees (headcount)					
6,899	1,786	45	3	3	8,736
Number of permanent employees (headcount)					
6,509	1,769	43	3	3	8,327
Number of temporary employees (headcount)					
390	17	2			409
Number of non-guaranteed hours employees (headcount)					
Number of full-time employees (headcount)					
5,835	1,785	45	3	3	7,671
Number of part-time employees (headcount)					
1,064	1				1,065

The information on gender is based on self-reporting. The current split in gender is between male and female, where the female rate is 19% (2024: 19%). During the last three years, there has been a 2% increase in the female-to-male ratio.

Outokumpu has 1,047 part-time employees (2024: 1,065)and 7,558 full-time employees (2024: 7,671), bringing the share of part-time employees to 12.2% (2024: 12.2%). A key explanation is the collectively reduced working time in Germany from contractually 35 hours per week to 32 hours per week, due to difficult market conditions.

Outokumpu had 8,272 permanent employees (2024: 8,327) and 333 temporary employees (2024: 409), 96.1% (2024: 95.3%) and 3.9% (2024: 4.7%), respectively. Temporary workers enable the company to react to volatile market conditions. They are also a valuable talent pool from which to hire permanent employees when needed. (S1-6-50-(e))

In 2025, a total of 588 employees left Outokumpu (2024: 537), which is a turnover rate of 7.1% (2024: 6.4%) based on 8,272 permanent employees (2024: 8,327). (S1-6-50-(c))

Outokumpu's total headcount can be found in the Group key figures in the Financial Statements. (S1-6-50-(f)) In this report, Outokumpu reports its employees by headcount and as of December 31, 2025. (S1-6-50-(d)-(i-ii))

Outokumpu also follows upon its workforce via other metrics, such as absences and sickness rates. (S1-6-MDR-M-75)

Headcount methodologies, assumptions and validation

The headcount figures are taken from Outokumpu's global personnel information system. All relevant information is stored for each person, and this can be reported in different ways, for

instance by full-time equivalent, employee group, employment status, absence status, all organizational department levels, legal entity, location, and cost center, to name just a few.

Outokumpu distinguishes between headcount and full-time equivalent with the following definitions:

- Headcount is the number of individuals employed by the company. Every such individual, even working part-time, counts as 1.
- A full-time equivalent (FTE) is a unit of measurement used to calculate the number of full-time hours worked by all employees in a business. If your business considers 40 hours to be a full-time work week, then an employee working 40 hours per week would have an FTE of 1.0. In contrast, a part-time employee working only 20 hours per week would have an FTE of 0.5, which shows that their hours worked are equivalent to half of a full-time employee. Additionally, FTE will be 0 for employees who are on sick leave or parental leave for more than six months or who are on a notice period without a requirement to work. (S1-6-MDR-M-77-(a))

The key figures related to Outokumpu's own workforce are not validated by any external body other than the assurance provider. (S1-6-MDR-M-77-(b))

Collective bargaining and social dialogue

Outokumpu maintains a consistent policy of freedom of association. All Outokumpu's employees are free to join trade unions according to the local rules and regulations. In 2025, 78.5% of the Group's employees were covered by collective agreements (2024: 78.8%). (S1-8-60-(a))

Collective bargaining and social dialogue coverage

	Collective bargaining coverage		Social dialogue
Coverage rate	Employees – EEA (for countries with >50 empl. representing >10% total employees)	Employees – non-EEA (estimate for regions with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)
0–19%		USA	
20–39%			
40–59%			
60–79%			
80–100%	Finland, Sweden, Germany		Finland, Sweden, Germany

(S1-8-60-(b-c)), (S1-8-63-(a)), (S1-8-AR-70)

Employee representation in Outokumpu's non-EEA operations covers less than 10% of the workforce. Where unions are present, they provide formal representation; in locations without unions, Outokumpu respects employees' freedom of association. Across all locations, management maintains regular communication channels to share information, gather feedback, and promote dialogue on working conditions, ensuring transparency, cooperation, and alignment with Outokumpu's global commitments.

The Outokumpu Personnel Forum is an important information channel between its personnel and management in the company's European operations. The forum is based on the European Works Council Directive. The Personnel Forum appoints the Group Working Committee, which is responsible for the operative cooperation between the management and employees. During the year, the committee convened five times. (S1-8-63-(b))

Outokumpu does not use metrics other than those stated above, to evaluate performance and effectiveness in relation to collective bargaining coverage. (S1-8-MDR-M-75)

Collective bargaining methodologies, assumptions and validation

Similar to all headcount figures, data from employees who are covered by collective agreement or individual contract are taken from Outokumpu's global personnel information system. The numbers concerning social dialogue are nearly the same. When there are differences, data is collected individually from the countries concerned. (S1-8-MDR-M-77-(a))

The key figures related to Outokumpu's own workforce are mainly validated by the assurance provider. In addition, some of the metrics concerning the company's own workforce were covered during the ResponsibleSteel surveillance audits that were conducted by an external party in 2025. (S1-8-MDR-M-77-(b))

Fair and inclusive workplace

Outokumpu has established targets and a comprehensive roadmap to strengthen a fair and inclusive workplace.

Gender diversity at top management level

2025

Gender	Male	Female	Other	Not disclosed	Total
Number of top management employees	53	29	0	0	82
Percentage of top management employees	64.6%	35.4%	—%	—%	100.0%

2024

Gender	Male	Female	Other	Not disclosed	Total
Number of top management employees	54	33	0	0	87
Percentage of top management employees	62.1%	37.9%	—%	—%	100.0%

(S1-9-66-(a))

Outokumpu defines top management in its diverse leadership target as all leaders belonging to a key management team, at business area, business line or group function level. Besides the Outokumpu Leadership Team including the CEO, the leadership teams from the Americas and Ferrochrome business areas, and the Stainless Europe and

Advanced Materials business lines, as well as from the Group functions Finance, HR, Procurement, Legal, Technology and IT, are part of Outokumpu's top management. The majority of the leaders of these leadership teams report to the CEO. (S1-9-MDR-M-77-(a)), (S1-9-AR-71)

Outokumpu also follows the development of diversity in leadership on a quarterly basis through two other metrics: the share of diverse leaders in each key management team (related to its 30% target) and the number of diverse leaders added to the organization overall (related to its +100 target). More information is available in the Targets related to own workforce section (S1-5) in this chapter. (S1-9-MDR-M-75)

Age distribution across Outokumpu's own workforce

2025

Age groups	Under 30 years	30-50 years	Over 50 years	Total
Number of employees	1,258	4,319	3,028	8,605
Percentage of employees	14.6%	50.2%	35.2%	100.0%

2024

Age groups	Under 30 years	30-50 years	Over 50 years	Total
Number of employees	1,310	4,400	3,026	8,736
Percentage of employees	15.0%	50.4%	34.6%	100.0%

(S1-9-66-(b))

The key figures related to own workforce are not validated by any other external body than the assurance provider. (S1-9-MDR-M-77-(b))

Adequate wages

Outokumpu is committed to providing its team members with a comprehensive total rewards package, encompassing base salary, short-term incentives and benefits aligned with market practices and local pay structures, and equity-based long-term incentives for eligible individuals.

According to its thorough analysis, all employees at Outokumpu are paid wages that meet or exceed the established adequacy benchmarks within their respective countries. (S1-10-69), (S1-10-70)

Outokumpu does not use metrics other than those stated above to evaluate performance and effectiveness in relation to adequate wages. (S1-10-MDR-M-75)

Wage methodologies, assumptions and validation

To check whether all its employees are paid adequate wages, Outokumpu compared the lowest salary paid in 2025 in each country with the minimum wage standards in the respective country. For countries where minimum wage information is not available, data on adequate wages is obtained by researching sector-specific wage agreements and/or collective agreements. (S1-10-MDR-M-77-(a))

The key figures related to adequate wages are not validated by any external body other than the assurance provider. (S1-10-MDR-M-77-(b))

Social protection

All Outokumpu employees are covered by social protection against loss of income due to major life events. In many of Outokumpu's operating countries, this coverage is mandated by law or collective agreements. In some cases, Outokumpu provides benefits beyond what public and collective programs mandate. These additional benefits are highlighted in the table.

Social protection by country

Country	Sickness	Unemployment	Injury & disability	Parental leave	Retirement
Finland	X	X	X	X	X
Sweden	X Outokumpu	X Outokumpu	X	X Outokumpu	X
Germany	X	X	X Outokumpu	X	X
UK	X Outokumpu	X	X	X Outokumpu	X Outokumpu
Netherlands	X Outokumpu	X	X Outokumpu	X	X Outokumpu
Lithuania	X	X	X	X	X
Italy	X	X	X	X	X
Poland	X	X	X	X	X
USA	X Outokumpu	X	X Outokumpu	X Outokumpu	X Outokumpu
Mexico	X	X	X	X	X Outokumpu

X = covered by public program or collective agreement.

X Outokumpu = Outokumpu-specific coverage instead or on top of public program.

Only countries where Outokumpu has at least 50 employees are listed in the table. In countries where Outokumpu has fewer than 50 employees, all employees are also covered by social protection against loss of income due to sickness, unemployment, occupational injury or disability, parental leave and retirement. (S1-11-74-(a-e)), (S1-11-75)

Skills development

Outokumpu invests in the growth and advancement of its workforce. To support its employees' professional development, leadership skills, and succession planning, Outokumpu implements various employee programs.

Overall, the number of training courses increased again in 2025. The focus remained on management development, with its Leadership Pipeline training program, and its License to Lead training especially designed for shift supervisors. In operations, safety was, as usual, a key training topic. Function-specific qualifications were also in focus, with programs such as Sales Academy and Finance Academy.

The majority of the training is organized in e-learning courses, although the number of face-to-face events has increased significantly since the Covid years. The e-learning courses focused on training in the areas of security, ethics and compliance and cyber and data security, while leadership topics were mainly covered in face-to-face events.

Employees are encouraged and supported to set and achieve goals, ensuring they get personal and professional benefits from the company's development opportunities.

Training hours by gender

2025

Gender	Male	Female	Other	Not Disclosed	Total
Training hours	52,773	15,270	0	0	68,043
Average training hours per employee	7.6	9.3	0	0	7.9

2024

Gender	Male	Female	Other	Not Disclosed	Total
Training hours	55,479	15,434	0	0	70,913
Average training hours per employee	7.8	9.4	0	0	8.1

(S1-13-83-(b))

Performance discussions by gender

2025

Gender	Male	Female	Other	Not Disclosed	Total
Percentage of agreed performance discussions	97.5%	95.2%	— %	—%	97.0%

2024

Gender	Male	Female	Other	Not Disclosed	Total
Percentage of agreed performance discussions	92.0%	88.8%	— %	—%	91.4%

(S1-13-83-(a))

Outokumpu's performance management happens in an annual and continuous process, which ensures that managers and employees understand their main tasks, as well as how they contribute to Outokumpu's strategy implementation and business targets. Managers need to follow up and support their direct reports in achieving their targets, which is seen as an excellent opportunity to give regular feedback and leverage high performance. All employees in Outokumpu are included in the performance management process.

Outokumpu also uses other metrics to evaluate performance and effectiveness in relation to learning and development, such as training feedback scores, or average performance rating in different areas. (S1-13-MDR-M-75)

Training methodologies, assumptions and validation

Learning information such as training hours as well as performance management-related data is available in Outokumpu's global personnel information system. Information from external trainings is also maintained in the system. (S1-13-MDR-M-77-(a))

The key figures related to Outokumpu's own workforce are not validated by any external body other than the assurance provider. (S1-13-MDR-M-77-(b))

Health and safety

Outokumpu monitors, measures, analyzes and evaluates health and safety performance regularly. The company uses both leading, or preventive, and lagging, or reactive, indicators for health and safety. The company has in place a yearly development plan for health and safety, and internal audits and regular reviews are made with the long-term objectives and vision in the background. (S1-14-MDR-M-75)

Work-related injuries

2025	Own workforce	Employees	Non-employees	Value chain workers on employer's sites
% of workforce covered under health & safety management system	100 %	100 %	100 %	N/A
Number of fatalities as a result of work-related injuries & ill health	1	1	0	—
Rate of recordable work-related accidents in own workforce (TRIFR), %	1.8	1.7	2.0	N/A
Number of recordable work-related accidents	35	25	10	N/A
Number of cases of recordable work related ill health	N/A	4	N/A	N/A
Number of days lost to work-related injuries, ill health and fatalities	683	597	86	N/A

Lost days associated with a fatality cover the entire interval between the incident and the date of death, in line with standard occupational health and safety reporting practices. (S1-14-88-(a-e))

2024	Own workforce	Employees	Non-employees	Value chain workers on employer's sites
% of workforce covered under health & safety management system	100 %	100 %	100 %	N/A
Number of fatalities as a result of work-related injuries & ill health	1	—	1	—
Rate of recordable work-related accidents in own workforce (TRIFR), %	1.5	1.4	2.0	N/A
Number of recordable work-related accidents	31	21	10	N/A
Number of cases of recordable work related ill health	N/A	3	N/A	N/A
Number of days lost to work-related injuries, ill health and fatalities	636	598	38	N/A

Health and safety methodologies, assumptions and validation

Outokumpu has implemented a corporate instruction that specifies each indicator and prescribes the methodology for calculating incident frequency. This calculation is performed by dividing the number of incidents per indicator by the total accumulated working hours, standardized to one million working hours. (S1-14-MDR-M-77-(a))

Outokumpu regularly audits the following sites for its stainless steel operations: sites in Tornio, Finland; Dillenburg and Krefeld, Germany; as well as Avesta, Degerfors and Nyby in Sweden, are certified according to the ResponsibleSteel certification. In addition, its operations in Avesta and Nyby in Sweden; Calvert in Alabama, the US; Castelleone in Italy; and Alfortville in France are certified according to ISO 45001. The desired certification and verifier depend on the country in which site is operating. (S1-14-MDR-M-77-(b))

Work-life balance

Outokumpu is committed to promoting the work–life balance of its team members. The company offers various benefits such as paid leaves, occupational health care and support programs, depending on the location. The company tries for and accommodates flexible arrangements wherever the nature of work allows. It also supports part-time work and encourages all of its employees to take the family-related leave to which they are entitled.

Outokumpu's hybrid work policy for office employees in Europe promotes flexibility, well-being, and compliance in modern working practices. While the company's offices remain the primary workplace, employees may work up to 50% of their working days remotely within their country. Remote work arrangements are to be agreed with the employee's direct manager, ensuring a balance between business needs and individual preferences. All remote work must comply with local legislation, collective agreements, and health and safety requirements, safeguarding a consistent and fair approach across locations. Performance expectations remain the same for office and remote work, and arrangements may be reviewed if work quality or results are affected.

100% of 8,605 employees are entitled to take family-related leave. (S1-15-93-(a)), (S1-15-94) 86 (5.3%) of 1,638 women and 87 (1.2%) of 6,967 men have taken family-related leave during the year.

Work–life balance – family-related leave by gender

2025	Male	Female	Other	Not disclosed	Total
Personnel utilized family-related leave by gender	1.2 %	5.3 %	— %	— %	2.0 %

2024	Male	Female	Other	Not disclosed	Total
Personnel utilized family-related leave by gender	1.3 %	2.3 %	— %	— %	1.5 %

(S1-15-93-(b))

Outokumpu does not use metrics other than those stated above to evaluate performance and effectiveness in relation to work–life balance, although employees' insights on that topic are regularly checked in people pulse surveys. (S1-15-MDR-M-75)

Work-life balance methodologies, assumptions and validation

Absence information from employees, such as maternity and paternity leave, are taken from the global personnel information system. Both short-term and long-term absences (6 months or more) are tracked in the system. (S1-15-MDR-M-77-(a))

The key figures related to Outokumpu's own workforce are mainly validated by the assurance provider. In addition, some of the metrics concerning the company's own

workforce were covered during the ResponsibleSteel surveillance audits that were conducted by an external party in 2025. (S1-15-MDR-M-77-(b))

Compensation

To ensure fairness and non-discrimination, Outokumpu runs regular statistical analyses of compensation, considering internal job factors, individual factors, and external market conditions. This enables the company to identify and address any pay discrepancies, which are systematically corrected as part of its annual salary review process. It also works closely with collective bargaining agents and employee representatives to ensure alignment with both ethical and legal standards.

The company's unadjusted gender pay gap is currently 9.45% (2024: 8.76%), meaning female employees earn EUR 5,252 (2024: 4,804) more annually on average than male employees. This unadjusted gap is largely due to the distribution of roles, with women more represented in senior administrative and executive positions, which offer higher pay, while men are more concentrated in operational roles, which tend to pay less. These structural differences significantly influence the overall pay gap. (S1-16-97-(a))

The remuneration ratio between the highest-paid individual and the median-paid employee is 27.69 to 1 (2024: 32.59 to 1), meaning that the highest pay is 27.69 times more than the median. This ratio is largely influenced by the number of operational roles, which typically offer lower pay. Additionally, the company's salaries align with local market practices, with many roles located in regions with high inflation, lower living costs, and fluctuating exchange rates. While these salaries are lower, they remain competitive within their local markets. (S1-16-97-(b))

To evaluate performance and effectiveness in relation to remuneration, Outokumpu also calculates its adjusted gender pay gap, and in the USA, pay gaps linked to ethnicity. (S1-16-MDR-M-75)

Compensation methodologies, assumptions and validation

To calculate the gender pay gap, Outokumpu compares the average actual pay of women with that of men, regardless of possible explanatory factors such as job level, qualifications, and experience. Currently only base pay and short-term incentives are included in the calculation, but the company intends to include other compensation elements in the calculation in the future.

To calculate the remuneration ratio, in 2025, Outokumpu considers base salaries and short-term incentives on a target level, and compares the remuneration of the highest-paid individual to the median remuneration of all other employees within the organization. As of 2025, the data set will be enhanced to include other compensation elements, such as benefits and long-term incentives. (S1-16-97-(c)), (S1-16-MDR-M-77-(a))

The remuneration ratio is not validated by any external body other than the assurance provider. The gender pay gap, however, is also validated by Fair Pay Workplace, the independent organization Outokumpu works with to ensure pay equity. (S1-16-MDR-M-77-(b))

Incidents

In 2025, Outokumpu continued developing a group-wide process to track and report data on the number of discrimination incidents, work-related complaints, and severe human rights incidents within its own workforce. The approach is being built gradually to ensure reliable and comparable data. In 2025, the focus was on the discrimination incidents and work-related complaints received through the group-wide SpeakUp channel (see table "Number of reported cases"). The reported numbers cover cases that were received through the group SpeakUp channel in 2025. Starting 2026, a structured data collection process is planned to be implemented across Outokumpu's operations by engaging local Human Resources and Health & Safety teams to ensure comprehensive and consistent reporting.

Regarding severe human rights incidents, Human Resources and Health & Safety at local operations were also included in the data gathering scope in 2025 (see table "Number of reported cases").

Number of reported cases	2025
Discrimination (SpeakUp)	5
Work-related complaints (SpeakUp)	7
Severe human rights incidents (SpeakUp and local operations)	1
Related financial transactions, in MEUR	0

More information about the remedy process at Outokumpu is given in this chapter in the Engagement under "Remedy". (S1-17-MDR-M-75) The methodologies and assumptions behind the metrics were evaluated while categorizing the aforementioned cases reported via the group SpeakUp channel. (S1-17-MDR-M-77-(a)). Consequently, it was decided that no other external bodies than the assurance provider is required to evaluate these metrics. The need to do this will be re-evaluated in 2026 when developing the data gathering process further to cover also Human Resources and Health and Safety in local operations. (S1-17-MDR-M-77-(b))

Incidents and complaints of discrimination and harassment

The data gathering process development on incidents and complaints is coordinated by Group Sustainability together with other key Group functions, including Human Resources, Health & Safety, Legal, Ethics & Compliance, and Internal Audit.

In 2025, the focus was on discrimination incidents and work-related complaints reported through the group-wide SpeakUp channel, which serves as Outokumpu's global grievance mechanism and also covers cases related to social sustainability and human rights. These reported cases were analyzed and categorized according to the Disclosure Requirement

S1-17. The SpeakUp channel was updated and launched in 2025 in co-operation with Group Ethics and Compliance and Internal Audit.

In 2026, Outokumpu will continue to develop the data collection process to ensure reliable and comparable information from both local operations and group functions. Currently, discrimination incidents and work-related complaints are handled on a case-by-case basis at local operations. To ensure a consistent approach, Human Resources and Health & Safety teams managing local cases will be closely engaged in the process development. (S1-17-103-(a)), (S1-17-103-(b)), (S1-17-103-(d))

Severe human rights incidents

During 2025, Outokumpu continued to develop a group-level approach for systematic identification of severe human rights issues and incidents concerning its own workforce, value chain workers and affected communities. The categorization of these incidents was introduced to the reports received through group-level SpeakUp channel and identification of these incidents was advanced through the data gathering process development regarding own operations. The suspected cases are currently assessed on a case-by-case basis but the process will be further elaborated in 2026 as part of the Outokumpu's sustainability due diligence development.

In 2025, one severe human rights accident was reported in connection with Outokumpu's own operations. The fatal accident involved the loss of an employee at Outokumpu's manufacturing site in San Luis Potosí, Mexico, during electrical work. A comprehensive investigation was conducted with the involvement of external experts, and corrective measures were implemented across the organization to prevent recurrence. (S1-17-104-(a))

Fines, penalties and compensation

In 2025, no paid fines, penalties or compensation for damages as a result of the cases of discrimination and/or harassment, work-related incidents, complaints or severe human rights incidents was reported (see table "Number of reported cases"). The data gathering scope for these financial transactions covered group functions and Human Resources and Health & Safety at local operations. A formal group-wide process to track this data will be finalized in 2026. (S1-17-103-(c)), (S1-17-104-(b))

By producing stainless steel and ferrochrome, Outokumpu is part of the global metals value chain. From production and delivery of raw materials to services supporting its operations, the company values human rights across the supply chain and is committed to advancing human rights.

TARGETS	PROGRESS
Share of spend with high-impact suppliers that have signed the Supplier Code of Conduct by the end of 2030	Share of spend with high-impact suppliers that have signed the Supplier Code of Conduct by the end of 2025
100%	92%

S2 – Workers in the value chain

Material impacts, risks and opportunities

Health and safety

Negative impact	Potential	Occupational health and safety issues from poor working conditions

Working time, Work-life balance

Negative impact	Potential	Excessive working time

Adequate wages

Negative impact	Potential	Inadequate living income and wages

Freedom of association, Collective bargaining

Negative impact	Potential	Lack of freedom of association

Forced labour, Child labour

Negative impact	Potential	Forced and bonded labour, human trafficking, child labour

Working conditions, Other work-related rights

Opportunity	Supply chain resilience from effective due diligence processes, human rights guidance and demands for suppliers
Risk	Fines, penalties, and loss of business licenses, and related reputational damages from core labour rights violations in value chain

(S2-ESRS2-SBM-3-48-(a))

Potential impacts on value chain workers, as identified in ESRS2-IRO-1, are connected to Outokumpu's strategy and business models as raw materials availability is tied to geographical occurrence and sourcing has to be done also from countries with identified human rights risks. As a part of the new growth-focused strategy and to decrease the negative impacts, Outokumpu is building partnerships with suppliers showing commitment

to sustainability and human rights and putting strong focus on the supplier due diligence process to identify, prevent and mitigate any negative impacts. (S2-ESRS2-SBM-3-10-(a)-(i)), (S2-ESRS2-SBM-3-10-(a)-(ii)), (S2-ESRS2-SBM-3-10-(b))

According to Outokumpu's double materiality assessment updated in 2025, value chain workers subjected to material impacts are particularly those involved in the extraction, refining, and processing of metals and minerals. Vulnerable groups within these categories include young workers and migrant workers. (S2-ESRS2-SBM-3-11-(a)), (S2-ESRS2-SBM-3-11), (S2-ESRS2-SBM-3-11-(a-v)).

As part of its supply chain due diligence, Outokumpu assesses human rights risks on country level based on TDi AIRS country data supported by Verisk Maplecroft's Child Labour Index, and the Global Slavery Index by WalkFree. Heightened human rights risks such as forced or child labour exist in certain regions, such as Northern South America, parts of mid-Africa, and the Far East. (S2-ESRS2-SBM-3-11-(b))

In the metals and mining industry, poor working conditions can cause systemic negative impacts on value chain workers, particularly in high-risk countries where labour regulations are inadequate or poorly enforced. There is also the possibility of severe human rights abuses, such as child labour, forced or bonded labor, and human trafficking, occurring in this upstream value chain. (S2-ESRS2-SBM-3-11-(c))

There are financial risks relating to poor working conditions in the upstream value chain. Proceedings against Outokumpu and its partners and third-party intermediaries can lead to fines, penalties and sanctions. In addition, where Outokumpu would have contributed to the negative impacts, the remediation of such impacts can cause financial effects on Outokumpu. Failure to require business partners to follow ethical standards leading to human and labor rights breaches can cause reputational damage and thus financial losses to Outokumpu. Effective due diligence with Outokumpu's partners and third-party intermediaries can improve supply chain resilience and decrease operational costs.(S2-ESRS2-SBM-3-11-(e))

Through supplier surveys and impact assessments, Outokumpu gains insight into how workers with particular characteristics, those working in particular contexts, or those undertaking particular activities may be more vulnerable to harm. High-risk countries and value chains are a focus of these assessments, and data gathered through upstream value chain mapping, supplier onboarding, desktop assessments and on-site evaluations informs this process. (S2-ESRS2-SBM-3-12)

The opportunity to increase resilience in the supply chain through effective due diligence comes from addressing impacts on value chain workers in the metals and mining industry in high-risk countries. This includes addressing the vulnerabilities of specific worker groups, such as young workers at risk of child labor and migrant or minority workers at risk of forced labor. (S2-ESRS2-SBM-3-13)

Policies

The key policies related to value chain workers are Outokumpu's Supplier Code of Conduct and Supplier Requirements. Other supporting policies are the Human Rights Policy, Sustainability Policy and Code of Conduct. These policies relate to all the impacts, risks and opportunities on environmental, social and governance topics with a connection to upstream value chain workers. (S2-1-16)

The Supplier Code of Conduct outlines the standards and expectations Outokumpu sets for its suppliers to ensure ethical, sustainable and responsible practices throughout the value chain. The policy covers a safe and healthy workplace, a sustainable future, human rights and dignity, and good corporate citizenship, following the four key ethical principles in the Outokumpu Code of Conduct. The policy expects suppliers to:

- take all necessary actions to keep their workforce and surrounding communities safe and healthy,
- reduce negative impacts on the environment, especially on climate and biodiversity, and reduce the use of energy and minimize waste and emissions into air, water and soil,
- respect and protect internationally recognized human rights and have proper grievance and remedy processes, and
- comply with all applicable laws and regulations as well as adhere to similar ethical standards as Outokumpu.

It is stated, that alongside any other actions Outokumpu may take, if a supplier causes or contributes to human rights or environmental violations, they are expected to cease those violations immediately, provide remedies to the affected individuals, and implement a corrective action plan.

The Supplier Requirements describe the minimum requirements for suppliers. Outokumpu 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, and
- adverse impacts on biodiversity including deforestation, impacts on water, air, and soil, and impacts on communities.

Outokumpu expects its suppliers to have or work toward a due diligence system that follows the UN Guiding Principles on Business and Human Rights. Suppliers are expected to co-operate in a transparent manner with Outokumpu, including granting Outokumpu or a third party authorized by Outokumpu the possibility to conduct audits in their facilities.

Outokumpu monitors its suppliers' compliance with the Supplier Code of Conduct and Supplier Requirements through self-assessments, screenings, media monitoring and audits.

As stated in Outokumpu's Human Rights Policy and Sustainability Policy, Outokumpu expects its employees, business partners and other parties, whose own impacts may be directly linked to our operations, products, or services, to respect and not infringe upon human rights. More information on the Human Rights Policy can be found in the Affected communities (S3) chapter in the Policies section and on the Sustainability Policy in the Climate change chapter (E1), in the Policies section.

In addition, responsible purchasing and knowing business partners is part of the Outokumpu Code of Conduct. As stated in the Code of Conduct, suppliers are expected to co-operate in a transparent manner with Outokumpu and must also evaluate and monitor their own supply chain. Outokumpu wants to know who its business partners are to ensure Outokumpu is not involved in any unethical, illegal or criminal activities. Outokumpu employees must follow Outokumpu's risk-based due diligence approach, which considers and verifies the basic facts about our business partners. Outokumpu employees shall regularly monitor the activities of their business partners to ensure Outokumpu can continue business with them. More information on the Code of Conduct can be found in the Governance (G1-1) chapter in the Policies section.

More information specifically on commitments to address trafficking, and forced and child labor is provided below in this chapter under "Addressing trafficking, forced and child labor". (S2-MDR-P-65-(a))

Compliance with the Supplier Code of Conduct and Supplier Requirements is formally integrated into agreements and general terms and conditions with suppliers. Since the Supplier Code of Conduct and Supplier Requirements were launched, signed confirmations have been obtained from high-impact suppliers to ensure they commit to and implement principles aligned with the Outokumpu's policies in their operations. To promote transparency and awareness, all relevant policies are publicly accessible on the company's website and regularly communicated to external stakeholders through various engagement channels. (S2-MDR-P-65-(f))

Scope, accountability and stakeholders

The Outokumpu Supplier Code of Conduct is applicable to all suppliers and their workforces, that deliver materials, products and/or services to any Outokumpu legal entity, regardless of their position in the supply chain, meaning whether they are direct suppliers or are further upstream. Outokumpu expects its direct suppliers to ensure that their suppliers comply with the Outokumpu Supplier Code of Conduct as well.

The Supplier Requirements are generally applicable to all suppliers, but certain exceptions can be allowed based on the risk profile of a specific value chain and supplier category.(S2-MDR-P-65-(b))

As many of the identified salient human rights risks and impacts and also certain environmental impacts are connected to Outokumpu's sourcing activities, the related responsibility for ensuring the implementation of policies and engagement in the upstream value chain cascades from the CEO to the CFO and from there to the Head of Raw Materials and further to the Head of Supplier Sustainability, who has operational responsibility. More information about accountability is available in the Affected communities (S3) chapter in the Policies section. (S2-MDR-P-65-(c))

Outokumpu has collected views from stakeholders through various channels, and these have an influence on how to set its policies. In 2025, Outokumpu continued elaborating on its group-wide approach on stakeholder engagement, including workers in the value chain, as part of the company's sustainability due diligence process development. More information on stakeholder engagement at Outokumpu can be found in the General Disclosures chapter. (S2-MDR-P-65-(e))

Third-party standards and alignment with internationally recognized instruments

Outokumpu's Human Rights Policy outlines the company's commitments to address the rights and working conditions of value chain workers and affected stakeholders. The policy is aligned with internationally recognized instruments, including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the European Convention on Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the Ten Principles of the UN Global Compact.

The Human Rights Policy also supports the achievement of the UN Sustainable Development Goals and follows relevant UN frameworks protecting vulnerable groups such as women, children, migrant workers, and indigenous peoples. In addition, Outokumpu is committed to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and is a signatory to the UN Global Compact.

These commitments are operationalized through the Supplier Code of Conduct and the accompanying Supplier Requirements document, which translate international human rights and labour standards into concrete expectations for suppliers. Together, they set out requirements for upholding internationally recognized human rights, such as safe and fair working conditions, freedom of association, non-discrimination, and the prohibition of

forced, bonded, and child labour. Outokumpu's supplier due diligence process, including assessments and audits, follows the steps of the OECD due diligence framework, enabling the identification, assessment, and mitigation of risks affecting value chain workers.

Outokumpu reinforces these commitments through participation in the ResponsibleSteel initiative. All European manufacturing sites are certified under the ResponsibleSteel Standard, which integrates key international labour and human rights principles. As a chromium mining operator, Outokumpu is also a certified member of the Finnish Network for Sustainable Mining, which supports continuous improvement in responsible mining practices relevant to value chain workers. Further details on the Human Rights Policy are provided in the Affected Communities (S3) chapter. (S2-MDR-P-65-(d)), (S2-1-19),(S2-1-17)

General approach to respecting human rights of value chain workers

Outokumpu is dedicated to collaborating with partners, suppliers, sub-suppliers, and customers to proactively address and mitigate potential and actual adverse impacts on human rights, including those related to the environment and affected communities. The company's Supplier Due Diligence process forms an integral part of its human rights due diligence system and covers the entire supplier lifecycle – from onboarding and risk screening to ongoing monitoring and periodic assessments – to ensure responsible business conduct across its value chain.

Sustainability due diligence process

Outokumpu applies a risk-based approach to supplier management to identify, assess, and prioritize potential and actual impacts, risks, and opportunities related to workers in the value chain. Setting the right priorities starts from upstream value chain mapping, where high-risk value chains and salient topics are identified. This mapping guides the prioritization of due diligence activities and ensures a focus on areas with the highest potential for adverse impacts.

The country-level risk assessment is essential for mapping supplier and supply chain impacts and risks. It follows Outokumpu's Know Your Business Partner Instruction and incorporates country-level sustainability and compliance risk indices. Suppliers' operating countries are evaluated against the Dodd Frank Act Section 1502, conflict-affected and high-risk areas (CAHRAs) defined by the European Union, Outokumpu's trade sanctions list, and TDi Sustainability's Alert Index for Responsible Sourcing (AIRS), which includes indices for conflict, legal conditions, human rights, and environmental risks.

Before suppliers are added to Outokumpu's portfolio, they undergo a qualification process. to identify and evaluate potential risks and opportunities. The process ensures that suppliers comply with Outokumpu's requirements and are capable of consistently providing conforming raw materials, products and services. The identification of impacts and risks follows Outokumpu's Know Your Business Partner instruction and utilizes country-level sustainability and compliance risk indices.

During the business relationship Outokumpu monitors suppliers on an ongoing basis through self-assessments, media monitoring, screenings and audits. Most suppliers go through regular compliance screening for sanctions. Outokumpu uses mainly EcoVadis for self-assessments, which focus on the environment, labor and human rights, ethics, and sustainable procurement criteria. Based on the self-assessment results, improvement opportunities and non-conformities are identified, and corrective actions are agreed and followed up with suppliers.

Suppliers go through annual desktop reviews, in which they are assessed against, for example, available certifications, spend, previous audit and self-assessments results and overall performance scorecard results. Based on these indicators, suppliers are selected for on-site reviews. Those reviews vary from an on-site visit to an audit or human rights impact assessment, depending on the identified impacts and risks. Identified non-conformities and improvement areas are discussed with the suppliers. Needed actions are agreed and followed up. If a supplier fails to meet Outokumpu's requirements at any stage, Outokumpu may terminate the contract and/or exclude the supplier from future business opportunities.

This structured, impact and risk-focused supplier due diligence process identifies and prioritizes areas with the highest potential for severe human rights and environmental impacts and aligns with Outokumpu's commitment to fostering responsible and ethical practices throughout its value chain in compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and OECD Guidelines for Multinational Enterprises. (S2-1-17-(a))

Engagement with value chain workers

Upstream value chain workers are engaged before and during a sustainability audit or human rights assessment via interviews. Typical candidates for worker interviews are:

- a directly employed male site worker,
- a directly employed female site worker,
- a site worker engaged in the workers' council or union,
- a young worker or trainee,
- a sub-contracted site worker,
- a temporary site worker,
- a worker belonging to a minority,
- a security worker,
- a driver,
- a cleaning worker,
- a canteen worker and
- a union representative.

The human rights impact assessment includes, in addition, interviews with the community and non-governmental organizations. (S2-1-17-(b))

Remedy

More information on remedy for human rights impacts can be found in the Own workforce (S1) chapter, in the Policies section. (S2-1-17-(c))

Addressing trafficking, and forced and child labor

Trafficking, and forced and child labor are addressed in several Outokumpu policies: the Supplier Code of Conduct, Human Rights Policy and Sustainability Policy.

Outokumpu's Supplier Code of Conduct states that Outokumpu expects its suppliers, regardless of their position (direct suppliers or further upstream) in the supply chain, to respect and protect internationally recognized human rights, respect and protect the rights of children, comply with international labor treaties and condemn all forms of modern slavery, forced labor, and the use of child labor. The Supplier Code of Conduct include provisions addressing the safety of workers, equal opportunities and pay, freedom of

association, human trafficking, and the use of forced or child labor. These provisions are fully in line with the applicable ILO standards.

Outokumpu's Human Rights Policy states that Outokumpu condemns all forms of forced or bonded labor, modern slavery, and human trafficking. The company does not permit or tolerate practices such as restrictions on freedom of movement, recruitment fees, confiscation of identity documents or passports, debt bondage, or withholding of wages. Outokumpu is committed to preventing child labor in all its forms and does not allow it in its own operations or anywhere in its value chain, without exception. These commitments apply globally and are monitored through Outokumpu's human rights due diligence process.

In the Sustainability Policy, it is stated that at Outokumpu, the human rights and dignity commitment mean that Outokumpu condemns the use of child labor, forced or bonded labor or any kind of slavery. In addition, business conduct with high integrity means that Outokumpu ensures that modern slavery and human trafficking play no part in the supply chain or in any part of the business. (S2-1-18)

Cases of non-respect and aligning with international instruments

For 2025, there has been no reported cases of non-respect of UNGPs, the ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines involving workers in the value chain based on Outokumpu's internal and external data sources. Outokumpu understands the meaning of "a case of non-respect" as a situation in which a severe human rights impact, such as a fatality, has happened despite the human rights due diligence process and/or other measures based on the aforementioned frameworks. Outokumpu will start to develop a more systematic process to track and monitor the cases of non-respect of these guidelines in its own operations or in its value chain in 2026. More information on tracking severe human rights incidents can be found in disclosures regarding the company's own workforce (S1) chapter of this Sustainability statement .

In addition, Outokumpu's Procurement organization has a separate process to identify and manage ESG incidents in the supply chain. ESG (environment, social and governance) incidents in the supply chain are cases of non-compliance that are identified by or reported to the Procurement organization. An investigation is coordinated and documented by the Procurement organization. The main purpose of the ESG incident management process is to meet obligations under the UNGPs. The process includes desktop research, potential purchasing stops, decisions about on-site assessments, a human rights impact and risk assessment, Outokumpu's attribution to the identified impacts and risks, defining and agreeing on improvement actions, internal and external stakeholder information, and documentation of the case.

Engagement

Upstream value chain workers perspectives are canvassed during supplier audit interviews. Outokumpu's sustainability audits focusing on worker interviews and human rights impact assessments include interviews with the value chain workers, community, and non-governmental organizations (NGOs). In addition to the current management processes focused on the upstream value chain, Outokumpu continued to develop during 2025 a general process for stakeholder engagement. As part of this process, internal guidelines were published in December 2025 to address both general and specific stakeholders affected by the company's impacts. (S2-2-22)

The engagement of workers in the value chain happens via on-site reviews as described above in the sections "General approach to respecting human rights of value chain workers" and "Engagement with value chain workers".

The purpose of the on-site assessments is to determine the maturity level of the supplier's human rights due diligence processes and environmental management, assess how the supplier addresses selected specific issues, and identify and assess specific potential and actual human rights and environmental risks in the supplier's own operations or its value chain (e.g. working conditions, water and waste management, biodiversity).

Furthermore, the purpose of the on-site assessments is to define recommendations for improvement of the supplier's human rights due diligence processes and to suggest mitigation actions for potential and actual human rights and environmental impacts. Typical human rights risks assessed during visits include working conditions (wages, overtime, health and safety, freedom of association), access to whistleblower channels, forced and child labor, housing and hygiene. Environmental topics include, for example, water management (consumption, recycling, water flow/management plan), pollution of air and water, biodiversity, and waste management (hazardous waste, recycling).

The Outokumpu sustainability visit includes management interviews and a site tour but does not include direct involvement of the supplier's workers. The sustainability audit includes worker interviews and the human rights impact assessment as well as interviews with communities and non-governmental organizations.

Interviewees for audits and assessment are selected based on the potential to encounter negative impacts and to ensure the inclusion of the perspectives of those who are particularly vulnerable to such impacts or marginalized (for example, female workers, workers in menial tasks, immigrant workers). (S2-2-23)

The information and perspectives of the interviewed value chain workers and their representatives are taken into consideration when the final report and improvement recommendations are prepared. The results are communicated to the supplier, and needed

improvement actions are agreed upon together. The results are also evaluated internally and utilized in the supplier sustainability impact and risk assessment. (S2-2-22-(a))

An audit plan is created annually based on the supplier sustainability impact and risk assessment. In 2025, Outokumpu conducted six on-site sustainability assessments; one (1) sustainability audit (2024: 3) and five sustainability visits. (S2-2-22-(b))

In terms of how effectiveness of engagement with value chain workers is assessed, based on findings during on-site audits and assessments, improvement actions are agreed together with the supplier. Outokumpu then follows the progress of actions by keeping regular contact with the supplier. In severe cases, re-audit can be executed to validate actions. In 2025, 27 actions (2024: 26) were agreed. (S2-2-22-(e))

The information on accountability and responsibility for human rights in Outokumpu is disclosed in this chapter in the Policies section under "Accountability, availability and stakeholders." Significant deviations or findings from these visits are reviewed with the Head of Raw Materials and, if necessary, escalated to the CFO, the group Sustainability team, and the CEO for decision-making. (S2-2-22-(c))

Outokumpu has not made a global framework agreement with any global union federation. (S2-2-22-(d))

In addition to the current management processes focused on the upstream value chain, Outokumpu started to develop a group-wide approach to ensure engagement with various types of stakeholders affected by its operations during 2025. More information about Outokumpu's stakeholder engagement processes can be found in the General disclosures section. (S2-2-22-(a-e)), (S2-2-24)

Remediation

During 2025, Outokumpu started to develop a group-wide approach to provide and enable remedy as part of the company's sustainability due diligence process. The approach will be further developed in 2026 to define more specific processes for remedial actions for various situations. More information about Outokumpu's remedy process development can be found in the Own work force (S1) chapter, in the Processes section under "Remedy". (S2-3-27-(a))

On specific channels for value chain workers to raise concerns, more information can be found in the chapter G1 Business conduct. In addition, in relation to workers in the value chain, Outokumpu's website contains contact details of key persons responsible for sustainability, human rights and supplier sustainability. Company representatives also provide their contact details to upstream value chain workers during onsite audits and assessments, for further questions or for reporting any concerns. (S2-3-27-(b))

With regard to value chain workers, the Outokumpu Supplier Code of Conduct states that the supplier shall ensure that its employees and stakeholders have an opportunity to raise concerns through appropriate channels. Outokumpu expects its suppliers to have or work toward having a grievance mechanism. Additional information on the processes by which Outokumpu supports the availability of channels to raise concerns related to its own operations and value chain can be found in the chapter G1 Business conduct. (S2-3-27-(c))

Outokumpu monitors and tracks its own channels, including SpeakUp and the ESG incident management system, but for the time being, it does not collect data from upstream value chain actors. Outokumpu has not yet comprehensively discussed with the value chain workers about the effectiveness of the channels. (S2-3-27-(d))

As to how value chain workers are aware of and trust the structures and processes as a way to raise their concerns or needs and have them addressed, Outokumpu does not currently have an approach in place. The Supplier Code of Conduct states that Outokumpu does not tolerate retaliation against any individual who reports a concern in good faith. The company also highlights to its suppliers during assessments that no retaliation against interviewed workers or communities will be tolerated. Outokumpu also has a Reporting Misconduct Instruction, which includes a section on protection against retaliation. (S2-3-28)

Outokumpu advanced its approach to grievance mechanisms by publishing internal guidance on identifying and providing effective channels for raising concerns in December 2025. Development work will continue in 2026 to ensure that channels to raise concerns provided by Outokumpu offer meaningful opportunities for all stakeholders affected by company's operations, recognizing that the existing SpeakUp channel may not be the most suitable alternative in all cases.(S2-3-29)

Actions

Key actions taken in the reporting year:

- Outokumpu set a corporate level target for supplier sustainability: 100% of spend with high-impact suppliers will be covered by suppliers committed to Outokumpu's Supplier Code of Conduct by 2030.
- Outokumpu renewed and released a new version of Supplier Requirements in December 2025. The long-term goal is to have 100% of high-impact suppliers commit also to Outokumpu's Supplier Requirements.
- On-site assessments remained a key action for managing material human rights and other sustainability impacts. In 2025, Outokumpu conducted one sustainability audit (2024: 3) and five sustainability visits. These assessments aim to address human rights and environmental impacts at the site, within the supplier's operations and across their supply chains, resulting in agreed actions to mitigate identified risks.
- Outokumpu analyzed the upstream value chain in selected additional sourcing categories to deepen its understanding of impacts beyond direct suppliers. This effort

helped to identify the most salient sustainability impacts in the value chain and address improvement needs within these areas:
    - 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
- Heightened focus on grievance mechanisms and remedy: Outokumpu has developed further its processes on grievance and remedy during 2025, covering its own workforce, value chain workers and affected communities.

Key actions planned for coming years include:

- Develop grievance mechanisms and remedy: Outokumpu will continue developing its grievance and remedy processes to get better visibility of potential and actual human rights infringements and to proactively address, prevent and mitigate the negative impacts related to Outokumpu's own workforce, value chain workers and affected communities.
- Improve value chain data quality and transparency: Outokumpu will initiate the process of identifying and implementing a supplier data management solution to strengthen ESG management and due diligence across the value chain. The objective is to select a system that centralizes supplier and ESG data, enhances visibility and transparency regarding working conditions, human rights practices, and environmental performance, and streamlines data collection and reporting. The solution is expected to support more effective identification, prevention, and mitigation of impacts, risks, and opportunities (IROs) related to both social and environmental topics, strengthen supplier engagement and collaboration, and improve traceability of sourcing practices and materials. In addition, it will facilitate informed decision-making, continuous improvement, and performance benchmarking in supplier sustainability management.
- Enrich environmental value chain data: Outokumpu plans to analyze the upstream value chain in selected additional sourcing categories to deepen its understanding of environmental impacts (e.g. biodiversity and water pollution risk indices). This effort builds on previous value chain mapping. The expected outcome is to gain information to help in understanding where the biggest risks lie, to address, prevent, and mitigate these impacts more effectively. (S2-MDR-A-68-(a-c))

The operational expenditures and capital expenditures for the implementation of the previously described action plan are part of Outokumpu's business-as-usual expenditure. (S2-MDR-A-69)

Preventing, mitigating or remediating material negative impacts

To prevent, mitigate and remedy material negative impacts on value chain workers, Outokumpu applies the due diligence approach. The process is described in the section "General approach to respecting human rights of value chain workers". (S2-4-32-(a))

In 2025, Outokumpu has not identified any incidents in the supply chain where it would have caused or contributed to an actual impact. There has been no action to provide or enable remedy in relation to impacts that were identified on a general level in the double materiality assessment. (S2-MDR-A-68-(d-e)), (S2-4-32-(b))

During 2025, Outokumpu continued capacity building on sustainability topics and the supplier sustainability team has attended advanced training courses on biodiversity and environmental impacts. The team has been engaged in supporting the human rights of value chain workers, through sustainability-focused meetings and speaking at trade shows and seminars. Regular internal training in various topical subjects has been given to category managers and buyers, such as on the Supplier Code of Conduct, the onboarding process, conflict minerals, emission data collection, supplier performance evaluation, and the audit process. (S2-4-32-(c))

In cases in which Outokumpu has audited or assessed suppliers and aligned the next steps with them, the company stays in close contact with them in order to follow up on the status of the improvement actions. (S2-4-32-(d))

Identification process and approach to taking action

Outokumpu applies an impact and risk-based approach in its supplier management stages. Upstream value chain and country-level risk assessments are key tools for supplier and supply chain risk mapping. To address especially the material negative impacts on workers in its value chain, Outokumpu requires its suppliers to adhere to international labor and human rights standards through its Supplier Code of Conduct and Supplier Requirements. To further evaluate, prevent and mitigate the impacts, these topics are also covered as part of the sustainability audits and human rights impact assessments Outokumpu conducts in its supply chain. In the case of observed deficiencies, improvement actions are required from the supplier. The supplier due diligence process is disclosed in more detail in "General approach to respecting human rights of value chain workers".

In addition, the ESG incident management process is used to identify needed actions. Any incidents in the upstream value chain are defined, identified, managed, and documented by the Procurement organization. The process includes desktop research, potential purchasing stops and decisions about on-site assessments or a human rights risk assessment. The process also includes defining Outokumpu's attribution to the identified impacts and improvement actions, internal and external stakeholder information, and documentation of the case. More information on audits and assessments as well as incidents, can be found above in this Actions section. (S2-4-33-(a)), (S2-4-33-(b))

In December 2025, Outokumpu published internal guidance on enabling and providing remedy. The approach will be further developed in 2026 to establish detailed processes for remedial actions in different situations. Until then, suspected incidents are addressed case by case in line with the published internal guideline. More information about Outokumpu's remedy process development can be found in the Own workforce (s1) chapter, in the Processes section under "Remedy". (S2-4-33-(c))

Addressing material risks, opportunities and negative impacts

The work on monitoring supply chain sustainability and impacts on value chain workers is continuous, for example, through regular desktop reviews and sustainability audits. In addition to identified material risks, Outokumpu anticipates the continuous evolution of regulations related to supply chain transparency, ethical sourcing, and environmental impact. Outokumpu's plan involves staying informed of these changes and proactively adapting its practices to align with emerging legislation. (S2-4-34-(a))

Outokumpu continues to foster material opportunities for value chain workers by promoting high social standards across its supply chain. This approach strengthens the resilience of its supply chain, enabling greater stability and long term success.

In December 2025, Outokumpu published its updated Supplier Requirements. Also the Supplier Code of Conduct was revised to incorporate clearer sustainability standards and due diligence requirements. By encouraging suppliers to adopt these standards, Outokumpu aims to drive improvements in working conditions and ethical practices across the value chain. This approach puts positive pressure on suppliers to integrate sustainability into their core operations.

As sustainability is a core value for Outokumpu, human rights are not compromised, and the company strives to avoid any negative impacts concerning its own operations and value chain through execution of its' Supplier Due Diligence process. (S2-4-35) There were no severe cases reported for workers in the value chain in 2025. (S2-4-36)

In 2025 Outokumpu's supplier sustainability management team consisted of three full-time employees dedicated to upstream value chain sustainability impact and risk identification and management. Outokumpu has included financial planning for supplier sustainability as part of its procurement financial planning. (S2-4-38)

Targets

In 2025, Outokumpu set a target to have 100 % share of spend with high-impact suppliers that have signed the Supplier Code of Conduct by the end of 2030. Outokumpu's Supplier Code of Conduct defines the standards and expectations set for suppliers to ensure ethical, sustainable and responsible practices throughout the value chain. Compliance with the Supplier Code of Conduct is a minimum requirement for engaging in business with Outokumpu. By obtaining signed confirmations from high-impact suppliers, Outokumpu aims to ensure that they commit to and implement principles aligned with the Outokumpu's policies in their own operations and reduce negative impacts, advance positive impacts and decrease risk related to value chain workers.

The measurable target is that by the end of 2030, all spend (100%) will be on high-impact suppliers that have confirmed with a signature their compliance with the Outokumpu Supplier Code of Conduct or after the assessment of the supplier's own policies and principles, Outokumpu may agree that compliance with their own code of conduct is sufficient for the purpose of complying with the Outokumpu Supplier Code of Conduct. Progress toward this target is tracked through monthly monitoring of the spend share of suppliers that have confirmed the Supplier Code of Conduct. Outokumpu defines high-impact suppliers as those that provide the raw materials used in its products. These suppliers represent the largest share of total purchasing and strongly affect environmental, social and business impacts. An external third party has not validated the KPI.

The first Outokumpu Supplier Code of Conduct was released in 2022, followed by its introduction to suppliers and the initiation of monitoring of confirmation progress. The baseline year is 2022, when the confirmation rate was at zero percent as the process was newly launched. An operative target of 70% was set in 2023, and the official target of 100% by 2030 was approved in 2025 by the ESG Steering Group.

Outokumpu is committed to conducting business with high integrity and ensuring that all suppliers globally are aware of the company's key ethical principles regarding respect for human rights and environmental protection. The target and related practices are aligned with the OECD Guidelines for Multinational Enterprises and the UN Global Compact principles. Outokumpu's Supplier Sustainability team, together with the Raw Material Procurement team, facilitates the implementation of the Supplier Code of Conduct and manages supplier communication.

By 2025, 92% of spend with high-impact suppliers was with suppliers that had signed the Supplier Code of Conduct. Signature rates are monitored by the Supplier Sustainability team, and the signature requirement is integrated into the onboarding process for all new suppliers. For existing suppliers who have not yet signed, the topic remains an active part of negotiations during contract renewals. Suppliers who refuse to commit to the Supplier Code of Conduct may face termination of their business relationship with Outokumpu.(S2-MDR-T-80-(a-j)), (S2-MDR-M-77(a)), (S2-5-39)

Through its complex supply chains, Outokumpu impacts people locally, nationally and globally. The company is committed to respecting the human rights of all communities impacted by its operations or business relationships.

KEY ACTIONS IN 2025

Continued implementation of sustainability due diligence for own operations and value chain

Developing group-wide approach on grievance mechanisms, remedy, stakeholder engagement and affected communities

Introducing program on closed mines with focus on dialogue with affected communities

Sustained commitment to international standards and frameworks safeguarding the rights of affected communities, such as the UNGPs, ResponsibleSteel and Towards Sustainable Mining Finland.

PLAN FOR 2026

Systematic identification of affected communities and related salient impacts, risks and opportunities with special focus on vulnerable groups.

Further development of engagement methods, grievance mechanisms and remedy process and approach on affected communities.

Defining actions and targets for continued sustainability due diligence monitoring and implementation.

S3 – Affected communities

Material impacts, risks and opportunities

Communities' economic, social and cultural rights		
Positive impact	Actual	Community development around own sites based on taxes paid, other funding and support initiatives (incl. sponsorships, school collaboration)

Land related impacts		
Negative impact	Potential	Environmental degradation (water, air, soil, deforestation) of communities in supply chain
Negative impact	Potential	Environmental degradation (water, air, soil, deforestation) around own sites

Rights of indigenous people		
Negative impact	Potential	Violation of rights of indigenous people in the supply chain including land, forests and waters

(S3-ESRS2-SBM-3-48-(a))

Outokumpu's impacts on affected communities primarily stem from the nature of its core operations, stainless steel production and mining. These activities require skilled workforce and are highly regulated, permit-dependent, and reliant on global supply chains for production inputs.

Prior to focussing on stainless steel, Outokumpu operated across multiple sectors, including mining. As a result, the company has historical ties to various mining sites. Outokumpu continues to monitor these closed mining areas, including those with ongoing or concluded obligations. In 2025, Outokumpu launched a closed mines program, aimed at long-term rehabilitation and reducing environmental impacts through research-driven restoration efforts. The program also emphasizes transparency and enhanced stakeholder engagement, particularly with affected communities residing near former mining sites, as well as other relevant stakeholders.

Outokumpu's operations are long-established and tied to specific geographic locations. These activities generate positive impacts on affected communities by supporting local economic and social wellbeing through employment, tax contributions, sponsorships, and donations, among others. These contributions not only enhance the resilience of local communities but also support Outokumpu's business continuity by strengthening its social license to operate and securing access to skilled labor. Outokumpu's operations may result

in negative impacts on the local natural and living environment. These include production-related emissions and other environmental pressures leading to environmental degradation that may affect water, air, and soil quality in the areas surrounding Outokumpu's operational sites.

The availability of Outokumpu's raw materials is geographically determined, leading to sourcing from regions where human rights risks have been identified. These risks affect not only workers across the value chain but also local communities. Negative impacts may arise in situations where human rights are not respected or environmental harm occurs, with particular concern for the rights of indigenous peoples, including their access to land, forests, and water. (S3-ESRS2-SBM-3-8-(a)-(i))

Affected communities – both those near Outokumpu's own operations and those connected to upstream value chain activities – play a vital role in supporting business continuity. Collaboration with local communities around the company's own operations helps to secure the legal and social license to operate, ensure access to skilled labor, and foster long-term stability. In value chain upstream sourcing regions, human rights conditions and the state of the local ecological environment directly influence supply chain reliability and raw material availability. Ensuring resilience in the supply of key raw materials, particularly from high-risk countries and societies, is a consideration that informs Outokumpu's business model. Consequently, the characteristics and conditions of affected communities contribute to Outokumpu's strategy and business model by helping to mitigate the related risks and identify opportunities. (S3-ESRS2-SBM-3-8-(a)-(ii))

In 2025, Outokumpu started to define a process to consider the various affected communities that can be materially impacted by its own operations or in its value chain. An internal guideline on stakeholder engagement in general with special focus on affected communities was published in December to support this work. Further process development is based on this guideline, coordinated by Outokumpu's Sustainability Due Diligence Working Group. The interaction between affected communities and Outokumpu's strategy and business model will be further examined as part of this process in 2026. More information can be found in the General disclosures chapter of this Sustainability statement. (S3-ESRS2-SBM-3-8-(b)), (S3-ESRS2-SBM-3-9)

Types of affected communities

In 2025, Outokumpu started to develop a systematic approach to identify the main types of communities that are or might potentially be affected by its operations directly or indirectly. On a general level, these communities can be categorized accordingly: (S3-ESRS2-SBM-3-9-(a))

- communities around Outokumpu's own operating sites and/or more remote communities affected by these activities,
- communities along Outokumpu's upstream value chain related to metals and minerals extraction, mining and processing activities, and
- communities along Outokumpu's downstream value chain.

These affected communities include also indigenous peoples and other especially vulnerable groups. (S3-ESRS2-SBM-3-9-(a)-(i-iv))

Identifying material impacts, risks and opportunities

Outokumpu's material negative impacts on the environment and human rights may affect communities around its own operations or along the value chain. In 2025, Outokumpu continued to develop its sustainability due diligence process with a focus on the potential and actual adverse impacts that were revised in 2024. Initiating a structured mapping of these impacts, based on how widespread, systemic or case-specific they are, will follow in 2026. Respectively, Outokumpu will initiate categorizing these material negative impacts on various affected communities and, when possible, evaluate their occurrence. (S3-ESRS2-SBM-3-9-(b))

In Outokumpu's own operations, positive impacts on affected communities are primarily linked to contributions that support local economic and social development, such as tax payments, sponsorships for targeted initiatives and collaboration with educational institutions. In the upstream value chain, positive impacts and opportunities are more indirect and linked to advancing sustainability due diligence among suppliers with focus on value chain workers (see the chapter S2). However, a systematic approach to initiating and evaluating these activities regarding all or specific affected communities is yet to be developed.

Outokumpu distinguishes between two types of affected communities:

- Local communities directly impacted by Outokumpu's operational sites, typically located in regions with well-established regulatory frameworks for environmental and human rights protection.
- Upstream value chain communities indirectly affected through raw material sourcing, often situated in high-risk countries with less-developed regulatory environments.

The nature of impacts, risks, and opportunities varies significantly between these two groups, largely due to differences in societal structures and governance. Accordingly, Outokumpu's ability to exert influence is typically greater in the communities surrounding its own operations, while leverage in upstream supply chains is more limited due to their complexity and geographic dispersion. (S3-ESRS2-SBM-3-9-(c))

In 2025, Outokumpu started to define an approach to evaluate the material risks and opportunities that arise from the impacts and dependencies on its affected communities. This work is based on the internal guideline on stakeholder engagement that was published in December 2025 and initial identification of various affected communities and will continue in 2026 as part of Outokumpu's sustainability due diligence process, covering both its own operations and the upstream value chain. Through this process, Outokumpu will also evaluate the need to introduce and maintain social dialogue with affected communities to support these efforts. (S3-ESRS2-SBM-3-9-(d))

Actions for 2026 include also examining suitable ways to define and identify affected communities with particular characteristics, living in particular contexts or undertaking particular activities with a related greater risk of harm. Besides these specific groups among the affected communities, the related impacts will also be evaluated from 2026 onwards. This work is essential part of the ongoing development of Outokumpu's sustainability due diligence process. (S3-ESRS2-SBM-3-11), (S3-ESRS2-SBM-3-10)

Policies

Outokumpu's work on human rights due diligence, including engagement with affected communities, is based on the company's Human Rights Policy. Other supporting policies include the Sustainability Policy, described in the Climate change chapter (E1), the Code of Conduct, described in the Governance chapter (G1), and the Supplier Code of Conduct with the related Supplier Requirements, described in the Workers in the value chain chapter (S2).

In 2025, Outokumpu continued to develop its group-wide due diligence process on human rights and environment. The scope covers both its own operations and the value chain and is based on Outokumpu's previous work on risk-based sustainability due diligence according to UN Guiding Principles.

Outokumpu's Human Rights Policy was reviewed in December 2025 to better address material impacts, risks and opportunities related to affected communities, including specific affected communities. Additional internal guideline on stakeholder engagement was published in December 2025 to support the identification of and acting on targeted at various communities affected directly or indirectly by Outokumpu's operations. (S3-1-14).

The updated Human Rights Policy defines the company's commitment to respect all internationally recognized human rights and provides a framework for embedding this commitment across its operations and value chain. Additionally, it explains Outokumpu's most salient human rights and the related principles to address them. The Policy aligned with international frameworks, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the Ten Principles of the UN Global Compact. Outokumpu adheres also to relevant internationally recognized conventions, such as the UN Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the ILO Declaration on Fundamental Principles and Rights at Work. (S3-MDR-P-65-(a))

Scope and accountability

The Human Rights Policy must be followed globally by all Outokumpu businesses, companies, directors, officers, and employees. The CEO has the most senior level of oversight and accountability for human rights at Outokumpu. Responsibilities cascade down via the Executive Vice President – Strategy, Sustainability and People, who represents sustainability in Outokumpu's Leadership Team, to the Vice President – Sustainability, who is responsible for the overall sustainability agenda at Outokumpu, and further to the Head of Human Rights in the Group sustainability team. The Human Rights Policy is approved and signed by the Executive Vice President – Strategy, Sustainability and People. (S3-MDR-P-65-(b-c))

Third-party standards

Through the Human Rights Policy, Outokumpu respects and takes into account the following third-party standards and initiatives to evaluate and manage risks and impacts: Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the European Convention on Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the Ten Principles of the UN Global Compact. The Human Rights Policy also supports the achievement of the UN Sustainable Development Goals and covers relevant UN frameworks protecting vulnerable groups such as women, children, migrant workers and indigenous peoples.

Additionally, Outokumpu's manufacturing operations in Europe are certified according to the ResponsibleSteel standard and mining operations in Kemi, Finland, according to the Towards Sustainable Mining Finland scheme. Both standards have solid requirements on stakeholder engagement and local community engagement. (S3-MDR-P-65-(d))

Stakeholders and availability

Through local community engagement, Outokumpu aims to maintain open, constructive relationships with its affected stakeholders and contribute positively to the well-being and resilience of the communities in which it operates. Outokumpu collects views from its stakeholders through various channels, ranging from day-to-day interaction to targeted feedback processes. Depending on the topic, these views have varying degrees of influence on how the company sets its policies. More information on the engagement topics in section General Disclosures (Stakeholder Views and interests, SBM-2). (S3-MDR-P-65-(e))

In 2025, Outokumpu started to elaborate on a more structured group-wide approach on stakeholder engagement as part of the sustainability due diligence process development. An internal guideline was published in December 2025 to support this work with specific focus on affected communities. More information on the work on stakeholder engagement at Outokumpu can be found in the General information chapter in this Sustainability statement. (S3-MDR-P-65-(e))

Outokumpu's Human Rights Policy and supporting policy documentation – the Code of Conduct, Sustainability Policy and Supplier Code of Conduct – are publicly available on the company's website and also communicated to the company's external stakeholders on

different occasions. They are also available internally to all Outokumpu employees. (S3-MDR-P-65-(f))

Policy provisions and indigenous peoples

Preventing and addressing impacts on indigenous peoples is based on Outokumpu's Human Rights Policy, Sustainability Policy, Code of Conduct and Supplier Code of Conduct, with related Supplier Requirements.

Outokumpu's Human Rights Policy, that was updated in December 2025, defines the company's commitment to respect all internationally recognized human rights and embeds these principles across Outokumpu's own operations and its value chain. In line with this commitment, Outokumpu expects all business partners, suppliers, sub-suppliers, and customers to uphold the rights of indigenous peoples as outlined in the Indigenous and Tribal Peoples Convention, 1989 (No. 169) and the UN Declaration on the Rights of Indigenous Peoples. These rights include, but are not limited to, the right to land and the right to free, prior, and informed consent (FPIC) when exploration or resource use on indigenous lands is considered or undertaken.

These provisions are also reflected in Outokumpu's Sustainability Policy. Respecting and promoting indigenous people's rights is also mentioned in the company's Supplier Code of Conduct. To strengthen engagement with affected communities, Outokumpu published an internal guideline on stakeholder engagement in December 2025, with a specific focus on vulnerable and indigenous groups. This guideline aligns with UN Guiding Principles and OECD Guidelines and sets principles for meaningful, rights-respecting engagement. It emphasizes early and continuous dialogue, cultural sensitivity, and safeguards such as non-retaliation and informed consent. The guideline forms the basis for further process development coordinated by Outokumpu's Sustainability Due Diligence Working Group. (S3-1-15)

Outokumpu's Human Rights Policy commitments relevant to affected communities are listed in the Human Rights Policy section above in this chapter. (S3-1-16)

General approach to respecting human rights of communities and indigenous people specifically

Outokumpu's general approach in relation to respect for human rights of communities, and indigenous peoples specifically, are based on Outokumpu's Human Rights Policy commitments relevant to affected communities, and the international human rights commitments listed above. Outokumpu is also committed, and also expects all its business partners, suppliers, sub-suppliers, and customers, to protect the rights of indigenous peoples as laid out in the policy provisions listed above. (S3-1-16-(a))

Outokumpu's general approach in relation to engagement with affected communities is based on its Human Rights Policy, Sustainability Policy, Code of Conduct and Supplier Code of Conduct with related Supplier Requirements. In December 2025, Outokumpu introduced a group-wide guideline for engaging stakeholders and affected communities to strengthen its sustainability due diligence process. This guideline establishes a structured approach aligned with the UN Guiding Principles on Business and Human Rights (UNGPs) and OECD Guidelines for Multinational Enterprises. It applies globally across Outokumpu's operations and value chain. The approach emphasizes the following aspects:

- Meaningful Engagement: Two-way, good-faith dialogue that is inclusive, culturally appropriate, and timely, ensuring that stakeholder input influences decisions.
- Special Focus on Vulnerable Groups and Indigenous Peoples: Engagement processes respect self-determination and traditional decision-making systems. Where applicable, Outokumpu seeks Free, Prior, and Informed Consent (FPIC) before activities that may affect indigenous lands, resources, or cultural heritage.
- Safeguards and Principles: Non-retaliation, privacy, informed consent, and security protocols to ensure safe participation.
- Integration into Sustainability Due Diligence: Stakeholder engagement is embedded in impact identification, risk management, grievance mechanisms, and remediation processes.
- Continuous Improvement: The guideline forms the basis for further process development coordinated by the Sustainability Due Diligence Working Group, ensuring alignment with international standards and regulatory requirements.

This structured approach supports Outokumpu's commitment to respecting human rights, minimizing adverse impacts on communities, and promoting positive societal outcomes across its operations and value chain. The approach will be further elaborated in 2026. (S3-1-16-(b))

With regard to a general approach to providing and/or enabling a remedy for human rights impacts, more information is in the Own workforce (S1) chapter of this Sustainability statement. (S3-1-16-(c))

Tracking and monitoring cases of non-respect

For 2025, there has been no reported cases of non-respect of UNGPs, the ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines involving affected communities based on Outokumpu's internal and external data sources. Outokumpu understands the meaning of "a case of non-respect" as a situation in which a severe human rights impact, such as a fatality, has happened despite the human rights due diligence process and/or other measures based on the aforementioned frameworks. Outokumpu will start to develop a more systematic process to track and monitor the cases of non-respect of these guidelines in its own operations or in its value chain in 2026,

including affected communities. More information on tracking severe human rights incidents can be found in disclosures regarding the company's own workforce (S1) chapter of this Sustainability statement. (S3-1-17)

Policy documentation, cross-reference and updates

Outokumpu's Human Rights Policy was revised in December 2025 to correspond the updated salient human rights impacts related to own operations and value chain upstream and to address affected communities in a more explicit manner. Alongside the Policy update, an internal guideline on stakeholder engagement was released in December 2025 to support the implementation of Outokumpu's sustainability due diligence process, with a particular focus on the communities affected by company's operations. Other relevant policies related to managing Outokumpu's material impacts on affected communities or the associated material risks and opportunities are the Sustainability Policy, Code of Conduct and Supplier Code of Conduct. No significant changes to these were adopted in 2025. (S3-1-AR-9)

Engagement

In 2025, Outokumpu initiated the development of a group-wide approach on engaging with affected communities. The approach is documented in an internal guideline on stakeholder engagement that was published in December 2025. The guideline contributes to identifying and managing Outokumpu's impacts on the communities around its own operations and along the upstream value chain. The related approach will be developed further in 2026 as part of Outokumpu's sustainability due diligence process. Due to Outokumpu's long-established local operations, the company is already accustomed to interacting with the surrounding communities close to its production sites. More information on how Outokumpu engages with its stakeholders can be found in the General disclosures chapter. (S3-2-24)

Remediation

More information about Outokumpu's general approach to and processes for providing or enabling remedy when the company has identified that it is connected with a material negative impact on affected communities is in the Own work force (S1) chapter. (S3-3-27-(a)) Additional information about specific channels to raise concerns is also in the Own workforce (S1) chapter. In addition, in relation to affected communities, Outokumpu's local operations and Group functions can be directly contacted via email or phone. (S3-3-27-(b))

More information on the processes by which Outokumpu supports the availability of channels to raise concerns related to its own operations and value chain, can be found in the Own workforce (S1) chapter. Outokumpu will assess the need to establish mechanisms that encourage or support the availability of such channels through its business relationships. This will be done in 2026 as part of the sustainability due diligence process implementation. (S3-3-AR-19), (S3-3-27-(c))

More information on how issues raised and addressed are tracked and monitored and how the effectiveness of these channels is ensured is in the Own workforce (S1) chapter. (S3-3-27-(d))

Awareness and trust in the remedy structures

Outokumpu has a policy to protect those individuals who raise concerns using the available channels in good faith against retaliation. More information can be found in the Governance chapter. In 2025, Outokumpu continued to implement its sustainability due diligence process, including aspects on affected communities. This work will continue in 2026, including assessing the need for additional methods to evaluate how the affected communities are aware of and trust the existing structures and processes as a way to raise their concerns or needs and have them addressed.

In 2025, awareness of Outokumpu's SpeakUp channel as a way to raise concerns was evaluated during the ResponsibleSteel surveillance audits of its European operations. This was done as sample interviews with local community representatives. The findings indicated that the channel is not yet fully known among these stakeholders. Hence, in 2026, Outokumpu will continue to identify ways to increase affected communities' awareness of and trust in structures and processes as a way to raise their concerns or needs. (S3-3-28)

Third-party mechanisms

The need to introduce third-party grievance mechanisms to ensure proper access globally to the communities affected by Outokumpu's own operations and value chain will be reviewed at earliest in 2026 as the sustainability due diligence process provides more in-depth and systematic knowledge of various affected communities. (S3-3-AR-20)

Actions

Outokumpu does not currently have any systematic actions in place to address material impacts on affected communities. An approach to support the identification and implementation of these actions will be defined in 2026 and onwards as the sustainability due diligence process at Outokumpu covering its own operations and value chain is further developed. However, the sustainability audits and human rights impact assessments conducted as part of Outokumpu's supplier due diligence process already now consider also local communities. More on this approach is in the S2 on Value chain workers chapter of this Sustainability statement. Additionally, the actions described in this Sustainability Statement to prevent and reduce environmental degradation caused by Outokumpu's own operations contribute to minimizing impacts on affected communities. More on these actions in in the section on Environmental information. (S3-MDR-A-62)

Incidents and issues

In 2025, no severe human rights issues or incidents were reported connected to affected communities related to Outokumpu's own operations or value chain. Outokumpu started to develop a group-level approach to systematically identify severe human rights issues and incidents connected to the aforementioned communities during 2025. The categorization of these incidents was introduced to SpeakUp channel investigations and a more systematic approach to gather data from internal and external sources will be developed further in 2026. Currently, if such cases emerge, they are investigated on a case-by-case basis. Outokumpu defines a severe human rights issue to mean, for example, loss of life, detention, human trafficking, forced labor, and/or child labor. (S3-4-36)

Resource allocation

The global Head of Human Rights at the Group Sustainability function leads Outokumpu's group-level work on human rights and sustainability due diligence and the Supplier Sustainability function is responsible for these topics in the upstream raw material value chain. In 2025, the Head of Human Rights in the Group Sustainability team and the Supplier Sustainability team continued implementing Outokumpu's work on human rights due diligence based on the UN Guiding Principles, covering Outokumpu's own operations and value chain. Besides using its own resources, the company also uses external experts to assess and support sustainability due diligence process development when needed. No specific allocated financial resources for mitigating the related material impacts exist as this is included in the Group functions financial planning regarding Outokumpu's sustainability due diligence implementation. (S3-4-38)

The operational expenditure and capital expenditure for the implementation of the described actions related to affected communities are part of Outokumpu's business-as-usual expenditure. (S3-MDR-A-69)

Targets

In 2025, Outokumpu continued developing its sustainability due diligence process covering own operations and value chain. Outokumpu's impacts on various affected communities as well as related actions to prevent, mitigate and bring these impacts to an end were included in this process. During 2025, a general approach regarding affected communities was developed which forms the basis for continued work in 2026. Therefore, no group-wide targets have yet been defined for this purpose but the need to set such targets will be evaluated in 2026. (S3-ESRS2-72) (S3-MDR-T-81-(a))

Similarly, elaborating on practices and processes to track the effectiveness of policies and actions related to the identified impacts will also be part of this development work for 2026. Additionally, the need to define an approach to evaluate actions and policies regarding risks and opportunities will be considered. Based on the increasing knowledge of its impacts related to affected communities, Outokumpu will assess the need to establish selected qualitative and/or quantitative indicators for monitoring purposes. (S3-MDR-T-81-(b))

Outokumpu has already now certain practices in place to track the effectiveness of its policies and actions related to the impacts, risks and opportunities concerning affected communities. For example, Outokumpu is committed to global initiatives such as the UN Global Compact and the UN Guiding Principles on Business and Human Rights. Together with the UN Sustainable Development Goals, these provide a general framework for setting targets and defining the company's actions toward the various affected communities. Outokumpu's European operations are ResponsibleSteel certified, and the mining operations in Finland follow the Towards Sustainable Mining Finland standard. In addition, environmental and social aspects related to affected communities are included in various internal audit and evaluation schemes as well as in the supply chain due diligence process. The need to integrate these aspects further in the existing internal management tools to support sustainability due diligence purposes will be considered in 2026. (S3-MDR-T-81-(b)-(i))

Governance information

Outokumpu's governance work enhances business conduct policies and corporate culture as well as promotes sustainable practices throughout the supply chain. Outokumpu is committed to conducting business with high integrity. This means conducting business in an ethical and responsible way. Outokumpu believes that every employee has a role to play in making ethical choices that help to build a world that lasts forever.

G1 Business conduct 142

Outokumpu is committed to conducting business with high integrity. The company's Code of Conduct provides the principles and rules that all employees need to follow and commit to in their daily work. It guides employees by setting examples and giving practical advice so that everyone is able to make the right choices and conduct business in an ethical and responsible manner.

TARGETS	PROGRESS
Targeted completion rate of the Code of Conduct e-learning by administrative employees and managers of operators	Achieved completion rate of the Code of Conduct e-learning by administrative employees and managers of operators
100%	99%

G1 – Business conduct

Material impacts, risks and opportunities

Business conduct policies and corporate culture		
Positive impact	Potential	Robust policies and related engaging training help employees to conduct business with high integrity.
Positive impact	Potential	Corporate culture anchored in transparency and ethical, responsible and sustainable business practices offers employees a safe place to work where raising concerns is also encouraged.
Negative impact	Potential	If Outokumpu fails to conduct business in an ethical and responsible manner and maintain a corporate culture where everyone has a role in doing the right thing, it can lead to non-compliant and unethical business practices.
Risk		Non-compliance with laws and regulations and the company's business conduct policies as well as other unethical behavior, can weaken the operations and result in adverse legal, financial and reputational consequences.

Management of relationships with suppliers		
Positive impact	Potential	By promoting social, environmental and ethical business practices for suppliers Outokumpu can potentially improve their sustainability performance and have a positive impact on these topics in the upstream value chain.

(G1-ESRS2-SBM-3-48-(a))

Business conduct policies and corporate culture

Outokumpu has formulated policies that address the identification and management of the company's material impacts, risks, and opportunities related to business conduct matters. At Outokumpu, the most important business conduct policy is the group-wide Code of Conduct which is the core element of Outokumpu's group-wide Ethics and Compliance (E&C) program. The aim of the Code of Conduct is to ensure that all Outokumpu employees live up to Outokumpu's ethics and compliance rules and act with high integrity.

Key contents of the policies

The Outokumpu Ethical Principles are part of the Code of Conduct and they are issued by the Outokumpu Board of Directors. As per these principles, Outokumpu respects and promotes human rights and conducts business in a safe, sustainable, ethical and compliant manner. These key Ethical Principles guide how to act towards employees, customers, other business partners and society at Outokumpu.

The Outokumpu Code of Conduct has been structured based on the company's Ways of Working; we operate safely, always; we leverage the power of one Outokumpu; we deliver; we value and grow people; we act sustainably; and we are a trusted partner. These Ways of Working have united the company and created a common understanding of how Outokumpu does business, treats people and works towards a world that lasts forever. As part of Outokumpu's new strategy, EVOLVE, the new Outokumpu Way was introduced in June 2025 replacing the previous Ways of Working. The Outokumpu Way is a set of guiding principles – ABCs – Ambition beyond the obvious, Better together and Customer success – that help Outokumpu deliver on the strategy in everyday decisions and actions. Revision of the Outokumpu Code of Conduct was initiated in 2025 to reflect the new Outokumpu Way and current practices at Outokumpu. The plan is that the renewed Code of Conduct will be launched for all employees in 2026.

The Code of Conduct provides the key principles and rules that all employees need to follow and commit to in their daily work. It guides employees by setting examples and giving practical advice so that everyone is able to make the right choices in their everyday work. The Code of Conduct contains information about the following key areas: health and safety, working together as one Outokumpu, responsible purchasing, protecting assets, information and personal data, safeguarding insider information, communicating with external audiences, corporate governance, avoiding conflicts of interest, financial integrity, preventing money laundering, respectful employment practices, working conditions and rights of employees, sustainable operations and co-operation with communities, anti-corruption including using agents, consultants and distributors as well as reasonable gifts, hospitality and travel expenses, knowing our business partners, competition law compliance, responsibility to comply with the Code of Conduct, co-operation in audits and investigations, and raising concerns including information about Outokumpu's SpeakUp channel.

In addition to the Code of Conduct, there are other business conduct related policies and instructions in place as part of Outokumpu's operating principles framework, including policies around the areas of health and safety, anti-corruption, know your business partner, and data protection as well as competition law compliance. Furthermore, there are a Supplier Code of Conduct and Supplier Requirements available for Outokumpu's suppliers. Policies and instructions, including the Code of Conduct, are implemented through training, communications, and internal control activities. (G1-MDR-P-65-(a))

Scope and approval process

The Outokumpu Code of Conduct is applicable to all Outokumpu employees globally. Outokumpu also expects all its business partners to follow similar ethical standards to Outokumpu.

Outokumpu's suppliers globally are expected to comply with the Outokumpu Supplier Code of Conduct and Supplier Requirements. More information can be found in the Management of relationships with suppliers (G1-2) and Workers in the value chain (S2) chapters. (G1-MDR-P-65-(b))

The Outokumpu Board of Directors determines Outokumpu's Ethical Principles, which are part of the Outokumpu Code of Conduct. The Outokumpu Ways of Working and the Outokumpu Way are determined by the CEO and the Outokumpu Leadership Team, and the Outokumpu Human Resources function facilitates their implementation. The CEO of Outokumpu approves and monitors the implementation of the Code of Conduct. (G1-MDR-P-65-(c))

Third-party standards

As stated in the Code of Conduct, Outokumpu honors and is committed to the International Bill of Human Rights, United Nations Global Compact, UN Guiding Principles on Business and Human Rights, and ILO Declaration on Fundamental Principles and Rights at Work. (G1-MDR-P-65-(d))

Availability and implementation

Outokumpu's Legal and Compliance function drives the implementation and further development of the group-wide E&C program. Implementing the Outokumpu Code of Conduct is facilitated by the Group E&C team and the Code of Conduct and the related e-learning have been drafted in co-operation with internal stakeholders. (G1-MDR-P-65-(e))

The Code of Conduct is available internally in eleven (11) languages. There is a dedicated Code of Conduct page on the company's intranet where the Code of Conduct and its language versions can be found. There are also communication materials available related to the Code of Conduct, such as posters that can be posted on the walls of Outokumpu's sites globally. The English version of the Code of Conduct can also be found on Outokumpu's external website.

Outokumpu expects its business partners to follow similar ethical standards to Outokumpu. In addition, Outokumpu expects its suppliers globally to comply with the Supplier Code of Conduct and Supplier Requirements. Furthermore, training can be organized for business partners on key ethics and compliance topics, as needed.
(G1-MDR-P-65-(f))

Establishing, developing, promoting and evaluating the corporate culture

Outokumpu is committed to fostering a corporate culture that is anchored in transparency, integrity and ethical, responsible and sustainable business practices. Outokumpu wants to act as a reliable and trusted partner towards all its stakeholders, including customers, employees, investors and the communities in which Outokumpu operates. Outokumpu's corporate culture is established and developed through the vision, the Outokumpu Code of Conduct and other policies and commitments that are implemented through training,

communications and internal control activities. Outokumpu's corporate culture is evaluated regularly to ensure it aligns with the company's commitment to conduct business with high integrity, and that it fosters a safe and welcoming work culture.

Sustainability is an integral part of Outokumpu's strategy, making it an important element of Outokumpu's corporate culture. At Outokumpu, ethical and compliant business practices are at the heart of conducting a sustainable business where everyone can contribute by making ethical and responsible choices as part of the daily activities at work.

Outokumpu has instituted robust business conduct policies that serve to guide the behavior and operations of the company in an ethical and responsible manner. These policies are embedded in the corporate culture, promoting responsible behavior at every level of the organization.

Outokumpu is committed to complying with applicable laws and regulations, Ethical Principles, the Outokumpu Code of Conduct and other company policies and instructions, as well as the Ways of Working (applicable until June 2025) and the Outokumpu Way, which form the basis of Outokumpu's actions, operations and corporate culture. They unite the company and create a common understanding and corporate culture on how the company does business and treat its people and business partners including customers.

At Outokumpu, safety and security takes priority over all other activities. This affects Outokumpu's corporate culture and emphasizes the importance of health and safety as well as security. Everyday actions at work are based on Outokumpu's safety principles. Outokumpu's Cardinal Safety rules, which are the foundation for instructions and standard operating procedures, ensure strict compliance with the safety principles. In addition, the Outokumpu security rules protect the company's assets, resources and operations by creating a strong security culture. Furthermore, Outokumpu is committed to create a work environment where everyone feels safe and welcomed, regardless of their background. Additionally, the company fosters a collaborative working culture, embracing fairness and belonging.

The business conduct policies are implemented through training, communications and internal control activities. For Code of Conduct and related ethics and compliance matters, the Group Ethics and Compliance team conducts e-learning modules and other engaging training and communications to help employees do the right thing. The senior management of Outokumpu also has an important role in setting the tone from the top down and communicating the importance of ethical and compliant business practices. One example of such communications is the monthly safety call led by the CEO. These calls regularly promote one of the key elements of Outokumpu's corporate culture: health and safety.

Outokumpu's policies and practices are regularly reviewed and updated to ensure that they also account for more recent developments in the business environment. Business conduct topics and how employees perceive the various elements of the company's actions, operations and corporate culture are also regularly evaluated and measured through various means, such as employee engagement surveys targeted at all employees. There were two employee engagement surveys conducted in 2025. These surveys included questions around the key themes of corporate culture – ethical behavior, well-being, health and safety, fairness and belonging and raising concerns.

At Outokumpu, integrity is part of the annual performance management process, highlighting the importance of complying with the Outokumpu Code of Conduct and other policies. For administrative employees, there is a reminder and consequence management process in place for the mandatory ethics and compliance e-learning modules. The process underlines the importance of completing the trainings on time – everyone needs to do their part in knowing the rules and doing the right thing.

Finally, Outokumpu is committed to fostering a corporate culture of speaking up. This means that Outokumpu encourages all employees, business partners and other stakeholders to raise concerns, if they suspect a violation of the Outokumpu Code of Conduct or other misconduct. (G1-1-9)

Mechanism for reporting misconduct

Outokumpu aims to foster a transparent and open culture. The company encourages all employees, business partners and other stakeholders to raise concerns, if they suspect a violation of its Code of Conduct or other misconduct. Any activity that is against applicable laws, regulations or Outokumpu's policies, or any activity that can cause direct or indirect financial or other damage to Outokumpu, its employees or other stakeholders, is considered misconduct. Outokumpu employees are expected to protect Outokumpu's reputation, take action to prevent harm from occurring, and raise concerns if they suspect misconduct. Furthermore, internal audits and assessments conducted by external, independent parties aim and help to identify possible inappropriate conduct.

All available reporting channels are detailed in the Outokumpu Code of Conduct. Employees shall report suspected misconduct to their immediate manager, manager's manager or other members of the company management. If this is not possible due to the confidentiality or the nature of the matter, suspected misconduct shall be reported to Outokumpu Internal Audit, Legal and Compliance or Human Resources. When other channels do not feel comfortable, concerns shall be reported via the Outokumpu SpeakUp channel. SpeakUp is a confidential communication channel hosted by a third-party service provider, which enables employees and also external stakeholders to report alleged misconduct confidentially and anonymously, if allowed by the local laws and regulations. The SpeakUp channel is available in different languages. An updated version of the SpeakUp channel was launched in 2025.

When concerns are reported, they will be treated with strict confidence, and assessed and reviewed in accordance with the internal investigations procedure. The internal

investigations procedure was led by the Group Internal Audit until October 2025 and thereafter by the Group E&C team. (G1-1-10-(a))

Protecting whistleblowers

Outokumpu aims to foster a corporate culture that upholds the highest standards of ethics, encourages the culture of speaking up and protects whistleblowers.

Outokumpu has an internal Group-level reporting channel called SpeakUp in place, where concerns can be raised confidentially and anonymously, if allowed by the local laws and regulations. SpeakUp is hosted by a third-party service provider. The channel can be used internally, and it is also available for external parties. In certain countries within the European Union (EU), Outokumpu has established a possibility to use a local SpeakUp channel as required by the EU Whistleblower Protection Directive (EU) 2019/1937 and the consequent local laws and regulations.

Outokumpu has a strict non-retaliation policy for reports made in good faith. This means that the reporter shall not face negative consequences if they have reported the suspected misconduct in good faith. Furthermore, if the misconduct report is within the scope of the EU Whistleblower Protection Directive (EU) 2019/1937 and the consequent local laws and regulations, the reporter receives protection based on these laws and regulations.

The Outokumpu Code of Conduct contains information about how to raise concerns at Outokumpu. In addition, the internal Reporting Misconduct Instruction contains more information about misconduct reporting and Outokumpu's internal investigations procedure, including information about the designated functions that receive the reports and investigate the alleged misconduct, as needed. Furthermore, due to the EU Whistleblower Protection Directive (EU) 2019/1937 and the consequent local laws and regulations, the Reporting Misconduct Instruction can be supplemented with country-specific guidelines for Outokumpu entities operating in certain EU countries.

Employees are informed and trained on the topic of misconduct reporting through e-learning modules, such as the Code of Conduct e-learning applicable for all employees, as well as other training. There is also specific training organized for the persons who receive and handle misconduct reports, to ensure professional handling of the reported concerns.

In addition to the trainings, employees are informed about misconduct reporting through communications, such as SpeakUp posters. There is also a separate misconduct reporting page available on Outokumpu's intranet. A link to the SpeakUp channel can be found on the intranet as well as on Outokumpu's external website. A link to the SpeakUp channel is also included in the Outokumpu Supplier Code of Conduct, encouraging suppliers to report suspected misconduct or unethical behavior related to their business relationship with Outokumpu. (G1-1-10-(c))

Investigating incidents

Outokumpu has an internal investigations procedure in place to investigate business conduct incidents, including incidents of corruption and bribery. The company is committed to handling misconduct reports independently, objectively and as promptly as reasonably possible.

Reports are assessed and reviewed in accordance with Outokumpu's internal investigations procedure, led by Group Internal Audit until October 2025 and thereafter by the Group E&C team. In those countries where locally managed misconduct reporting procedures have been implemented due to the EU Whistleblower Protection Directive (EU) 2019/1937 and the consequent local laws and regulations, there are local employees appointed to manage the assessment and review of the reported concerns locally in co-operation with the Group Internal Audit and Group E&C team, if permitted by the local laws and regulations. As a consequence of internal investigations, management can be given recommendations on remedial actions, including corrective, preventative and disciplinary actions. The Outokumpu E&C Steering Group, the Outokumpu Leadership Team and the Board of Directors regularly receive updates on the reported concerns. (G1-1-10-(e))

Training on business conduct

The Group E&C team at Outokumpu conducts training and shares information on a regular basis on various ethics and compliance topics, including the Code of Conduct, to help ensure that Outokumpu's employees globally know how to apply the policies and principles on business conduct in their daily decision-making. At Outokumpu, training is given both through mandatory e-learning modules and through face-to-face training, webinars and discussions. A reminder and consequence management process is applied for the mandatory ethics and compliance e-learning modules, as applicable, making sure that employees complete the training on time.

In addition to the E&C training, there are other e-learning modules and training courses available for employees in areas such as health and safety. (G1-1-10-(g))

Functions most at risk of corruption and bribery

Outokumpu has a strict zero tolerance policy for any form of corruption or bribery as stated in the Outokumpu Code of Conduct. For this purpose, Outokumpu has a global anti-corruption compliance program in place as part of the group-wide E&C program. The purpose of the anti-corruption compliance program is to help to identify, assess and mitigate risks related to corruption and bribery in the global environment where Outokumpu operates. The program contains various elements to mitigate corruption and bribery risks, such as a detailed internal guidance document, the Anti-Corruption Instruction, which supplements the anti-corruption requirements as stated in Outokumpu's Code of Conduct. There are also other internal policies and know your business partner processes in place to

mitigate corruption and bribery risks. Furthermore, the Outokumpu Supplier Code of Conduct contains requirements for suppliers to comply with applicable anti-corruption rules.

Outokumpu employees are being trained on the anti-corruption topic through various training courses, such as the Outokumpu Code of Conduct e-learning, which is applicable to all Outokumpu employees. In addition, there is an anti-corruption e-learning in place for administrative employees. Furthermore, there are other forms of anti-corruption- related trainings and communications for employees.

At Outokumpu, certain functions are subject to elevated corruption and bribery risks as a result of their tasks and responsibilities. Due to their role in financial transactions and interactions with external stakeholders, the company has identified the sales and procurement functions to be most at risk in respect of corruption and bribery. Outokumpu will continue to implement and improve, where necessary, applicable anti-corruption measures to mitigate any possible risks related to corruption and bribery. (G1-1-10-(h))

Key actions

The effective implementation and further development of Outokumpu's group-wide E&C Program continued in 2025.

The Outokumpu Code of Conduct is applicable to all Outokumpu employees globally. The revision of the Code of Conduct was initiated in 2025 to reflect the new Outokumpu Way and current practices at Outokumpu. The plan is to launch the renewed Code of Conduct for all employees in 2026.

There is a Code of Conduct e-learning available for Outokumpu employees in order to educate them about the key contents of the Code of Conduct and help them to make ethical and responsible decisions as part of their responsibilities at work. As per the set training schedule, the Code of Conduct e-learning was relaunched for administrative employees and managers of operators in 2025. In addition, administrative employees successfully completed other renewed E&C e-learning modules in the areas of anti-corruption, competition law compliance, data protection and know your business partner. The managers of operators also completed the data protection e-learning. There were various awareness sessions conducted to support employees with the training efforts. Furthermore, targeted E&C training modules were created and launched for managers by the Group E&C team.

In addition to the various training activities, the Group E&C team continued risk mitigation measures by conducting assessments and improving processes, documentation and systems in key E&C areas including misconduct reporting where the updated Outokumpu SpeakUp channel was implemented and launched in co-operation with Group Internal Audit. Furthermore, since October 2025 Group E&C team has led the internal investigations procedure. (G1-MDR-A-68-(a))

The operational expenditure and capital expenditure for the implementation of the previously described action plan are part of Outokumpu's business-as-usual expenditure. (G1-MDR-A-69)

Scope and time horizon

Code of Conduct and related e-learning

The Code of Conduct is applicable to all Outokumpu employees.The revision of the Code of Conduct was initiated in 2025 to reflect the new Outokumpu Way and current practices at Outokumpu. The plan is to launch the updated Code of Conduct for all employees in 2026.

The Code of Conduct e-learning is an annual mandatory training for all administrative employees and managers of operators. These employees completed the training in 2025. The operators take the training every other year, or more often if there are material changes to the Code of Conduct or the e-learning. The training is available in several languages so that everyone can complete the training in their own language.

Other E&C training

In addition to the Code of Conduct e-learning, there are other mandatory ethics and compliance e-learning modules in place in the areas of anti-corruption, competition law compliance, data protection and know your business partner. These training modules are targeted at administrative employees globally. Managers of operators globally complete the data protection training. The training modules are available in several languages. These training modules were fully renewed and launched at the end of 2024. All of these modules were successfully completed by the said target group of employees in 2025.

In addition to e-learning, the Group E&C team actively conducted face-to-face and webinar training sessions to the administrative employees on ethics and compliance topics during 2025. In addition, specific training materials were created and training sessions conducted for various managers. It is the managers responsibility at Outokumpu to lead by example and support their teams in complying with the Code of Conduct and other company policies.

Other measures

The Group Ethics and Compliance team continued to implement various measures in the areas of anti-corruption, competition law compliance, data protection, know your business partner and misconduct reporting, for example through assessments, and improved systems as well as internal processes and documentation. The purpose of these measures was to further mitigate risks and improve the various elements of Outokumpu's group-wide E&C program. (G1-MDR-A-68-(b-c))

Prior progress

The Code of Conduct e-learning has been a mandatory training for Outokumpu employees also earlier. In 2024, 97% of all employees completed the new Code of Conduct e-learning.

Other ethics and compliance e-learning modules in the areas of anti-corruption, competition law compliance, data protection and know your business partner have been mandatory for administrative employees and managers of operators also in the previous years as per the determined training schedule. The Group E&C team has also consistently conducted other ethics and compliance training as well as gradually implemented various risk mitigation measures and developed Outokumpu's group-wide E&C Program. (G1-MDR-A-68-(e))

Metrics and targets

Tracking performance and effectiveness

Outokumpu uses the training completion status of the Code of Conduct e-learning as a metric to evaluate the effectiveness of the implementation of the training. (G1-MDR-M-75)

Methodologies and assumptions

It is the assumption that all Outokumpu employees complete the Code of Conduct e-learning as per the determined training schedule.

The training is available for employees through the central HR system and each employee must log in to complete it. HR Learning Services supports with the technical implementation of the training and regularly monitors the training statistics together with other internal stakeholders. (G1-MDR-M-77-(a))

External validation

The measurement of the metrics (i.e., the training completion percentage of the Code of Conduct e-learning) is validated by an external sustainability reporting assurance provider. (G1-MDR-M-77-(b))

Relationship with policy objectives

The Outokumpu Code of Conduct is the core element of Outokumpu's group-wide E&C program, setting the ethical standards for Outokumpu's operations globally. The Code of Conduct e-learning supports the target that employees would know and understand the key content of the Code of Conduct and would be able to conduct business in an ethical and responsible manner. At Outokumpu, every employee has a role in making ethical choices that help to build a world that lasts forever. (G1-MDR-T-80-(a))

Measurable target

The target was that all administrative employees and managers of operators complete the Code of Conduct e-learning within the set time frame in 2025. The target was measured through the training statistics (training completion %) of the Code of Conduct e-learning. (G1-MDR-T-80-(b))

Scope

Since the actions were aimed at Outokumpu's internal stakeholders, the target was aligned with this scope. (G1-MDR-T-80-(c))

Milestones

The Code of Conduct e-learning was relaunched for administrative employees and managers of operators in May 2025. The deadline to complete the training was in June 2025, meaning that there was approximately a one month time period to complete the training. In addition, the Code of Conduct e-learning is part of the onboarding program for all new employees joining the company. (G1-MDR-T-80-(e))

Methodologies and assumptions

Outokumpu is committed to conducting business with high integrity and wants to make sure that all employees globally know the company's key rules on how to do the right thing. In addition to the company's own expectations, there are expectations set by external parties to conduct training for employees on ethical and compliant behavior.

The completion of the Code of Conduct e-learning by administrative employees and managers of operators was a key target in 2025 in respect of the implementation of the key content of the group-wide Code of Conduct at all Outokumpu sites. (G1-MDR-T-80-(f))

Target setting

Outokumpu's Group E&C team facilitates the implementation of the Outokumpu Code of Conduct and related e-learning. The target that administrative employees and managers of operators complete the training in 2025 was supported by the E&C Steering Group. (G1-MDR-T-80-(h))

Performance against disclosed target

99% of administrative employees and managers of operators completed the Code of Conduct e-learning in 2025 (2024: 97% of all employees completed the Code of Conduct e-learning). This includes all white-collar employees and managers of operators who were active as of December 31, 2025.

The training completion rates were monitored by the HR Learning Services and the Group E&C team. Outokumpu has a reminder and consequence management process in place for the mandatory ethics and compliance e-learning modules, including the Code of Conduct e-learning. This process applies to the administrative employees globally. As per the process, administrative employees are expected to complete the training within the set timeline. In the case of non-completions, there is a reminder and escalation process, and as a final stage of the process, the Outokumpu user account of the administrative employee who has not taken the training on time, will be temporarily disabled (this process step applies to

administrative employees globally, except in Germany). The completion of the Code of Conduct e-learning was monitored as per this process in 2025. (G1-MDR-T-80-(j))

Management of relationships with suppliers

Approach to relationships with suppliers

Outokumpu's supplier relationships management pursues fostering a resilient and ethical supply chain, balancing sustainability, quality, and reliability as well as cost-efficiency. By promoting sustainable practices, Outokumpu aims to create a positive impact throughout the supply chain, while creating the best value for its operations.

Management of relationships with suppliers includes a structured due diligence process covering the full supplier lifecycle. New suppliers undergo a qualification process that evaluates compliance with Outokumpu's Supplier Code of Conduct and Supplier Requirements. These set expectations on human rights, labor conditions, environmental protection, and ethical business conduct. A risk-based approach guides the prioritization of suppliers for enhanced due diligence, focusing particularly on raw materials and sourcing regions with elevated sustainability risks. Outokumpu actively monitors suppliers through self-assessments, EcoVadis sustainability ratings, regular trade sanctions screening, and, where needed, on-site audits and sustainability visits. Corrective action plans are required if gaps are identified, and supplier relationships are based on continuous improvement and collaboration. Suppliers must also evaluate and monitor their own supply chain and provide proof of their practices if requested by Outokumpu. (G1-2-15(a))

Social and environmental criteria in selecting suppliers

All Outokumpu suppliers and subcontractors are expected to comply with Outokumpu's Supplier Code of Conduct or similar standards covering the following topics: safe and healthy workplace, sustainable future, human rights and dignity, and good corporate citizenship.

All Outokumpu suppliers will have to commit to and comply with the Supplier Requirements, which set forth the minimum criteria regarding health and safety, the environment, quality and risk management, self-assessments and audits, supplier selection and management, supply chain and material requirements, product liability, protection of Outokumpu's confidential information, trade compliance, and sustainability due diligence. (G1-2-15(b))

Policies, actions, metrics and targets related to management of relationships with suppliers are disclosed in the S2 Workers in the value chain chapter, in the sections Policies, Actions and Targets. (G1-MDR-P-65-(a)), (G1-MDR-P-65-(c)), (G1-MDR-P-65-(d)), (G1-MDR-P-65-(e)), (G1-MDR-P-65-(f)), (G1-MDR-A-68-(a)), (G1-MDR-A-68-(b-c)), (G1-MDR-A-68-(e), (G1-MDR-M-75), (G1-MDR-M-77-(a)), (G1-MDR-M-77-(b)), (G1-MDR-T-80-(a)), (G1-MDR-T-80-(b)), (G1-MDR-T-80-(c)), (G1-MDR-T-80-(e)), (G1-MDR-T-80-(f)), (G1-MDR-T-80-(h)), (G1-MDR-T-80-(j))

Group key figures

Key figures

€ million, or as indicated	2025	2024	2023	2022	2021
Scope of activity					
Sales	**5,468**	5,942	6,961	9,494	7,243
change in sales, %	**-8.0**	-14.6	-26.7	31.1	28.4
exports from and sales outside Finland, of total sales, %*	**96.3**	96.3	96.5	95.9	96.4
Capital employed on Dec 31 * [1]	**4,032**	4,250	4,204	4,751	3,828
Capital expenditure *	**145**	216	170	158	171
in relation to sales, %	**2.7**	3.6	2.4	1.7	2.4
Depreciation and amortization	**215**	220	242	245	249
Impairments	**7**	-7	274	11	45
Research and development costs	**11**	15	14	15	14
in relation to sales, %	**0.2**	0.2	0.2	0.2	0.2
Personnel on Dec 31, FTE [2]	**8,251**	8,424	8,453	8,357	8,439
average for the year, FTE [2]	**8,328**	8,443	8,412	8,683	8,714
Personnel on Dec 31, headcount	**8,605**	8,736	8,750	8,591	8,727

Alternative performance measures are marked with *. For more information, please see Reconciliation of alternative performance measures section.
In year 2022, Outokumpu announced to divest majority of the Long Products business operations and classified these businesses as assets held for sale and reported as discontinued operations. The divestment was completed on January 3, 2023.

[1] In 2022, including discontinued operations' equity. In 2021, including discontinued operations.
[2] Outokumpu has redefined personnel, full time equivalent (FTE) measure in year 2024. FTE is excluding interim workforce as of year 2023.
[3] Until the year-end 2022, the balance sheet component is including discontinued operations except for Sept 30 and Dec 31, 2022, where only the equity component of discontinued operations is included.
[4] Discontinued operations are impacting the comparative years' numbers 2021–2022.

€ million, or as indicated	2025	2024	2023	2022	2021
Profitability					
EBITDA*	**88**	162	416	1,248	968
Adjusted EBITDA*	**167**	177	517	1,256	980
in relation to sales, %	**3.1**	3.0	7.4	13.2	13.5
Adjusted EBITDA, including discontinued operations*	**167**	177	517	1,387	1,021
Operating profit (EBIT)*	**-134**	-51	-100	992	674
in relation to sales, %	**-2.5**	-0.9	-1.4	10.5	9.3
Adjusted EBIT*	**-48**	-43	274	1,010	728
Result before taxes	**-174**	-89	-133	933	610
in relation to sales, %	**-3.2**	-1.5	-1.9	9.8	8.4
Net result for the financial year	**-137**	-40	-111	1,086	526
in relation to sales, %	**-2.5**	-0.7	-1.6	11.4	7.3
Net result for the financial year, including discontinued operations	**-137**	-40	-106	1,140	553
Return on equity (ROE), % * [4]	**-3.9**	-1.1	-2.6	30.6	20.1
Return on capital employed (ROCE), % * [3]	**-3.2**	-1.2	-2.1	22.6	17.6

€ million, or as indicated	**2025**	2024	2023	2022	2021
Financing and financial position					
Net financial expenses *	**43**	41	37	71	79
in relation to sales, %	**0.8**	0.7	0.5	0.7	1.1
Interest expenses *	**54**	64	60	44	64
in relation to sales, %	**1.0**	1.1	0.9	0.5	0.9
Gross debt * [1]	**627**	502	441	633	709
Net debt * [1]	**265**	189	-60	-10	408
Net debt adjusted EBITDA * [1]	**1.6**	1.1	-0.1	0.0	0.4
Share capital	**311**	311	311	311	311
Total equity	**3,405**	3,748	3,762	4,119	3,120
Equity-to-assets ratio, % * [1]	**59.8**	63.2	63.8	59.2	48.3
Debt-to-equity ratio (gearing), % * [1]	**7.8**	5.0	-1.6	-0.3	13.1
Net cash generated from operating activities [1]	**79**	147	325	778	597
Free cash flow * [1]	**-46**	-71	290	619	448

Alternative performance measures are marked with *. For more information, please see Reconciliation of alternative performance measures section.

In year 2022, Outokumpu announced to divest majority of the Long Products business operations and classified these businesses as assets held for sale and reported as discontinued operations. The divestment was completed on January 3, 2023.

[1] Discontinued operations are impacting the comparative years' numbers 2021–2022. Free cash flow for year 2023 include discontinued operations i.e. proceeds from the sale of Long product business.

Reconciliation of alternative performance measures

Certain financial key figures and ratios presented in Outokumpu's Annual Report are not measures of financial performance, financial position or cash flows under IFRS and are therefore considered as alternative performance measures. These measures are not defined by IFRS and therefore may not be directly comparable with financial measures and ratios used by other companies, including those in the same industry. The reason for presenting these measures is that either they are statutory requirements applicable to the financial statements of the Group or the management believes that these measures provide meaningful supplemental information on the underlying business performance or financial position of the Group. These financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS. Alternative performance measures are marked with * in the Key figures table.

Key figure EUR million, or as indicated	Definition of the key figure or source in the consolidated Financial Statements	**2025**	2024
Exports from and sales outside Finland			
Exports from and sales outside Finland is an indicator of the international nature of the Group's business.			
Sales	Consolidated statement of income	**5,468**	5,942
Sales by destination to Finland	Note 2.2	**204**	222
Exports from and sales outside Finland	Sales - Sales by destination to Finland	**5,264**	5,719
in relation to total sales, %	Comparison to sales	**96.3**	96.3
Capital expenditure			
Capital expenditure indicates the investment in assets to generate future cash flows for the Group.			
Purchases of property, plant and equipment	Consolidated statements of cash flows	**119**	173
Purchases of intangible assets	Consolidated statements of cash flows	**25**	38
Emission allowances	Note 4.1	**—**	-10
Investments in equity at fair value through other comprehensive income and associated companies	Consolidated statement of cash flows	**2**	16
Capital expenditure	Purchases of property, plant and equipment and intangible assets, other than emission allowances; and investments in equity at fair value through other comprehensive income and in associated companies and acquisitions of businesses	**145**	216
in relation to sales, %	Comparison to sales	**2.7**	3.6

Key figure EUR million, or as indicated	Definition of the key figure or source in the consolidated Financial Statements	**2025**	2024
Operating capital (segment reporting)			
Operating capital is a measure for the amount of capital invested in Group's operations. It is used as a measure for the business areas' net assets.			
Capital employed on Dec 31	Defined later in this section	**4,032**	4,250
Cash and cash equivalents	Consolidated statement of financial position	**362**	313
Lease receivables	Note 4.2	**6**	7
Investments in associated companies	Consolidated statement of financial position	**79**	77
Investments in equity at fair value through other comprehensive income	Consolidated statement of financial position	**24**	28
Investments at fair value through profit or loss	Note 5.5	**27**	28
Net deferred tax assets	Note 2.6	**502**	498
Net employee benefit obligations	Note 3.3	**169**	196
Operating capital on Dec 31	Capital employed – cash and cash equivalents – lease receivables– investments in associated companies – investments in equity at fair value through other comprehensive income – investments at fair value through profit or loss – net deferred tax asset – net asset held for sale + net employee benefit obligations	**3,200**	3,495

Key figure EUR million, or as indicated	Definition of the key figure or source in the consolidated Financial Statements	**2025**	2024

Operating profit (EBIT) and adjusted EBIT

Operating profit (EBIT) and adjusted EBIT are measures of financial performance of the Group. The items affecting comparability in EBIT relate to material income and expense items of unusual nature, and their purpose is to improve comparability of financial performance between reporting periods.

Net result for the financial year	Consolidated statement of income	**-137**	-40
Income taxes	Consolidated statement of income	**36**	49
Total financial income and expenses	Consolidated statement of income	**-43**	-41
Share of results in associated companies	Consolidated statement of income	**4**	3
Operating profit (EBIT)	Consolidated statement of income	**-134**	-51
in relation to sales, %	Comparison to sales	**-2.5**	-0.9
Items affecting comparability in EBIT	Note 2.1	**-86**	-8
Adjusted EBIT	Operating profit (EBIT) - Items affecting comparability in EBIT	**-48**	-43

EBITDA and adjusted EBITDA

EBITDA and adjusted EBITDA are measures of the financial performance of the Group. Adjusted EBITDA is Outokumpu's main performance indicator in financial reporting. The items affecting comparability in EBITDA relate to material income and expense items of unusual nature, and their purpose is to improve comparability of financial performance between reporting periods.

Operating profit (EBIT)	Consolidated statement of income	**-134**	-51
Depreciation and amortization	Note 2.3	**215**	220
Impairments	Note 2.4	**7**	-7
EBITDA	EBIT before depreciation, amortization and impairments	**88**	162
Items affecting comparability in EBITDA	Note 2.1	**-79**	-15
Adjusted EBITDA	EBITDA - Items affecting comparability in EBITDA	**167**	177
in relation to sales, %	Comparison to sales	**3.1**	3.0

Key figure EUR million, or as indicated	Definition of the key figure or source in the consolidated Financial Statements	**2025**	2024

Net financial expenses and interest expenses

Net financial expenses and interest expenses are measures for the cost of Group's financing.

Net financial expenses	Total financial income and expenses in the Consolidated statement of income	**43**	41
in relation to sales, %	Comparison to sales	**0.8**	0.7
Interest expenses	Consolidated statement of income	**54**	64
in relation to sales, %	Comparison to sales	**1.0**	1.1

Capital employed

Capital employed is a measure for the amount of capital invested in Group's operations.

Capital employed is the sum of:

Total equity:	Consolidated statement of financial position	**3,405**	3,748
Gross debt	Defined later in this section	**627**	502
Capital employed on Dec 31	Total equity + gross debt	**4,032**	4,250

Key figure EUR million, or as indicated	Definition of the key figure or source in the consolidated Financial Statements	2025	2024
Return on equity (ROE)			
Return on equity is an indicator of the value the Group generates to the capital the shareholders have invested in the Group.			
Total equity on Dec 31 of previous year	Consolidated statement of financial position	**3,748**	3,762
Total equity on March 31		**3,657**	3,761
Total equity on June 30		**3,498**	3,697
Total equity on Sept 30		**3,457**	3,626
Total equity on Dec 31	Consolidated statement of financial position	**3,405**	3,748
Total equity (4-quarter average)	Average of the opening and 4 quarter-end values	**3,553**	3,719
Net result for the financial year	Consolidated statement of income	**-137**	-40
Return on equity (ROE), %	Net result for the financial year / Total equity (4-quarter average)	**-3.9**	-1.1
Return on capital employed (ROCE)			
Return on capital employed is a measure for the value the Group generates to the capital invested in its operations.			
Capital employed on Dec 31 of previous year	Defined earlier in this section	**4,250**	4,204
Capital employed on March 31		**4,264**	4,175
Capital employed on June 30		**3,974**	4,134
Capital employed on Sept 30		**4,022**	4,079
Capital employed on Dec 31	Defined earlier in this section	**4,032**	4,250
Capital employed (4-quarter average)	Average of the opening and 4-quarter-end values	**4,108**	4,168
Operating profit (EBIT)	Consolidated statement of income	**-134**	-51
Share of results in associated companies	Consolidated statement of income	**4**	3
Return on capital employed (ROCE), %	(Operating profit (EBIT) + Share of results in associated companies) / Capital employed (4-quarter average)	**-3.2**	-1.2

Key figure EUR million, or as indicated	Definition of the key figure or source in the consolidated Financial Statements	2025	2024
Gross debt			
Gross debt is a measure for the level of debt financing in the Group.			
Non-current debt	Consolidated statement of financial position	**519**	246
Current debt	Consolidated statement of financial position	**108**	256
Gross debt	Non-current + current debt	**627**	502
Net debt			
Net debt is a measure for the level of debt financing in the Group.			
Gross debt	Defined earlier in this section	**627**	502
Cash and cash equivalents	Consolidated statement of financial position	**362**	313
Net debt	Gross debt – cash and cash equivalents	**265**	189
in relation to sales, %	Comparison to sales	**4.8**	3.2
Net debt to adjusted EBITDA			
Net debt to Adjusted EBITDA is an indicator of the Group's indebtedness.			
Net debt	Defined earlier in this section	**265**	189
Adjusted EBITDA	Defined earlier in this section	**167**	177
Net debt to Adjusted EBITDA	Net debt / Adjusted EBITDA	**1.6**	1.1
Equity-to-assets ratio			
Equity-to-assets ratio shows the proportion the Group's assets financed with equity. The equity-to-assets ratio indicates the financial risk level of the Group.			
Total equity	Consolidated statement of financial position	**3,405**	3,748
Total assets	Consolidated statement of financial position	**5,705**	5,965
Advances received	Note 4.5	**10**	32
Equity-to-assets ratio, %	Total equity/(Total assets - advances received)	**59.8**	63.2
Debt-to-equity ratio (gearing)			
Debt-to-equity ratio or gearing is an indicator of the financial risk level and the indebtedness of the Group.			
Net debt	Defined earlier in this section	**265**	189
Total equity	Consolidated statement of financial position	**3,405**	3,748
Debt-to-equity ratio (gearing), %	Net debt / Total equity	**7.8**	5.0
Free cash flow			
Free cash flow is an indicator of the cash flow that remains for e.g. payment of dividends and debt.			
Free cash flow	Consolidated statement of cash flows, cash flow before financing activities	**-46**	-71

Definitions of financial key figures

Key figure	Purpose	Definition	
Operating profit (EBIT)	Operating profit (EBIT) is a measure of financial performance of the Group.	Net result for the period excluding income taxes, financial income and expenses and share of results in associated companies	
EBITDA	EBITDA is a measure of financial performance of the Group.	EBIT before depreciation, amortization and impairments	
Items affecting comparability (IAC) in EBITDA or in EBIT	Items affecting comparability in EBITDA or EBIT improves comparability of financial performance between reporting periods.	Material income and expense items which affect the comparability between periods because of their unusual nature, size or incidence resulting for example from group-wide restructuring programs, disposals of assets or businesses or items related to aftercare of old mines.	
Adjusted EBITDA or EBIT	Adjusted EBITDA is Outokumpu's main performance indicator in financial reporting.	EBITDA or EBIT +/- items affecting comparability	
Capital employed	Capital employed is a measure for the amount of capital invested in the Group's operations.	Total equity + gross debt	
Operating capital (segment reporting)	Operating capital is a measure for the amount of capital invested in the Group's operations. It is used as a measure for the business areas' net assets.	Capital employed – cash and cash equivalents - lease receivables– investments in associated companies – investments in equity at fair value through other comprehensive income – investments at fair value through profit or loss – net deferred tax asset – net asset held for sale + net employee benefit obligations	
Capital expenditure	Capital expenditure indicates the investment in assets to generate future cash flows for the Group.	Purchases of property, plant and equipment and intangible assets, other than emission allowances; and investments in equity at fair value through other comprehensive income and in associated companies and acquisitions of businesses	
Free cash flow	Free cash flow is an indicator of the cash flow that remains for e.g. payment of dividends and debt.	Cash flow before financing activities	
Return on capital employed (ROCE)	Return on capital employed is a measure for the value the Group generates to the capital invested in its operations.	Operating profit (EBIT) + Share of results in associated companies / Capital employed (4-quarter rolling average)	× 100
Return on operating capital (ROOC) (segment reporting)	Return on operating capital is an internal measure for the value the business areas generate to the capital invested in their operations.	Adjusted EBIT / Operating capital (4-quarter rolling average)	× 100
Return on equity (ROE)	Return on equity is an indicator of the value the Group generates to the capital the shareholders have invested in the Group.	Net result for the financial period / Total equity (4-quarter rolling average)	× 100
Gross debt	Gross debt is a measure for the level of debt financing in the Group.	Non-current debt + current debt	
Net debt	Net debt is a measure for the level of debt financing in the Group.	Gross debt – cash and cash equivalents	

Key figure	Purpose	Definition	
Equity-to-assets ratio	Equity-to-assets ratio shows the proportion of the Group's assets financed with equity. It indicates the financial risk level of the Group.	Total equity Total assets – advances received	× 100
Debt-to-equity ratio (gearing)	Debt-to-equity ratio or gearing is an indicator of the financial risk level and the indebtedness of the Group.	Net debt Total equity	× 100
Net debt to adjusted EBITDA	Net debt to adjusted EBITDA is an indicator of the Group's indebtedness.	Net debt Adjusted EBITDA	
Personnel, full-time equivalent		Headcount adjusted to full-time equivalent number of personnel, excluding personnel on sick leave or parental leave of more than 6 months and excluding personnel whose employment has been terminated and who are on notice period without requirement to work and excluding interim workforce.	

Share-related key figures[1)]

		2025	2024	2023	2022	2021
Earnings per share	€	**-0.31**	-0.09	-0.24	2.52	1.26
Earnings per share continuing operations	€	**-0.31**	-0.09	-0.26	2.40	1.21
Diluted earnings per share	€	**-0.31**	-0.09	-0.24	2.33	1.17
Diluted earnings per share continuing operations	€	**-0.31**	-0.09	-0.26	2.22	1.13
Cash flow per share	€	**0.17**	0.35	0.75	1.72	1.36
Equity per share	€	**7.23**	8.85	8.73	9.27	6.89
Dividend per share	€	**0.13** [2)]	0.26	0.26	0.35	0.15
Dividend payout ratio	%	**-44.60**	-278.43	-105.97	13.64	12.30
Dividend yield	%	**2.90**	8.95	5.80	7.40	2.70
Price / earnings ratio		**neg.**	neg.	neg.	1.88	4.37
Development of share price						
Average trading price	€	**3.59**	3.59	4.77	4.69	4.96
Lowest trading price	€	**2.70**	2.77	3.60	3.51	3.36
Highest trading price	€	**4.63**	4.48	5.90	6.48	6.01
Trading price at the end of the period	€	**4.48**	2.91	4.48	4.73	5.50
Change during the period	%	**54.2**	-35.2	-5.2	-14.0	70.8
Change in the OMX Helsinki index during the period	%	**30.2**	-6.2	-6.6	-13.4	18.3
Market capitalization at the end of the period [3)]	€ million	**2,111**	1,231	1,933	2,101	2,489
Development in trading volume						
Trading volume [4)]	1,000 shares	**404,741**	385,456	386,008	720,801	880,092
In relation to adjusted weighted average number of shares	%	**89.9**	90.9	88.7	159.5	200.5
Adjusted weighted average number of shares [3)]		**450,344,651**	424,237,776	435,090,240	451,932,876	438,871,175
Adjusted diluted weighted average number of shares [3) 5)]		**472,339,560**	470,977,109	475,843,726	493,535,712	479,163,509
Number of shares at the end of the period [3)]		**471,208,421**	423,685,628	431,190,703	444,134,611	452,571,977

[1)] Discontinued operations impacted figures until year 2022. In year 2023 only impact of discontinued operations is the transactions related to the sale of Long Products business operations as divestment was completed January 3, 2023.
[2)] The Board of Directors' proposal to the Annual General Meeting.
[3)] Excluding treasury shares.
[4)] Includes only Nasdaq Helsinki trading.
[5)] The convertible bonds matured in July 2025. In total Outokumpu converted the convertible bond into 47,046,505 shares and cancelled the total of 30,836,205 own shares in connection with the conversions. More information in note 5.2.

Definitions of share-related key figures

Key figure	Definition	
Earnings per share	Net result for the financial year attributable to the equity holders Adjusted weighted average number of shares during the period	
Diluted earnings per share	Net result for the financial year attributable to the equity holders + interest expenses on convertible bonds, net of tax Adjusted diluted weighted average number of shares during the period	
Cash flow per share	Net cash generated from operating activities Adjusted weighted average number of shares during the period	
Equity per share	Equity attributable to the equity holders Adjusted number of shares at the end of the period	
Dividend per share	Dividend for the financial year Adjusted number of shares at the end of the period	
Dividend payout ratio	Dividend for the financial year Net result for the financial year attributable to the equity holders	× 100
Dividend yield	Dividend per share Adjusted trading price at the end of the period	× 100
Price/ earnings ratio (P/E)	Adjusted trading price at the end of the period Earnings per share	
Average trading price	EUR amount traded during the period Adjusted number of shares traded during the period	
Market capitalization at end of the period	Number of shares outstanding at the end of the period x Trading price at the end of the period	
Development in trading volume	Trading volume Adjusted weighted average number of shares during the period	× 100

Financial Statements

In 2025, Outokumpu faced a weak economic environment, further intensified by escalating geopolitical tensions.

Outokumpu's customer V-ZUG, a Swiss premium home appliance producer, is using the world's first towards-zero stainless steel. Outokumpu Circle Green®, with up to 93% lower carbon footprint than the industry average, to produce parts of the V-ZUG Dishwasher inner part. The collaboration supports the ambitious climate targets of both companies and accelerates the green transition in the home appliance sector.

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Consolidated Financial Statements, IFRS

Consolidated statement of income

€ million	Note	2025	2024
Sales	2.2	**5,468**	5,942
Cost of sales	2.3	**-5,279**	-5,710
Gross margin		**189**	232
Other operating income	2.4	**28**	57
Selling and marketing expenses	2.3	**-68**	-71
Administrative expenses	2.3	**-263**	-240
Research and development expenses	2.3	**-11**	-15
Other operating expenses	2.4	**-9**	-15
Operating profit (EBIT)		**-134**	-51
Share of results in associated companies	6.6	**4**	3
Financial income and expenses	2.5		
Interest income and other financial income		**9**	13
Interest expenses		**-54**	-64
Market price gains and losses		**12**	20
Other financial expenses		**-11**	-10
Total financial income and expenses		**-43**	-41
Result before taxes		**-174**	-89
Income taxes	2.6	**36**	49
Net result for the period		**-137**	-40

€ million	Note	2025	2024
Earnings per share for result attributable to the equity holders of the parent company	2.7		
Earnings per share, EUR		**-0.31**	-0.09
Diluted earnings per share, EUR		**-0.31**	-0.09

Net result for the financial year is fully attributable to the equity holders of the parent company. The notes are an integral part of the Financial Statements.

Consolidated statement of comprehensive income

€ million	Note	2025	2024
Net result for the period		**-137**	-40
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations			
Change in exchange differences		**-205**	108
Cash flow hedges	5.4		
Fair value changes during the financial year		**-13**	12
Reclassification to profit or loss		**-8**	-13
Income taxes	2.6	**4**	0
Items that will not be reclassified to profit or loss:			
Remeasurements on defined benefit plans	3.3		
Changes during the financial year		**20**	12
Income taxes	2.6	**-8**	-4
Equity investments at fair value through other comprehensive income	5.6		
Fair value changes during the financial year		**-5**	13
Share of other comprehensive income in associated companies	6.6	**0**	0
Other comprehensive income for the financial year, net of tax		**-215**	127
Total comprehensive income for the financial year		**-352**	88

Total comprehensive income for the financial year is fully attributable to the equity holders of the parent company. The notes are an integral part of the Financial Statements.

Consolidated statement of financial position

€ million	Note	2025	2024
ASSETS			
Non-current assets			
Intangible assets	4.1, 4.3	**573**	580
Property, plant and equipment	4.1	**1,859**	1,935
Right-of-use assets	4.2	**173**	179
Investments in associated companies	6.6	**79**	77
Equity investments at fair value through other comprehensive income	5.6	**24**	28
Deferred tax assets	2.6	**502**	504
Trade and other receivables	4.5	**9**	10
		3,219	3,313
Current assets			
Inventories	4.4	**1,608**	1,764
Investments at fair value through profit or loss	5.5	**27**	28
Derivative financial instruments	5.4	**17**	39
Current tax receivables	2.6	**14**	16
Trade and other receivables	4.5	**457**	492
Cash and cash equivalents	5.1	**362**	313
		2,486	2,652
TOTAL ASSETS		**5,705**	5,965

€ million	Note	2025	2024
EQUITY AND LIABILITIES			
Equity attributable to the equity holders of the parent company			
Share capital		**311**	311
Premium fund and other restricted reserves		**714**	714
Invested unrestricted equity reserve		**2,294**	2,307
Treasury shares		**-7**	-159
Fair value reserves		**2**	21
Retained earnings		**92**	553
Total equity	5.2	**3,405**	3,748
Non-current liabilities			
Non-current debt	5.1	**519**	246
Derivative financial instruments	5.4	**2**	0
Deferred tax liabilities	2.6	**0**	6
Employee benefit obligations	3.3	**169**	196
Provisions	4.6	**76**	52
Trade and other payables	4.5	**10**	13
		775	513
Current liabilities			
Current debt	5.1	**108**	256
Derivative financial instruments	5.4	**33**	17
Provisions	4.6	**57**	33
Current tax liabilities	2.6	**7**	8
Trade and other payables	4.5	**1,320**	1,390
		1,525	1,704
TOTAL EQUITY AND LIABILITIES		**5,705**	5,965

The notes are an integral part of the Financial Statements.

Consolidated statement of cash flows

€ million	Note	2025	2024
Cash flow from operating activities			
Net result for the financial year		**-137**	-40
Adjustments for			
Depreciation, amortization and impairments	2.3, 2.4, 4.1, 4.2	**222**	213
Gains/ losses on sale of non-current assets, Group companies and businesses	2.4	**-7**	-1
Financial income and expense	2.5	**43**	41
Income taxes	2.6	**-36**	-49
Other adjustments		**-70**	2
		151	205
Change in net working capital			
Change in trade and other receivables		**20**	139
Change in inventories		**119**	-165
Change in trade and other payables		**-28**	53
		112	27
Interest and dividends received		**7**	13
Interest paid		**-48**	-52
Other financial items		**3**	-8
Income taxes paid		**-9**	2
Net cash from operating activities		**79**	147

	Note	2025	2024
Cash flow from investing activities			
Equity investments at fair value through other comprehensive income	5.6	**-2**	-2
Purchases of property, plant and equipment	4.1	**-119**	-173
Purchases of intangible assets	4.1	**-25**	-38
Investments in associated companies	6.6	**—**	-13
Proceeds from sale of property, plant and equipment and intangible assets	4.1	**18**	4
Proceeds from disposal of shares in Group companies and businesses, net of cash	6.2	**1**	5
Other investing cash flow		**1**	-1
Net cash from investing activities		**-125**	-218
Cash flow before financing activities		**-46**	-71
Cash flow from financing activities			
Dividends paid	5.2	**-116**	-110
Repurchase of treasury shares	5.2	**—**	-34
Borrowings of non-current debt	5.1	**300**	—
Repayments of non-current debt	5.1	**-15**	-15
Change in current debt	5.1	**-30**	79
Repayments of lease liabilities	4.2	**-42**	-38
Net cash from financing activities		**97**	-118
Net change in cash and cash equivalents		**51**	-189
Cash and cash equivalents at the beginning of the financial year		**313**	502
Net change in cash and cash equivalents		**51**	-189
Foreign exchange rate effect on cash and cash equivalents		**-2**	1
Cash and cash equivalents at the end of the financial year	5.1	**362**	313

The notes are an integral part of the Financial Statements.

Consolidated statement of changes in equity

€ million	Note	Share capital	Premium fund	Other restricted reserves	Invested unrestricted equity reserve	Treasury shares	Fair value reserve from equity investments	Fair value reserve from derivatives	Cumulative translation differences	Remeasurements of defined benefit plans	Other retained earnings	Total equity
Equity on January 1, 2024		**311**	**714**	**0**	**2,307**	**-169**	**1**	**5**	**-38**	**-139**	**770**	**3,762**
Net result for the period		—	—	—	—	—	—	—	—	—	-40	-40
Other comprehensive income		—	—	—	—	—	13	-1	108	8	0	127
Total comprehensive income for the financial year		—	—	—	—	—	13	-1	108	8	-40	88
Transactions with equity holders of the parent company												
Contributions and distributions												
Dividends	5.2	—	—	—	—	—	—	—	—	—	-110	-110
Share-based payments	3.4	—	—	—	—	6	—	—	—	—	-6	0
Repurchase of treasury shares[1)]	5.2	—	—	—	—	4	—	—	—	—	—	4
Fair value transfer to inventory	5.4	—	—	—	—	—	—	4	—	—	—	4
Other		—	—	—	—	—	—	—	—	0	0	—
Equity on December 31, 2024		**311**	**714**	**0**	**2,307**	**-159**	**14**	**8**	**70**	**-131**	**615**	**3,748**
Net result for the period		—	—	—	—	—	—	—	—	—	-137	-137
Other comprehensive income		—	—	—	—	—	-5	-17	-205	12	0	-215
Total comprehensive income for the financial year		—	—	—	—	—	-5	-17	-205	12	-138	-352
Transactions with equity holders of the parent company												
Contributions and distributions												
Dividends [2)]	5.2	—	—	—	—	—	—	—	—	—	-116	-116
Conversion of convertible bond [2)]	5.1, 5.2	—	—	—	125	—	—	—	—	—	0	124
Share-based payments	3.4	—	—	—	—	3	—	—	—	—	-4	-1
Cancellation of treasury shares [2)]	5.2	—	—	—	-138	149	—	—	—	—	-10	—
Fair value transfer to inventory	5.4	—	—	—	—	—	—	2	—	—	—	2
Other [3)]		—	—	—	—	—	—	—	89	—	-89	—
Equity on December 31, 2025		**311**	**714**	**0**	**2,294**	**-7**	**9**	**-7**	**-46**	**-119**	**257**	**3,405**

The notes are an integral part of the Financial Statements.
Equity is fully attributable to the equity holders of the parent company. See note 5.2 for more information on equity.

[1)] On February 29, 2024, Outokumpu completed its up to EUR 50 million share buyback program which was announced on November 29, 2023. Due to the nature of the contract with a third party, Outokumpu recognized a EUR 38 million financial liability in December 2023 related to this share buyback program and the maximum amount of EUR 50 million impacted Group equity in 2023. During the program, Outokumpu repurchased a total of 11,000,000 of its own shares and used a total of EUR 46 million for the repurchase of shares. As the original commitment was higher, a EUR 4 million impact was recognized in equity in relation to this program.

[2)] In 2020, Outokumpu issued unsecured convertible bonds of EUR 125 million maturing on July 9, 2025. During 2025, the company converted a total of EUR 125 million of the bonds into 47 million shares. The company issued 47 million new shares as conversion shares and cancelled 31 million of its own shares, amounting to a total value of EUR 149 million. As a result of these conversions, the number of shares outstanding increased, which impacted on the dividend distribution by EUR 6 million.

[3)] Other is related to reclassification of cumulative translation differences with no impact in total retained earnings.

Notes to the consolidated Financial Statements

Outokumpu presents the notes to the consolidated Financial Statements as grouped in the following six sections.

1. Basis of reporting
2. Business result
3. Employee benefits
4. Operating assets and liabilities
5. Capital structure and financial risk management
6. Group structure and other notes

The basis of preparation, accounting principles and management judgments applicable to the entire consolidated Financial Statements are presented in the Basis of reporting section, but the accounting principles, management judgments, and risks related to each disclosure item are presented in the related note. The table outlines the notes structure and indicates which notes include accounting principle, management judgment and risk information, and the following icons are used to indicate these topics within the notes.

Note	Accounting principles	Management judgments	Risk information
1 Basis of reporting			
1.1 Corporate information			
1.2 Basis of preparation	■	▼	●
2 Business result			
2.1 Operating segments	■		
2.2 Revenue	■		
2.3 Cost of sales and selling, general and administrative expenses	■		
2.4 Other operating income and expenses	■		
2.5 Financial income and expenses	■		
2.6 Income taxes	■	▼	
2.7 Earnings per share	■		
3 Employee benefits			
3.1 Employee benefit expenses			
3.2 Employee benefits for key management	■		
3.3 Employee benefit obligations	■	▼	●
3.4 Share-based payments	■	▼	
4 Operating assets and liabilities			
4.1 Intangible assets and property, plant and equipment	■	▼	
4.2 Leases	■	▼	
4.3 Goodwill impairment test	■	▼	
4.4 Inventories	■	▼	
4.5 Trade and other receivables and payables	■		●
4.6 Provisions	■	▼	

Note	Accounting principles	Management judgments	Risk information
5 Capital structure and financial risk management			
5.1 Net debt and capital management	■		●
5.2 Equity	■		
5.3 Financial risk management and insurances			●
5.4 Derivative instruments	■		
5.5 Financial assets and liabilities	■		
5.6 Equity investments at fair value through other comprehensive income	■	▼	
5.7 Commitments and contingent liabilities	■		
6 Group structure and other notes			
6.1 Discontinued operations	■		
6.2 Business acquisitions and disposals	■		
6.3 Disputes and litigations			
6.4 Related parties			
6.5 Subsidiaries			
6.6 Associated companies	■	▼	
6.7 New IFRS standards			
6.8 Events after the balance sheet date			

1. Basis of reporting

1.1 Corporate information

Outokumpu Corporation is a Finnish public limited liability company organized under the laws of Finland and domiciled in Helsinki, Finland. The company has been listed on the Nasdaq Helsinki since 1988. Outokumpu Corporation is the parent company ("parent company", "Outokumpu Corporation") of the Outokumpu Group (the "Group", "Outokumpu", the "company").

Outokumpu's vision is to pioneer materials and technologies that power tomorrow. As the global leader in sustainable stainless steel, we are accelerating the green transition, and we lead the development of low-CO_2 metals and solutions across the stainless steel value chain – and beyond.

Our business is based on the circular economy: our products are made from more than 90% recycled materials, which we turn into fully recyclable stainless steel with up to 75% lower carbon footprint than the industry average. This steel is utilized in various applications across society, including infrastructure, energy, industrial applications and household appliances. With our new EVOLVE strategy, we focus on maximizing value in sustainable stainless steel while expanding our offering in advanced materials and alloys, ferrochrome and innovative technologies.

We operate production sites in Finland, Germany, Sweden, the Netherlands, the United States, and Mexico whilst our mine in Kemi, Finland is the only chrome mine within the European Union.

In 2025, Outokumpu's revenue was EUR 5.5 billion. Outokumpu employs approximately 8,600 professionals in nearly 30 countries, with headquarters in Helsinki, Finland. Our shares are listed on Nasdaq Helsinki. Read more: www.outokumpu.com.

Outokumpu's consolidated Financial Statements according to ESEF regulations are published in XHTML format at www.outokumpu.com/reports. Financial Statements presented in other reports and formats, such as in the Annual report PDF or print, do not constitute as reports according to the ESEF regulations.

On February 12, 2026, the Board of Directors of Outokumpu Corporation approved the publishing of these consolidated Financial Statements. According to the Finnish Companies Act, the General Meeting of Shareholders is entitled to decide on the adoption of the Financial Statements.

1.2 Basis of preparation

These consolidated Financial Statements of Outokumpu have been prepared on a going concern basis for the financial year 2025 covering the period from January 1 to December 31, 2025.

The consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union including SIC and IFRIC interpretations in force on December 31, 2025. The consolidated Financial Statements also comply with the regulations of Finnish accounting and company legislation complementing the IFRS.

The consolidated Financial Statements are presented in millions of euros and have been prepared under the historical costs convention unless otherwise stated in the accounting principles. All figures presented have been rounded, and consequently the sum of individual figures may deviate from the presented aggregate figure. Key figures have been calculated using exact figures.

Corporate information

Company name	Outokumpu Corporation
Legal form	Public limited liability company
Country of incorporation	Finland
Domicile and principal place of business	Helsinki, Finland
Company address	P.O. Box 245, 00181 Helsinki, Finland
Ultimate parent company	Outokumpu Corporation

Risk information

Global economy and geopolitical conflicts

Outokumpu is exposed to a range of risks and uncertainties that may adversely affect its business and operations. To mitigate these risks, the company applies continuous and comprehensive risk management across its operations.

Global economic activity, shifts in trade and economic policies, and geopolitical tensions expose Outokumpu to risks and uncertainties in its operating environment. These factors could have an adverse impact on the company's operations, financial performance, and overall financial position.

The main short-term risks relate to the development in trade policies and increased geopolitical tensions, which could disrupt global trade, increase inflation, and slow economic growth, ultimately leading to possible weakening of demand and pressure on stainless steel prices, even with their broad range of end uses.

The U.S. administration's shifts in trade policies has created uncertainties in global trade flows and imposed duties of 50% on steel imports in 2025. As a result, high volumes of low-priced Asian imports risk being diverted into Europe, continuing to burden the European stainless steel market. To address this, the European Commission has proposed more effective safeguards to strengthen the industry's competitive position, with measures expected by mid-2026. Since Outokumpu operates in both the US and Europe, imposed tariffs may support US operations while potentially negatively impacting European operations if effective safeguards are not implemented.

Starting January 2026, the Carbon Border Adjustment Mechanism (CBAM) aims to ensure that imported carbon-intensive goods face the same carbon costs as those produced within the EU. However, uncertainties remain regarding the effectiveness of these measures in preventing circumvention, ensuring a level playing field in climate action and preventing carbon leakage.

The company remains exposed to risks related to volatile metal prices, especially nickel. Financial derivatives are used to manage the impacts of nickel price changes.

Although Outokumpu has implemented mitigation actions, the risks and uncertainties described above may still materialize and lead to disruptions affecting Outokumpu, its employees, markets, suppliers, and customers. Such disruptions could have a material adverse impact especially on demand. Prolonged periods of reduced demand or other adverse impact on business performance could, in turn, negatively affect the valuation of non-current assets, including deferred tax assets and goodwill.

Cyber security threats and dependencies on critical suppliers and machinery expose Outokumpu to the risk of operational disruption and additional costs.

For more information on risks and uncertainties see Review of Board of Directors and Financial Statement note 5.3 for financial risks. For more information on the valuation of the deferred taxes and goodwill impairment see notes 2.6 and 4.3 respectively.

Climate matters

One of Outokumpu's EVOLVE strategy's pillars is sustainability leadership and therefore climate matters play an important part in Outokumpu's business. Outokumpu's low carbon footprint stainless steel provides emission reduction possibilities to its customers and improves Outokumpu's ability to meet climate-related investor and regulatory requirements. In line with its business strategy, Outokumpu aims to reduce its carbon emission intensity by 42% by the end of 2030 compared to the 2016 level, which is Outokumpu's Science-Based Target initiative (SBTi) 1.5-degree climate target.

Outokumpu has assessed physical climate risks and mitigation measures for all sites and included them in its general risk assessment. Risk evaluations show that climate-related physical risks do not currently have material effects to the Group's capital or operating expenditure. Financial effects of climate-related transition risks are significant and have been considered for the target period until 2030.

To be able to attain the 1.5 degree climate target, the company has created and committed to a low carbon roadmap and many carbon emission reduction projects have been initiated already. Capital expenditure related to the low carbon roadmap has been considered in the cash flow forecasts used in goodwill impairment testing. In 2025, investments to support smart decarbonization amounted to EUR 8.3 million. More information about the Goodwill impairment testing in note 4.3.

Avoided direct emissions of Outokumpu's smart decarbonization projects at it's European sites in the period 2026-2030 would correspond to European emission allowances estimated to be worth in total approximately EUR 57 million[1]. See more information about climate related risks and it's transition plan in the Sustainability Statement in the Review of Board of Directors. More information about emission allowances and their impact in the Financial Statements of the Group in note 4.1.

Outokumpu's long-term incentive plan, the Performance Share Plan, includes sustainability-related criteria for the ongoing plan periods 2023–2025, 2024–2026, 2025–2027 and 2026-2028 which was approved by the Board of Directors in December 2025. The performance share plan sets the compensation criteria for each period and is a part of the regular compensation of top executives.

As of 2022, 20% of the Performance Share Plans awarded to the top management have been tied to a greenhouse gas emission reduction target, according to Outokumpu's Science Based Targets initiative (SBTi) commitment to keep global warming below 1.5°C. Specifically, Outokumpu's greenhouse gas emissions per tonne of crude steel produced must reach a reduced level each year. More information about the share-based payments in note 3.4.

Outokumpu signed during 2025 a committed unsecured EUR 800 million revolving credit facility replacing its existing and currently unused unsecured revolving credit facilities of EUR 700 million and EUR 100 million. The margin of the new facility is linked to emission reductions in line with the approved emission reduction target by the Science Based Targets initiative for 2030. More information on the revolving credit facility in note 5.1.

[1] The financial impact is evaluated with an assumed carbon price of 100 EUR per ton of CO_2.

Management judgments

The preparation of the Financial Statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and contingent liabilities at the reporting date, as well as the reported amounts of income and expenses during the reporting period.

Management's estimates and judgments are continuously evaluated and they are based on prior experience and other factors, such as future expectations assumed to be reasonable considering the circumstances. Although these estimates are based on management's best knowledge of the circumstances at the end of the reporting period, actual results may differ from the estimates and the assumptions.

The table in the beginning of the notes to the consolidated Financial Statements outlines the notes that include material management judgments.

Accounting principles

Principles of consolidation

The consolidated Financial Statements include the parent company Outokumpu Corporation and all subsidiaries controlled by Outokumpu Corporation either directly or indirectly. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Financial Statements of subsidiaries are included in the consolidated Financial Statements from the date on which control commences until the date on which control ceases. Changes in the parent company's ownership interest in a subsidiary are accounted for as equity transactions if the parent company retains control of the subsidiary.

All intra-group transactions, receivables, liabilities and unrealized margins, as well as distribution of profits within the Group, are eliminated in the preparation of consolidated Financial Statements.

Foreign currency transactions

Transactions of each subsidiary included in the consolidated Financial Statements are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that subsidiary ("the functional currency"). The functional currency is mainly the subsidiary's local currency except for subsidiary in Mexico who uses the US dollar as their functional currency.

The consolidated Financial Statements are presented in euros which is the functional and presentation currency of the parent company. Group companies' foreign currency transactions are translated into local functional currencies using the exchange rates prevailing at the dates of the transactions. Receivables and liabilities in foreign currencies are translated into functional currencies at the exchange rates prevailing at the end of the reporting period.

Foreign exchange differences arising from interest-bearing assets and liabilities and related derivatives are recognized in financial income and expenses in the consolidated statement of income. Foreign exchange differences arising in respect of other financial instruments are included in operating profit under other operating expenses. The effective portion of accumulated exchange differences arisen from hedges of net investments in foreign operations are recognized in equity.

For those subsidiaries whose functional and presentation currency is not the euro, the items in the statements of income and comprehensive income, and in the statement of cash flows are translated into euro using monthly average exchange rates. The assets and liabilities in the statement of financial position are translated using the exchange rates prevailing at the reporting date. The translation differences arising from the use of different exchange rates explained above are recognized in the Group's equity through other comprehensive income.

Any goodwill arising on acquisitions of foreign operations and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisitions of those foreign operations are treated as assets and liabilities of those foreign operations. They are translated into euro using the exchange rates prevailing at the reporting date. When a foreign operation is sold, or is otherwise partially or completely disposed of, the translation differences accumulated in equity are reclassified in profit or loss as part of the gain or loss on the sale.

Adoption of new and amended IFRS standards

As of January 1, 2025, Outokumpu has applied the following new and amended standards, interpretations and decisions.

- Amendments to IAS 21 - Lack of Exchangeability. The amendments aim to improve IAS 21 by adding requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, IAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary. Outokumpu has not operated with currencies that lack exchangeability during the financial year, but will follow these amendments if such transactions occur.

The new and amended standards, interpretations and decisions did not have material impact on Outokumpu's consolidated Financial Statements.

2. Business result

2.1 Operating segments

Outokumpu has three business areas – Europe, the Americas, and Ferrochrome. Business areas are organized so that Europe and the Americas include both coil and plate stainless steel operations in their market area, while Ferrochrome focuses on the chrome mine and ferrochrome operations. The business areas have responsibility for commercial activities, supply chain management and operations and they are Outokumpu's operating segments under IFRS.

In addition to the business area structure, Group Functions cover Legal and compliance, Health and safety, Procurement, Finance, Treasury, IR, Strategy, M&A and Corporate Development, HR, Group communications, R&D, Technology, Sustainability and Group IT.

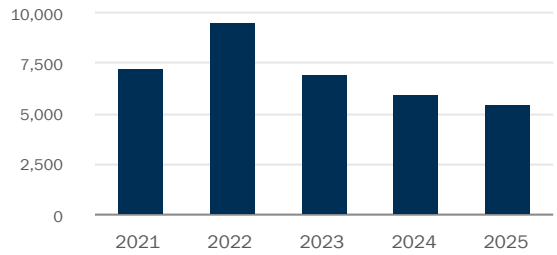
Europe consists of both coil and plate operations. In sustainable stainless steel operations Outokumpu combines unmatched cost competitiveness, sustainability of our products, highest level of reliability and quality to a unique customer experience. Sustainable stainless steel is used in numerous different industries, for example in architecture and construction, transportation, automotive and home appliances. In advanced materials and alloys, Outokumpu provides industrial tailored stainless and nickel-based alloy solutions for demanding environments in the process industry, oil and gas, and electric vehicles, for example. The production facilities are located in Finland, Germany, Sweden and Netherlands. The business area has an extensive service center and sales network across Europe, Middle East, Africa and APAC region.

Americas produces standard austenitic and ferritic grades as well as tailored products. Its largest customer segments are automotive and transport, consumer appliances, oil and gas, chemical and petrochemical industries, food and beverage processing, as well as building and construction industry. The business area has production units in the US and Mexico.

Ferrochrome produces charge grade of ferrochrome and runs the chrome mine in Kemi and ferrochrome smelter in Tornio, Finland.

Other operations consist of activities outside the three operating segments, as well as industrial holdings, non-core businesses, strategic group level investments and new business development. Such business development expenses, Corporate Management expenses and other extraordinary costs that are not part of business area performance assessment and not allocated to the business areas are also reported under Other operations. Sales of Other operations consist of sales of electricity to the Group's production facilities in Finland and in Sweden, sales of non-core businesses and internal services.

Sales, € million

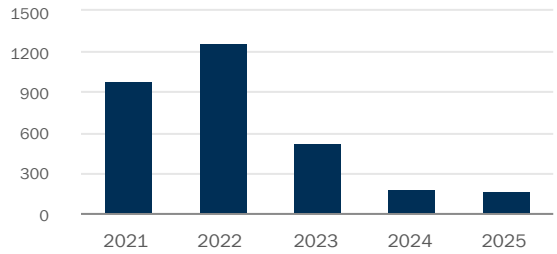


Sales EUR

5.5

billion

Adjusted EBITDA, € million



Adjusted EBITDA EUR

167

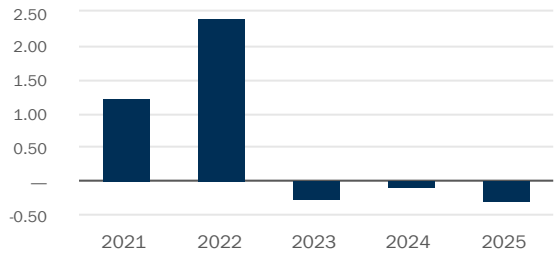
million

Net result EUR

-137

million

Earnings per share, €



Earnings per share EUR

-0.31

2025 € million	Europe	Americas	Ferrochrome	Operating segments total	Other operations	Eliminations	Reconciliation Group
External sales	3,557	1,675	217	5,449	19	—	5,468
Internal sales	43	1	245	289	140	-429	—
Sales	3,600	1,676	462	5,738	159	-429	5,468
Adjusted EBITDA	-46	102	138	194	-24	-3	167
Items affecting comparability in EBITDA							
Restructuring costs	-65	0	-1	-66	-5	—	-71
Litigation provisions	—	-6	—	-6	—	—	-6
Environmental	—	0	—	0	-1	—	-2
EBITDA	-111	95	137	121	-31	-3	88
Depreciation and amortization	-114	-34	-52	-201	-14	—	-215
Impairments	-7	—	—	-7	—	—	-7
Operating profit (EBIT)	-233	61	85	-87	-45	-3	-134
Items affecting comparability in EBIT	-72	-7	-1	-80	-7	—	-86
Adjusted operating profit (EBIT)	-160	67	86	-7	-38	-3	-48
Capital expenditure	68	22	13	102	42	—	145
Assets in operating capital	2,751	854	967	4,572	296	-164	4,704
Other assets							499
Deferred tax assets							502
Total assets							5,705
Liabilities in operating capital	902	423	132	1,457	194	-146	1,504
Other liabilities							796
Deferred tax liabilities							0
Total liabilities							2,300
Operating capital	1,849	431	835	3,116	102	-18	3,200
Return on operating capital (ROOC), %	-8.5	13.0	10.0				
Personnel at end of period, FTE	5,646	1,744	454	7,843	407	—	8,251

2024 € million	Europe	Americas	Ferrochrome	Operating segments total	Other operations	Eliminations	Reconciliation Group
External sales	4,044	1,707	180	5,930	11	—	5,942
Internal sales	58	—	289	347	175	-522	—
Sales	4,102	1,707	469	6,277	186	-522	5,942
Adjusted EBITDA	58	59	106	223	-46	-1	177
Items affecting comparability in EBITDA							
Loss on disposal of shares in Group companies and businesses	—	—	—	—	-3	—	-3
Litigation provisions	—	-2	—	-2	—	—	-2
Restructuring costs	-5	—	—	-5	-2	—	-7
Inventory revaluations	2	—	—	2	—	—	2
Environmental	—	-5	—	-5	—	—	-5
EBITDA	55	51	106	212	-50	-1	162
Depreciation and amortization	-115	-33	-58	-206	-14	—	-220
Impairments	7	0	—	7	—	—	7
Operating profit (EBIT)	-52	18	48	14	-64	-1	-51
Items affecting comparability in EBIT	4	-8	—	-3	-4	—	-8
Adjusted operating profit (EBIT)	-56	25	48	17	-60	—	-43
Capital expenditure	117	30	27	174	42	—	216
Assets in operating capital	2,948	944	986	4,879	297	-168	5,008
Other assets							453
Deferred tax assets							504
Total assets							5,965
Liabilities in operating capital	989	370	123	1,482	182	-152	1,513
Other liabilities							698
Deferred tax liabilities							6
Total liabilities							2,217
Operating capital	1,959	574	863	3,396	115	-16	3,495
Return on operating capital (ROOC), %	-3.0	4.2	5.5				
Personnel at end of period, FTE	5,757	1,784	472	8,012	412	—	8,424

Items affecting comparability in EBITDA and EBIT

€ million	2025	2024
Restructuring costs	**-71**	-7
Litigation provisions	**-6**	-2
Environmental	**-2**	-5
Loss on disposal of shares in Group companies and businesses	**—**	-3
Inventory revaluations	**—**	2
Items affecting comparability in EBITDA	**-79**	-15
Impairments on non-current assets	**-7**	7
Items affecting comparability in EBIT	**-86**	-8

In 2025, items affecting comparability in EBIT mainly related to the restructuring provisions of which EUR 34 million arising from personnel negotiations, primarily in the Europe business area and Group functions, as announced on October 1, 2025 and EUR 29 million and non-current asset impairments EUR 7 million in relation to strategy, EVOLVE announced on June 10, 2025. Restructuring costs also include EUR 6 million related to the remaining actions of German site closures and transfers of operations as announced in 2023. Litigation provisions EUR 6 million relate to an increase of provision related to legal proceedings against Outokumpu Stainless USA, LLC. More information on the litigation can be found in note 6.3.

In 2024, the German restructuring provisions of 2023 were revised which led to an increase of EUR 5 million. At the same time, the impairment of EUR 5 million recognized in 2023 was reversed. The environmental items of EUR 5 million are related to flooding that was caused by torrential rains in San Luis Potosí, Mexico. The loss on the disposal of shares in Group companies and businesses of EUR 3 million is due to a final escrow account agreement relating to the sale of Long Products businesses in 2023.

Accounting principles

Outokumpu's CEO, supported by the Leadership Team, is the Group's chief operating decision maker. The segments are reviewed regularly for the purpose of assessing performance and allocating resources to segments. The review is based on internal management reporting on IFRS based financial information.

Adjusted EBITDA, adjusted operating profit (EBIT) and capital expenditure are alternative performance measures, meaning that they are not IFRS-defined measures. They are defined also in the Reconciliation of alternative performance measures section within the Review by the Board of Directors and reconciled to the consolidated statement of income. Alternative performance measures are unaudited.

Adjusted EBITDA

Adjusted EBITDA is Outokumpu's main performance indicator in financial reporting, and is also used to assess the segments' performance. Adjusted EBITDA is defined as EBIT before depreciation, amortization and impairment charges, and excluding such material income and expense items which affect the comparability between periods due to their unusual nature, size or incidence resulting from, for example, Group-wide restructuring programs or disposals of assets or businesses.

Adjusted operating profit (EBIT)

Adjusted operating profit (EBIT) is a measure of financial performance of the Group. Adjusted EBIT is defined as net result for the period excluding income taxes, financial income and expenses and share of results in associated companies and excluding such material income and expense items which affect the comparability between periods due to their unusual nature, size or incidence resulting from, for example, Group-wide restructuring programs or disposals of assets or businesses.

Capital expenditure

Capital expenditure indicates the investment in assets to generate future cash flows for the Group.

Operating capital and ROOC

Segment assets and liabilities resulting in the operating capital are allocated to the segments based on the operations and the physical location of the assets and are measured the same way as in the Financial Statements.

Return on operating capital (ROOC) is a key figure for the segment reporting and it is an internal measure for the value the business areas generate to the capital invested in their operations. The formula for calculating Return on operating capital (ROOC) is presented in the Review by the Board of Directors section Definitions of financial key figures.

Personnel at end of period, FTE

Personnel at end of the period, FTE as a key figure reflects the true amount of workforce capacity available to the organization. The formula for calculating Personnel at end of period, FTE is presented in the Review by the Board of Directors section Definitions of financial key figures.

2.2 Revenue

External sales by geographical destination

€ million	Finland	Germany	Italy	The UK	Poland	Other Europe	North America	APAC region	Other countries	Group
2025										
Operating segment										
Europe	180	898	590	189	163	1,105	101	272	59	3,557
Americas	—	—	—	1	—	—	1,668	3	2	1,675
Ferrochrome	12	17	14	10	—	93	36	34	0	217
Other operations	13	3	—	0	—	2	1	0	0	19
	204	**918**	**604**	**200**	**163**	**1,201**	**1,807**	**309**	**62**	**5,468**
2024										
Operating segment										
Europe	199	1,124	704	235	195	1,156	92	291	48	4,044
Americas	—	—	—	0	—	—	1,691	6	10	1,707
Ferrochrome	14	22	14	7	0	89	21	11	1	180
Other operations	9	3	—	0	—	0	—	—	—	11
	222	**1,148**	**718**	**243**	**195**	**1,244**	**1,805**	**307**	**59**	**5,942**

Accounting principles

Outokumpu generates revenue mainly from sales of stainless steel and ferrochrome. Outokumpu ships these goods to customers under a variety of Incoterms, and considers the physical possession as well as risks and rewards related to the ownership of the goods to be transferred accordingly. This also signifies the transfer of control of the goods to the customer.

Outokumpu's performance obligations related to sale of stainless steel and ferrochrome are satisfied and revenue from contracts with customers recognized at a point of time. Only revenue from the performance obligation related to transportation of the goods is recognized over a period of time, and the period under which the revenue is recognized is relatively short. Moreover, the timing of revenue recognition does not have an impact when assessing the uncertainty associated with future cash flows, as the sales of goods and transportation service are billed from the customer on the same invoice. Outokumpu acts as a principal with regards to transportation of goods. The amount of the remaining performance obligations related to the transportation service was immaterial at the end of 2025.

Outokumpu has bill-and-hold arrangements with selected European customers. Under these arrangements, based on a customer request, Outokumpu holds the readily available material at its own stock locations for the customer for up to a period of three months before the actual delivery of the material. Outokumpu has transferred control of these materials to the customer as Outokumpu is not able to direct the material to another customer, and consequently recognizes the revenue for the material sales. The revenue related to Outokumpu's transportation service performance obligation to deliver the material is recognized over the time when the delivery takes place. At the end of 2025, the amount of revenue recognized under the bill-and-hold arrangements for products not yet delivered was immaterial.

Stainless steel and ferrochrome sales prices are mainly fixed before delivery, and volume discounts estimated and accrued in the revenue recognition are the only variable component in pricing. In individual cases, the sales price of ferrochrome is based on the period of time when the customer uses the purchased ferrochrome. The payment terms vary from advance payment to 90 days payment term, and do not include any significant financing component.

Liabilities related to customer contracts are presented in note 4.5.

Outokumpu does not have individual significant customers as defined in IFRS 8.

2.3 Cost of sales and selling, general and administrative expenses

€ million	2025	2024
Cost of sales	**-5,279**	-5,710
Selling and marketing expenses	**-68**	-71
Administrative expenses	**-263**	-240
Research and development expenses	**-11**	-15
Total	**-5,622**	-6,035

Cost of sales and selling, general and administrative expenses by nature

€ million	2025	2024
Materials	**-2,871**	-3,094
Supplies	**-611**	-619
Energy	**-325**	-360
Maintenance	**-231**	-239
Freight	**-242**	-250
Employee benefits	**-782**	-714
Depreciation and amortization	**-215**	-220
Other	**-344**	-539
Total	**-5,622**	-6,035

Depreciation and amortization by function

€ million	2025	2024
Cost of sales	**-205**	-211
Selling and marketing expenses	**0**	0
Administrative expenses	**-8**	-8
Research and development expenses	**-1**	-1
Total	**-215**	-220

Auditor fees

€ million	2025	2024
Audit	**-2.8**	-2.9
Audit-related services	**-0.3**	—
Tax advisory	**0.0**	-0.1
Other services	**-0.4**	-0.2
Total	**-3.4**	-3.2

PricewaterhouseCoopers has provided non-audit services to Outokumpu in total of EUR 0.6 million during 2025 (2024: EUR 0.3 million). These services comprised of Sustainability Statement audit and other agreed-upon procedures.

Accounting principles

Cost of sales

Cost of sales includes expenses related to materials and supplies, energy, maintenance and freight. Employee benefit expenses, depreciation and amortization and other expenses are included to the extent they relate to operational activities.

Research and development costs

As a main rule, research and development costs are expensed as incurred. If development is expected to generate future economic benefits for the Group, related costs are capitalized as intangible assets and amortized on a systematic basis over their useful lives.

Repairs and maintenance costs

Ordinary repairs and maintenance is carried out to maintain operating conditions of the mills and the equipment, and the related costs are expensed as they are incurred.

The costs of major repairs and renovations are included in the asset's carrying amount as capital expenditure when these activities are expected to generate future economic benefits for the Group, for example in form of a longer useful life, a wider product range, a higher output, or an improved quality, in excess of the originally assessed standard performance level.

Depreciation and amortization methods and useful lives of non-current assets

Depreciation and amortization methods as well as estimates for useful lives of different types of intangible asset and property, plant and equipment items are described in note 4.1.

2.4 Other operating income and expenses

Other operating income

€ million	2025	2024
Exchange gains and losses from foreign exchange derivatives	—	12
Market price gains and losses from commodity derivatives	**3**	11
Market price gains and losses from derivative financial instruments	**3**	23
Sale of services and rental income	**8**	9
Gains on sale of non-current assets	**11**	5
Gains from disposal of subsidiaries and businesses	—	3
Insurance compensation	**1**	1
Other income items	**5**	16
Total	**28**	57

Other operating expenses

€ million	2025	2024
Exchange gains and losses from foreign exchange derivatives	**-3**	-6
Market price gains and losses from commodity derivatives	**0**	-1
Market price gains and losses from derivative financial instruments	**-3**	-7
Impairments and impairment reversals in non-current assets	**-7**	7
Loss on disposal of shares in Group companies and businesses	—	-3
Loss on sale of non-current assets	**-3**	-4
Other expense items	**5**	-9
Total	**-9**	-15

In year 2025, gains on sale of non-current assets include the sale of a land area in Pori, Finland and the sale of emission allowances.

In year 2025, the line Other expense items under Other operating expenses includes exchange gains and losses on trade receivables and trade payables.

In 2024, other operating income includes EUR 3 million of gains from disposal of subsidiaries and businesses, which is related to the sale of Mexico branch distribution business in Mexico City, Guadalajara and Monterrey. More information on the disposal in note 6.2.

In 2024, other operating expenses include EUR 7 million of impairments and impairment reversals in non-current assets, which is related to impairment reversals of right-of-use assets in Germany.

Accounting principles

Other operating income and expenses include items such as gains or losses from disposals of non-current assets or businesses, foreign exchange differences arising in respect of other financial instruments than interest-bearing assets and liabilities and gains or losses from derivative financial instruments that are not hedge accounted or do not relate to the Group's financing activities. Other operating income also includes rental and lease income, insurance compensations and government and other grants and support. Other operating expenses include also costs related to emission allowances and impairment losses related to non-current assets.

Grants and other support are recognized as income over the same periods as the costs they are intended to compensate. Investment grants related to purchases of non-current assets are deducted from the cost of the asset and recognized as income on a systematic basis as a reduction in depreciation or amortization over the useful life of the asset.

2.5 Financial income and expenses

€ million	2025	2024
Interest income	**7**	11
Other financial income	**3**	2
Interest income and other financial income	**9**	13
Interest expenses		
Debt at amortized cost	**-15**	-17
Factoring	**-17**	-22
Lease liabilities	**-12**	-13
Employee benefit obligations	**-7**	-7
Other interest expenses	**-2**	-6
Interest expenses	**-54**	-64
Fees related to committed credit facilities	**-8**	-7
Other fees	**-3**	-3
Other financial expenses	**-11**	-10
Exchange gains and losses		
Derivatives	**-93**	64
Cash, loans and receivables	**106**	-50
Other market price gains and losses		
Derivatives	**2**	5
Other	**-3**	1
Market price gains and losses	**12**	20
Total	**-43**	-41

Exchange gains and losses in the consolidated statement of income

€ million	2025	2024
In sales	**—**	-5
In purchases	**—**	-17
In other operating income and expenses[1)]	**-3**	6
In financial income and expenses	**13**	14
Total	**10**	-2

[1)] Year 2025 include exchange gains and losses on trade receivables and trade payables.

Exchange gains and losses

Outokumpu's most significant foreign exchange transaction risk exposures are in US dollars and Swedish krona.

Exchange gains and losses include EUR 96 million of net exchange loss on derivative financial instruments (2024: EUR 71 million net exchange gain) of which a loss of EUR 3 million (2024: EUR 6 million gain) has been recognized in other operating income and expenses and a loss of EUR 93 million (2024: EUR 64 million gain) in financial income and expenses.

More information on foreign exchange positions in note 5.3.

Accounting principles

Financial income includes mainly interest income on cash and cash equivalents and defined benefit plans.

Financial expenses include mainly interest expenses of borrowings, lease liabilities, factoring and defined benefit plans.

Other income and expenses include fees related to commitment credit facilities and other financial fees.

Exchange gains and losses include exchange and other market price gains and losses on cash, debt and receivables and derivatives related to Group's financing activities.

Exchange and other market price gains and losses on operative items and related derivative instruments are recognized in EBIT. Exchange and other market price gains and losses on financing items and related derivative instruments are recognized in financial income and expenses.

2.6 Income taxes

Income taxes in the consolidated statement of income

€ million	2025	2024
Current taxes	**-9**	-10
Deferred taxes	**46**	59
Total	**36**	49

Reconciliation of income taxes in the consolidated statement of income

€ million	2025	2024
Result before taxes	**-174**	-89
Income taxes at Finnish tax rate of 20%	**35**	18
Difference between Finnish and foreign tax rates	**7**	-1
Non-deductible expenses and tax exempt income	**1**	-5
Current year result for which no deferred tax asset has been recognized	**—**	0
Changes in deferred tax recognition	**2**	37
Group company disposals	**—**	-1
Taxes for prior years	**0**	1
Tax rate changes and other changes in tax laws	**-9**	0
Associated companies	**1**	1
Total	**36**	49

Accumulated deferred taxes recognized in equity

€ million	2025	2024
Deferred tax on convertible bonds equity component	**—**	0
Net investment hedging	**-4**	-4
Remeasurements of the net defined benefit liability	**57**	65
Derivatives	**2**	-2
Total	**54**	58

Deferred tax assets and liabilities

€ million	Jan 1, 2025 Net deferred tax assets (+) and liabilities (-)	Movements Reclassifications	Recognized in profit or loss	Recognized in other comprehensive income or directly in equity	Translation differences	Dec 31, 2025 Net deferred tax assets (+) and liabilities (-)
Intangible assets	7	—	-2	—	0	5
Property, plant and equipment	-90	6	16	—	2	-66
Right-of-use assets	-34	-6	3	—	0	-37
Inventories	2	—	-1	—	0	0
Net derivative financial assets	-1	—	-3	4	0	0
Other financial assets	9	—	-1	—	0	8
Employee benefit obligations	21	0	-1	-8	0	12
Other financial liabilities	6	—	-2	—	0	4
Lease liabilities	44	—	-3	—	0	41
Provisions	13	0	3	—	0	16
Tax losses and tax credits	520	—	35	—	-38	518
Net deferred tax assets	498	0	46	-4	-37	**502**
Deferred tax assets	504					**502**
Deferred tax liabilities	-6					**0**

€ million	Jan 1, 2024 Net deferred tax assets (+) and liabilities (-)	Movements Reclassifications	Recognized in profit or loss	Recognized in other comprehensive income or directly in equity	Translation differences	Dec 31, 2024 Net deferred tax assets (+) and liabilities (-)
Intangible assets	8	—	-1	—	0	7
Property, plant and equipment	-97	-1	8	—	-1	-90
Right-of-use assets	-25	1	-10	—	0	-34
Inventories	-11	—	12	—	0	2
Net derivative financial assets	-3	—	2	0	0	-1
Other financial assets	6	—	3	—	0	9
Employee benefit obligations	26	—	-1	-4	0	21
Other financial liabilities	5	1	1	—	0	6
Lease liabilities	38	-1	7	—	0	44
Provisions	14	0	-1	—	0	13
Tax losses and tax credits	461	0	39	—	21	520
Net deferred tax assets	423	0	59	-5	21	**498**
Deferred tax assets	454					**504**
Deferred tax liabilities	-31					**-6**

Tax losses and related deferred tax assets

€ million	Tax losses carried forward 2025	Tax losses carried forward 2024	Recognized deferred tax assets 2025	Recognized deferred tax assets 2024	Unrecognized deferred tax assets 2025	Unrecognized deferred tax assets 2024
Expire in 2-5 years	**0**	—	**0**	—	**—**	—
Expire later than in 5 year	**1,063**	1,093	**245**	253	**7**	12
Never expire	**1,107**	1,056	**273**	267	**—**	—
Total	**2,171**	2,150	**519**	520	**7**	12

Tax losses by country

€ million	2025	2024
Finland	**221**	79
Germany	**336**	234
Sweden	**206**	197
The US	**1,183**	1,400
The UK	**174**	186
Other countries	**50**	54
Total	**2,171**	2,150

As of December 31, 2025, Outokumpu Group has recognized a deferred tax asset on all material tax losses. The tax attributes of the Outokumpu Group for which no deferred tax asset has been recognized relate to a portion of the US state tax losses which are estimated to expire before utilization.

No deferred tax liabilities were recorded on undistributed profits of foreign subsidiaries, as such profits are not to be distributed in the foreseeable future.

Outokumpu Group has remeasured its deferred tax due to an enacted corporate income tax rate change in Germany. The tax rate change has a total effect of EUR -12 million on the deferred tax assets as of December 31, 2025. For more information about the tax rate change see the following section, management judgments.

Management judgments

Outokumpu operates and earns income in numerous countries and is subject to changes in tax laws in multiple jurisdictions. When recognizing income tax liabilities, material judgments and estimates need to be made on tax uncertainties.

In deferred tax asset recognition, the management assesses whether the realization of future tax benefits is sufficiently probable to support the recognition. This assessment requires judgment regarding, for example, realizable benefits from future taxable income, available tax strategies, as well as other positive and negative factors. The recorded amount of deferred tax assets could be reduced as a result of changes in these estimates or in tax regulations imposing restrictions on the utilization of future tax benefits.

In year 2025 a change in the federal corporate income tax rate from 15% to 10% was enacted in Germany. Reduction of tax rate will be implemented gradually, 1 %-point each year, during 2028-2032. Since the tax rate change is enacted, Outokumpu is obliged to remeasure the deferred tax balances taken into consideration the enacted future tax rate changes. This calculation includes estimates and judgments by management.

Accounting principles

Current and deferred income taxes are determined on entity level to the extent an entity is subject to income taxation. The income taxes in the consolidated statement of income include the Group companies' current income taxes based on taxable profit for the period, tax adjustments for previous periods, and the change in deferred income taxes. In several countries (Finland, Germany, the Netherlands, Sweden, and the US) Outokumpu companies are included in income tax consolidation groups or group taxation systems. The share of results in associated companies is reported in the statement of income based on the net result and thus including the income tax effect.

Deferred income taxes are stated using the balance sheet liability method to reflect the net tax effects of temporary differences between the assets and liabilities' carrying amounts in the Financial Statements and the corresponding tax basis at the reporting date, as well as for unused tax loss or credit carry forwards.

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available for utilization of these differences. A valuation allowance is recognized if the realization of the tax benefits is not probable. The ability to recognize deferred tax assets is reviewed at the end of each reporting period.

Deferred tax liabilities are usually recognized in the statement of financial position in full.

As an exception, deferred tax liabilities are not recognized if they arise from initial recognition of an asset or a liability in a transaction that is not a business combination and that does not affect the accounting nor taxable profit at the time of the transaction.

Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply by the end of the reporting period. Generally, deferred tax is recognized to the statement of income. However, if the taxes are related to items of other comprehensive income or to transactions or other events recognized directly in equity, the related income taxes are also recognized either in other comprehensive income or directly in equity, respectively.

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was implemented in Finland, the jurisdiction in which Outokumpu Corporation is incorporated, based on the EU Directive, and is effective from January 1, 2024. The Group has not recognized any tax expense related to the top-up tax in 2025. The Group has applied a temporary mandatory relief from deferred tax accounting for the potential impacts of the top-up tax and would account for it as a current tax if it would incur. Management assesses that the risk for any future exposure to top-up tax for the Group is limited.

2.7 Earnings per share

	2025	2024
Net result attributable to the equity holders of the parent company, € million	**-137**	-40
Interest expenses on convertible bonds, net of tax, € million	**2**	8
Adjusted net result attributable to the equity holders of the parent company, € million	**-136**	-31
Adjusted weighted average number of shares, in thousands	**450,345**	424,238
Adjusted diluted weighted average number of shares, in thousands	**472,340**	470,977
Earnings per share, €	**-0.31**	-0.09
Diluted earnings per share, €	**-0.31**	-0.09

Diluted earnings per share equals to earnings per share as potential ordinary shares have antidilutive impact.

In 2025, Outokumpu cancelled a total of 30,836,205 own shares in relation to its convertible bond conversions and converted the convertible bond into 47,046,505 shares, of which 67,916 shares were converted during the year 2023. More information is presented in note 5.1 and in note 5.2.

In 2024, Outokumpu repurchased 8,357,545 treasury shares as part of share buyback program which started in year 2023. More information on the program is presented in note 5.2.

Accounting principles

Basic earnings per share is calculated by dividing the net result attributable to the equity holders of the company by the adjusted weighted average number of shares outstanding during the period, excluding shares held by Outokumpu as treasury shares.

In a share issue, when shares are offered at discount compared to market price, the proportion of the issue representing the discount is retrospectively adjusted to the weighted average number of shares.

Diluted earnings per share is calculated by adjusting the adjusted weighted average number of ordinary shares outstanding with the assumption that convertible instruments are converted. The profit or loss used in the calculation is adjusted for the interest expense related to the instrument and recognized in the period, net of tax. In addition, the shares estimated to be delivered based on the share-based incentive programs are taken into account. However, potential ordinary shares are only dilutive if the adjustments decrease the earnings per share ratio.

3. Employee benefits

3.1 Employee benefit expenses

€ million	2025	2024
Wages and salaries	**-557**	-547
Termination benefits	**-60**	-4
Social security costs	**-99**	-97
Post-employment and other long-term employee benefits		
Defined benefit plans	**-4**	-3
Defined contribution plans	**-52**	-50
Other long-term employee benefits	**-6**	-7
Share-based payments	**-1**	-2
Other employee benefit expenses	**-3**	-4
Total	**-782**	-714

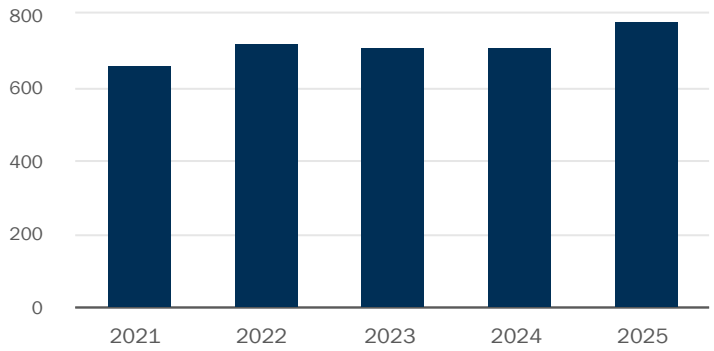
Total employee benefit expenses EUR

-782 million

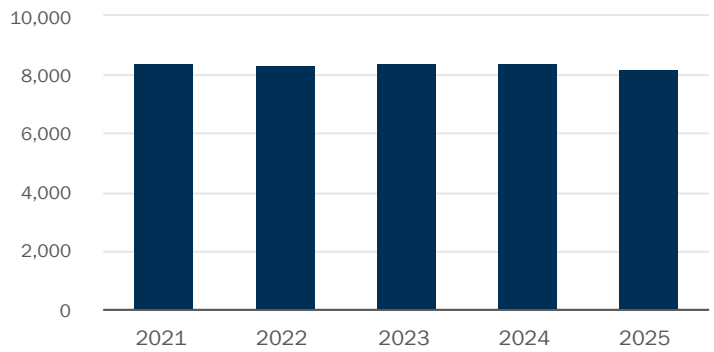
Number of personnel at the end of period (FTE)

8,251

Employee benefit expenses, € million



Personnel on December 31, FTE



Outokumpu has redefined personnel, full time equivalent (FTE) measure in year 2024. FTE is excluding interim workforce as of year 2023.

3.2 Employee benefits for key management

€ thousands	2025	2024
Short-term employee benefits	**4,624**	4,677
Post-employment benefits [1]	**669**	614
Share-based payments	**331**	506
Remuneration to the Board of Directors	**888**	948
	6,512	6,745

[1] Contains only supplementary pensions.

Key management includes nine (nine) positions in the Outokumpu Leadership Team and eight (seven) members of the parent company Outokumpu Corporation's Board of Directors. On December 31, 2025, President and CEO, CFO, Presidents of the core business areas and business lines, Chief Technology Officer and Executive Vice President, General Counsel are part of the Outokumpu Leadership Team. The position of Executive Vice President, People, Sustainability & Corporate Relations remains vacant until end of January 2026.

At the end of March 2025, Niklas Wass, President Business Line Stainless Europe, left Outokumpu. His successor Matthieu Jehl started in August. Johann Steiner, Executive Vice President, Sustainability, Strategy and People, moved to a new assignment in October. He replaced Tamara Weinert in the role of President, Business Area Americas. Johann Steiner's previous role was adapted to Executive Vice President, People, Sustainability & Corporate Relations and organized with interim arrangements until the start of the appointed successor Anouk de Graaf in February 2026.

Key management shareholdings can be found in the Corporate Governance statement.

Employee benefits for the CEO

	Recognized in profit or loss		Remuneration paid	
€ thousands	2025	2024	2025	2024
Salaries and short-term benefits	**930**	964	**930**	964
Short-term incentives	**200**	106	**—**	622
Post-employment benefits	**322**	330	**322**	330
Share-based payments	**249**	35	**225**	507
	1,701	1,435	**1,477**	2,423

The CEO participates in the Finnish TyEL pension system. The post-employment benefits consist of the statutory pension and the supplementary pension.

Remuneration paid to Board of Directors

€ thousands	2025	2024
Chairman Kari Jordan	**202**	203
Vice Chairman Jyrki Mäki-Kala	**114**	113
Vice Chairman Kati ter Horst, until September 30, 2024	**—**	121
Member Hilde Merete Aasheim, as of April 3, 2025	**95**	—
Member Heinz Jörg Fuhrmann	**97**	104
Member Olavi Huhtala, as of April 3, 2025	**87**	—
Member Päivi Luostarinen	**91**	92
Member Karl-Petter Söderström	**91**	92
Member Pierre Vareille, until April 3, 2025	**8**	107
Member Julia Woodhouse	**105**	117
Total	**888**	948

Remuneration of the CEO

The remuneration of the CEO consists of a base salary, benefits and an annually determined short-term incentive plan. In addition, the CEO participates in long-term incentives comprising performance share plans launched on a yearly basis.

In 2025, the CEO's short-term incentive earning opportunity stayed unchanged at 50% of the annual gross base salary on a target level and 100% on a maximum level. Kati ter Horst did not receive a short-term incentive for 2024 results. She was paid a sign-on bonus in 2024.

In 2025, the long-term incentive target and maximum levels remained at 50% and respectively 75% of the annual base salary at time of grant. The CEO did not receive a share reward based on the performance from 2022 to 2024. In 2025, she was delivered 50,000 restricted shares (gross) and an additional 100,000 shares are to be delivered in 2026 and 2027, recognizing lost incentives from her previous assignment. Long-term incentive will not be paid to the CEO for the performance cycle 2023 to 2025.

The members of Outokumpu's Leadership Team, including the CEO, are expected to own Outokumpu shares they receive in the company's share-based incentive programs corresponding to at least the value of their annual gross base salary. Half of the net shares received from the share-based incentive programs must be used to fulfil that ownership recommendation.

The service contract of the CEO is valid until further notice. The notice period is 9 months for Kati ter Horst. For the company, the notice period is 6 months, and the severance payment in such a case is 12 months. Kati ter Horst's retirement age is 65 years. Besides the supplementary pension, she participates in the Finnish statutory pension system.

Remuneration of the Board of Directors

Outokumpu's Annual General Meeting approved the annual remuneration to the members of the Board of Directors. 40% of the annual fee was paid in the company's own shares using treasury shares, unless a Board member already owned shares for a value exceeding the annual remuneration and choose to increase their cash portion. The annual fee is paid once a year, and in addition to the annual remuneration, all the members of the Board of Directors are paid a fee for each meeting they attend. The members of the Board are not entitled to any other share-based rewards. The Board members are not eligible for any pension schemes.

Accounting principles

Employee benefits for the key management include the benefits to each Leadership Team or Board of Directors member for the time they hold these positions.

Employee benefits are presented based on expenses recognized in profit or loss during the year on accrual basis except for the CEO whose remuneration is presented also based on paid benefits during the year. The remuneration to Board of Directors is also presented on paid basis.

Short-term incentives are recognized to profit or loss during the period they relate to whereas bonuses are typically paid out during the following financial year. Expenses on share-based payments are recognized to profit or loss at the share price on the grant date of the benefit and over the period when the benefit is earned. Share-based benefits are reported as paid when delivered and at the share price on the delivery date.

3.3 Employee benefit obligations

Outokumpu has several defined benefit and defined contribution plans in various countries. The most significant defined benefit plans are in Germany and the UK, representing 43% and 53% of the Group's total defined benefit obligation, respectively.

Funding requirements of the defined benefit plans are generally based on the pension fund's actuarial measurement framework set out in the funding policies and local regulation.

Germany

Outokumpu has several defined benefit plans in Germany, of which major plans include a management plan, open pension plans for other staff, and other pension obligations, which are nearly all closed for new entrants. Basis to all pension obligations in Germany are bargaining agreements and/or individual contracts (management obligations). The management plan and other pension obligations are based on annuity payments, whereas plans for other employees are based on one lump sum payment after retirement.

In addition, all the obligations in Germany are embedded in the BetrAVG law. The law contains rules for vested rights, pension protection scheme and regulations for the pension adjustments. In Germany, no funding requirements exist, and the plans are funded only for a small part with a CTA model (Contractual Trust Arrangement) that was introduced in 2019.

The UK

The AvestaPolarit Pension Scheme (the Scheme) is registered under UK legislation and is contracted out of the State Second Pension. The Scheme is subject to the funding requirements outlined in UK legislation. The Scheme's trustee is responsible for the operation and governance of the Scheme, including decisions regarding the Scheme's funding and investment strategy.

In December 2021, a GBP 390 million buy-in contract was implemented. This buy-in completed the Scheme's de-risking process which began with an initial buy-in in 2020, when a GBP 110 million buy-in insurance solution was implemented.

A buy-in removes risks of investment, longevity, interest rate changes and inflation for the Scheme and is held as a Scheme asset. Until a buy-out is secured, the Scheme ultimately remains the responsibility of Outokumpu Stainless Ltd.

However, as a result of the buy-in arrangement, the risks related to the Scheme's obligation are now significantly reduced and mostly covered by insurance. Outokumpu has agreed with the trustees to hold cash in an escrow account to provide for small mismatches in the insurance coverage and liquidity to the scheme.

At year-end 2025, the escrow balance was GBP 11 million (2024: GBP 12 million). The actuarial gains in 2025 amounted to EUR 4.1 million (2024 EUR 2.1 million actuarial gains).

Due to the buy-in solutions, no further contributions are expected to be required because of the triennial valuations. The latest valuation for this purpose was completed in 2024.

Outokumpu has decided to commence with the buy out of the scheme with a targeted completion at the end of 2027. Outokumpu will formally trigger the process in 2026 based on pension scheme requirements, but initial project work has already commenced to ensure an effective transition.

Defined benefit cost in profit or loss and other comprehensive income

€ million	2025	2024
In employee benefit expenses in operating profit (EBIT)	**-4**	-3
In financial income and expenses	**-6**	-7
Defined benefit cost in profit or loss	**-10**	-9
In other comprehensive income	**20**	12
Total defined benefit cost	**10**	3

Gross defined benefit obligations and plan assets

€ million	2025	2024
Present value of funded defined benefit obligations	**468**	506
Present value of unfunded defined benefit obligations	**1**	1
Fair value of plan assets	**-324**	-333
Net defined benefit liability	**146**	174

Amounts recognized in the consolidated statement of financial position

€ million	2025	2024
Net defined benefit liability	**146**	174
Other long-term employee benefit liabilities	**22**	22
Employee benefit obligations in statement of financial position	**169**	196

Gross defined benefit obligations and plan assets are presented in the statement of financial position netted per plan either as a liability or an asset depending on nature of the netted item.

Movement in net defined benefit liability

	2025			2024		
€ million	Present value of obligation	Fair value of plan assets	Net defined benefit liability	Present value of obligation	Fair value of plan assets	Net defined benefit liability
Total on Jan 1	507	-333	174	524	-330	193
Current service cost	3	—	3	3	—	3
Past service cost	—	—	—	0	—	0
Interest expense/(income)	22	-15	6	21	-15	7
Remeasurements arising from						
Return on plan assets	—	-4	-4	—	10	10
Demographic assumptions	0	—	0	-3	—	-3
Financial assumptions	-20	—	-20	-39	—	-39
Experience adjustment	4	—	4	20	—	20
Exchange differences	-14	13	-1	13	-13	0
Employer contributions	0	-17	-17	0	-17	-17
Benefits paid	-32	32	—	-31	31	—
Settlements	0	1	1	0	—	0
Total on Dec 31	**470**	**-324**	**146**	507	-333	174
Germany on Dec 31	**204**	**-72**	**132**	224	-67	157
The UK on Dec 31	**249**	**-248**	**1**	266	-262	4

The weighted average duration of the overall defined benefit obligation is 11.4 years (2024: 12.4 years). In Germany and in the UK, the weighted average durations are 9.8 and 13 years (2024: 10.8 and 14.0 years) respectively.

Discount rates, rising inflation and increasing retirement age have material impact on financial assumptions and remeasurement amounts.

The expected contributions to be paid to the defined benefit plans in 2026 are EUR 16 million and relate mainly to the German plans.

Allocation of plan assets

€ million	2025	2024
Cash and cash equivalents	**5**	2
Insurance policies	**247**	264
Other assets	**72**	67
Total plan assets	**324**	333

On December 31, 2025, 1.5% of the plan assets were invested in quoted instruments (Dec 31, 2024: 0.7%).

Significant actuarial assumptions

		Germany	The UK	Other countries
Discount rate, %	**2025**	**3.94**	**5.50**	**7.65**
	2024	3.36	5.50	8.09
Future salary increase, %	**2025**	**—**	**—**	**4.50**
	2024	—	—	4.50
Inflation rate, %	**2025**	**2.20**	**2.85**	**3.48**
	2024	2.30	3.15	3.46
Future benefit increase, %	**2025**	**2.20**	**2.40**	**2.06**
	2024	2.30	2.65	2.05
Medical cost trend rate, %	**2025**	**—**	**—**	**7.90**
	2024	—	—	9.20
Life expectancy	**2025**	**RT 2018 G mortality tables**	**96% SAPS All Pensioner Amounts tables with CMI Core Projection Model - 2024**	**Standard mortality tables**
	2024	RT 2018 G mortality tables	96% SAPS All Pensioner Amounts tables with CMI Core Projection Model - 2023	Standard mortality tables

Sensitivity analysis of significant actuarial assumptions

	Change in assumption	Germany, %	The UK, %	Other countries, %
2025				
Discount rate	+/-0.5%	-5 / +5	-6 / +6	-3 / +3
Future benefit increase [1)]	+/-0.5%	+2 / -2	+4 / -4	+2 / -2
Medical cost trend rate	+/-0.5%	— / —	— / —	+9 / -8
Future salary increase [1)]	+/-0.5%	— / —	— / —	+3 / -3
Life expectancy	+ 1 year	— / +2	— / +3	— / +7
2024				
Discount rate	+/-0.5%	-5 / +5	-6 / +7	-3 / +3
Future benefit increase [1)]	+/-0.5%	+2 / -2	+5 / -5	+2 / -2
Medical cost trend rate	+/-0.5%	— / —	— / —	+9 / -8
Future salary increase [1)]	+/-0.5%	— / —	— / —	+3 / -3
Life expectancy	+ 1 year	— / +3	— / +3	— / +7

Sensitivity is presented for reasonably possible change at the reporting date in one of the principal assumptions, while holding all other assumptions constant.
[1)]Significant actuarial assumption inflation rate is linked to future benefit and future salary increase.

Other long-term employee benefits

Other long-term employee benefits mainly relate to early retirement provisions in Germany and long-service remunerations in Finland.

Under the German early retirement regulations, employees are able to retire a certain number of years prior to their earliest pensionable age (passive phase). During a period equal in length to the passive phase they will be working full-time with their net salary cut to 50% of their former regular salary (active phase). During both phases the employer supplements the net salary to match a defined percentage of the employee‘s former regular net salary. Under the long-service remunerations in Finland, the employees are entitled to receive a one-time indemnity every five years after 20 years of service.

Multi-employer defined benefit plans

ITP pension plans operated by Alecta in Sweden and plans operated by Stichting Bedrijfspensioenfonds voor de metaalindustrie in the Netherlands are multi-employer defined benefit pension plans. However, it has not been possible to get sufficient information for the calculation of obligations and assets by employer from the plan operators, and therefore these plans have been accounted for as defined contribution plans in the consolidated Financial Statements.

Risk information

Through its defined benefit plans, Outokumpu is exposed to a number of risks, the most significant of which are detailed below.

Asset volatility: The level of equity returns is a key factor in the overall investment return. If a plan holds significant proportion of equities, which are expected to outperform corporate bonds in the long-term, it might face higher volatility and risk in the short-term. The investment portfolio might also be subject to a range of other risks typical of the assets held, in particular credit risk on bonds and exposure to the property market.

Change in bond yields: A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings (if any). In a situation where the return on plan assets is lower than the corporate bond yields, a plan may face a shortfall which might lead to increased contributions.

Inflation risk: Inflation rate is linked to both future pension and salary increase, and higher inflation will lead to higher liabilities.

Longevity: The majority of Outokumpu's defined benefit obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities.

The buy-in solutions implemented in the UK in 2021 and 2020 significantly reduce the earlier-mentioned risks for the Scheme, which is mostly covered by insurance.

Management judgments

The present value of pension obligations is subject to actuarial assumptions which are used in calculating these obligations. These assumptions include, among others, discount rate, the annual rate of increase in future compensation levels, inflation rate and employee turnover rate. The assumptions are proposed by external independent actuaries separately for each defined benefit plan or each country where Outokumpu has defined benefit plan and approved by the management.

Accounting principles

The Group companies in different countries have various post-employment benefit plans in accordance with local conditions and practices. The plans are classified as either defined contribution plans or defined benefit plans.

The fixed contributions to defined contribution plans are recognized as expense in the period to which they relate. The Group has no legal or constructive obligation to pay further contributions if the receiving party is not able to pay the benefits in question. All such arrangements that do not meet these requirements are defined benefit plans.

Defined benefit plans are funded with payments to the pension funds or insurance companies. The present value of the defined benefit obligations is determined separately for each plan by using the projected unit credit method. The liability recognized in the statement of financial position is the defined benefit obligation less the fair value of plan assets at the closing date. When the fair value of plan assets exceeds the value of the obligation, the net amount is recognized as defined benefit plan assets.

Current service costs, past service costs and gains or losses on settlements are recognized in functional costs above EBIT. Net interest expense or income is recognized in financial items under interest expense or interest income. All remeasurements of the net defined benefit liability (asset) are recognized directly in other comprehensive income.

Buy-in contract in the UK does not result in a settlement because Outokumpu remains responsible for the benefit obligation. The buy-in contract is effectively an investment by which the plan can receive payments from the insurer corresponding to the benefits due to the participants, but ultimately the primary obligation to pay benefits has not been transferred.

For other long-term employee benefits, all service costs and remeasurements are recognized immediately in the statement of income. Interest expenses are recognized in financial items under interest expenses.

The significant actuarial assumptions are presented separately for the most significant countries, and for other countries a weighted average of the assumptions is presented.

3.4 Share-based payments

Share-based programs are part of the Group's incentive and commitment-building system for key employees. The objectives are to align the interests between key employees and shareholders, promote shareholder value creation and the achievement of long-term strategic targets.

Outokumpu operates two share-based programs. The Performance Share Plan (PSP) includes an earning criterion and is part of the regular compensation of top executives, with a maximum number of participants of 200. The Restricted Share Pool (RSP) does not have any specific earning criterion and it is used for a limited number of employees, for key recruitments, exceptional performance, high potential, retention needs and other individual specific situations.

For the financial year 2025, the share-based payment expenses included in the employee benefit expenses were EUR 1 million (2024: EUR 2 million). The total estimated value of the share-based payment plans is EUR 4 million on December 31, 2025 (2024: EUR 7 million). This value is recognized as an expense in the statement of income during the vesting periods.

Outstanding programs

During 2025, Outokumpu's share-based payment programs include Performance Share Plan (periods 2023–2025, 2024–2026 and 2025–2027) and Restricted Share Pool (periods 2023–2025, 2024–2026 and 2025–2027).

In December 2025, the Board of Directors has approved the commencement of Outokumpu's share-based programs, Performance Share Plan and Restricted Share Pool, for the period 2026–2028. The plans commence at the beginning of 2026.

Vested programs

In 2025, the Performance Share Plan 2022–2024 ended with the targets achieved by 85.4%, and after deduction for the applicable taxes, a total of 328,765 shares were delivered to the 89 participants. From the Restricted Share Pool 2022–2024, after deductions for applicable taxes as the last installment of three, in total 106,949 shares were delivered to the 64 participants. From the Restricted Share Pool 2023–2025, after deductions for applicable taxes as the second installment of three, in total 35,997 shares were delivered to the 52 participants. From the Restricted Share Pool 2024–2026, after deductions for applicable taxes as the first installment of three, in total 72,493 shares were delivered to the 72 participants. Shares were delivered in February 2025, and Outokumpu used its treasury shares for the reward payments.

Share-based payment opportunity

Maximum number of shares Dec 31, 2025	2026	2027	2028	Total
PSP 2023-2025	2,022,450	—	—	2,022,450
RSP 2023-2025	51,102	—	—	51,102
	2,073,552	—	—	2,073,552
PSP 2024-2026	—	2,532,750	—	2,532,750
RSP 2024-2026	161,083	141,084	—	302,167
	161,083	2,673,834	—	2,834,917
PSP 2025-2027	—	—	3,520,050	3,520,050
RSP 2025-2027	74,201	74,201	84,198	232,600
	74,201	74,201	3,604,248	3,752,650
Total	**2,308,836**	**2,748,035**	**3,604,248**	**8,661,119**

The general terms and conditions of the outstanding share-based incentive programs

	Performance Share plan		
	PSP 2023-2025	PSP 2024-2026	PSP 2025-2027
Grant date	March 10, 2023	March 11, 2024	March 21, 2025
Vesting period	Jan 1, 2023-Mar 31, 2026	Jan 1, 2024-Mar 31, 2027	Jan 1, 2025-Mar 31, 2028
Number of participants	164	185	192
Share price at grant date, €	5.68	3.83	3.78
Exercised	In shares and cash in 2026	In shares and cash in 2027	In shares and cash in 2028
Vesting conditions			
Non-market	Return on capital employed (80%), CO2 emissions per ton of crude steel produced (20%)	Return on capital employed (80%), CO2 emissions per ton of crude steel produced (20%)	Return on capital employed (80%), CO2 emissions per ton of crude steel produced (20%)
Other relevant conditions	Continuation of employment until the shares are delivered, a salary based limit for the maximum benefits		

	Restricted Share Pool Program		
	RSP 2023-2025	RSP 2024-2026	RSP 2025-2027
Grant date	March 10, 2023	March 11, 2024	March 21, 2025
Vesting period	Jan 1, 2023-Mar 31, 2026	Jan 1, 2024-Mar 31, 2027	Jan 1, 2025-Mar 31, 2028
Number of participants	49	72	59
Share price at grant date, €	5.68	3.83	3.78
Exercised	In shares and cash in 3 installments in 2024, 2025 and 2026	In shares and cash in 3 installments in 2025, 2026 and 2027	In shares and cash, either in full in 2028 or in 3 installments in 2026, 2027 and 2028
Vesting conditions	Continuation of employment until the shares are delivered, a salary-based limit for the maximum benefits		

Detailed information of the share-based incentive programs can be found in Outokumpu's home page www.outokumpu.com.

Management judgments

In valuing the share-based payment plans, the management estimates the likelihood of achieving the non-market performance criteria and the number of participants remaining in the plan when the vesting period ends.

The evaluation of the likelihood of achieving the non-market performance criteria uses mainly external financial forecasts but also internal forecasts are used. The number of participants remaining in plans at the end of the vesting period is estimated based on historical forfeit ratios of similar plans. Also potential impacts from restructuring activities carried out in the Group are considered in the estimate.

Accounting principles

The share-based payments are settled net of tax withholding, and they are accounted as fully equity-settled. The expense of the programs recognized over vesting periods is based on the grant date fair value and is reported as employee benefit expenses within the administrative expenses in profit or loss.

Applicable statistical models are used in valuation, and the valuation is revised at the end of each reporting period based on the likelihood of achieving the non-market performance criteria and the estimated retention rate of the participants.

The salary-based maximum limits for the pay-outs have been taken into account in the valuation of the benefits.

4. Operating assets and liabilities

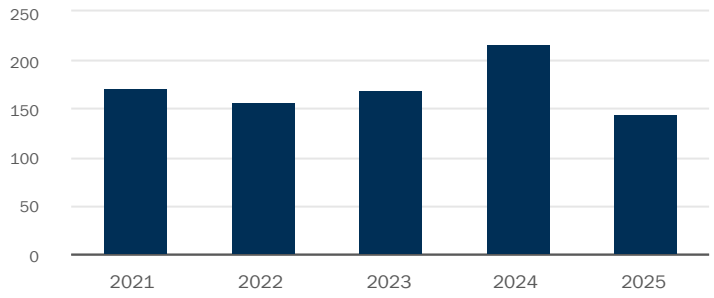
4.1 Intangible assets and property, plant and equipment

Intangible assets

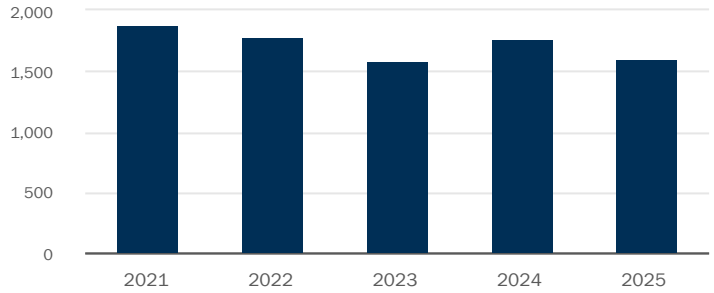
2025 € million	Goodwill	Other intangible assets	Total
Historical cost on Jan 1, 2025	473	370	843
Translation differences	-1	-1	-1
Additions	—	17	17
Disposals	—	-79	-79
Reclassifications	—	-11	-11
Historical cost on Dec 31, 2025	**473**	**296**	**769**
Accumulated amortization and impairment on Jan 1, 2025	-16	-247	-263
Translation differences	1	0	1
Amortization	—	-14	-14
Disposals	—	69	69
Reclassifications	—	11	11
Accumulated amortization and impairment on Dec, 31, 2025	**-16**	**-180**	**-196**
Carrying value on Dec 31, 2025	**457**	**116**	**573**
Carrying value on Jan 1, 2025	457	123	580

In 2025, additions to the other intangible assets are mainly related to the ERP implementation project. Disposals include IT system disposals and the sale of emission allowances.

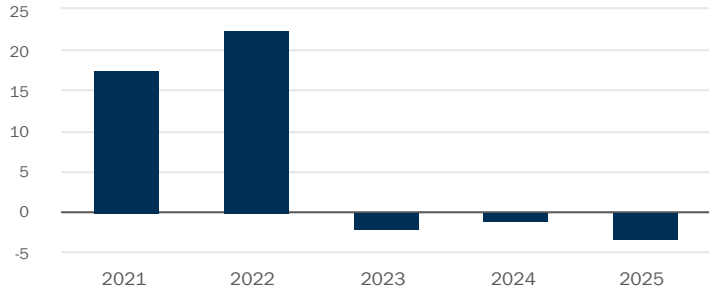
Capital expenditure, € million



Inventories, € million



Return on capital employed, %



Emission allowances

Outokumpu had the following active sites operating under EU's Emissions Trading Scheme (EU ETS) in 2025: production plants in Tornio, Finland; Avesta, Degerfors and Nyby in Sweden; as well as Krefeld together with Dillenburg in Germany. All Outokumpu sites met the compliance requirements on time in 2025.

The pre-verified carbon dioxide emissions under EU ETS were approximately 0.9 million tonnes in 2025 (2024: 0.8 million tonnes). For its 2025 emission allowance delivery, Outokumpu will use allowances received for free and allowances acquired from the market in prior years. The cost of usage has been recognized as other operating expenses. During 2025, Outokumpu Corporation sold externally 150,000 tons of emission allowances with selling value of EUR 13 million. During 2025, Outokumpu did not buy externally emission allowances (2024: 173,861 tons with purchase value of EUR 10 million)

The Group's emission position is composed of realized and forecasted carbon emissions netted against confirmed and forecasted emission allowances granted by governments. All relevant Outokumpu sites applied for free emission allowances for Phase IV trading period according to the efficiency-based benchmarks and historical activity. The allocations for the second part of the trading period (2026-2030) are currently pending for approval by EU Commission. The pre-verified number of free allowances combined with the allowances held from prior period are adequate to cover the forecasted needs of EU emission allowances for the rest of the trading Phase IV (2021–2030).

The emission allowance price risk is presented in note 5.3 under Energy price risk.

2024 € million	Goodwill	Other intangible assets	Total
Historical cost on Jan 1, 2024	472	332	804
Translation differences	1	0	1
Additions	—	39	39
Disposals	—	-3	-3
Reclassifications	—	2	2
Historical cost on Dec 31, 2024	**473**	**370**	**843**
Accumulated amortization and impairment on Jan 1, 2024	-15	-234	-249
Translation differences	-1	0	-1
Amortization	—	-14	-14
Disposals	—	1	1
Reclassifications	—	-1	-1
Accumulated amortization and impairment on Dec, 31, 2024	**-16**	**-247**	**-263**
Carrying value on Dec 31, 2024	**457**	**123**	**580**
Carrying value on Jan 1, 2024	457	98	556

In 2024, additions to other intangible assets are mainly related to ERP implementation project and purchases of emission allowances.

Property, plant and equipment

2025 € million	Land	Mine properties	Buildings	Machinery and equipment	Other tangible assets	Advances paid and construction work in progress	Group
Historical cost on Jan 1, 2025	70	326	1,261	4,296	137	256	6,345
Translation differences	-2	—	-20	-76	1	-4	-101
Additions	—	1	0	9	4	120	134
Disposals	0	—	-1	-62	-4	0	-68
Reclassifications	0	36	-11	71	28	-115	9
Other	0	—	0	0	—	0	0
Historical cost on Dec 31, 2025	**67**	**363**	**1,230**	**4,237**	**165**	**257**	**6,320**
Accumulated depreciation and impairment on Jan 1, 2025	-6	-73	-908	-3,325	-98	—	-4,410
Translation differences	0	—	12	51	-1	—	62
Disposals	—	—	1	59	4	—	63
Depreciation	—	-11	-35	-110	-5	—	-161
Impairments	—	—	—	-7	—	—	-7
Reclassifications	0	—	-4	21	-25	—	-8
Other	—	—	0	0	0	—	0
Accumulated depreciation and impairment on Dec 31, 2025	**-6**	**-84**	**-934**	**-3,312**	**-124**	**—**	**-4,461**
Carrying value on Dec 31, 2025	**61**	**279**	**296**	**925**	**41**	**257**	**1,859**
Carrying value on Jan 1, 2025	63	253	353	971	39	256	1,935

Reclassifications include transfers from advances paid and construction work in progress to other asset classes as well as transfers between other assets classes.
Cash flow item Purchases of property, plant and equipment includes grants received amounting to EUR 9 million.

2024 € million	Land	Mine properties	Buildings	Machinery and equipment	Other tangible assets	Advances paid and construction work in progress	Group
Historical cost on Jan 1, 2024	70	307	1,228	4,240	131	174	6,150
Translation differences	1	—	10	37	0	3	51
Additions	—	0	1	9	1	172	184
Disposals	-1	—	-2	-39	-1	0	-43
Reclassifications	-1	19	23	48	7	-93	3
Other	—	—	0	0	0	0	0
Historical cost on Dec 31, 2024	**70**	**326**	**1,261**	**4,296**	**137**	**256**	**6,345**
Accumulated depreciation and impairment on Jan 1, 2024	-7	-56	-847	-3,246	-88	—	-4,244
Translation differences	0	—	-6	-25	0	—	-30
Disposals	—	—	1	35	1	—	37
Depreciation	—	-17	-40	-105	-6	—	-168
Impairments	—	—	0	0	—	—	0
Reclassifications	1	—	-16	17	-6	—	-4
Other	—	—	0	0	0	—	0
Accumulated depreciation and impairment on Dec 31, 2024	**-6**	**-73**	**-908**	**-3,325**	**-98**	**—**	**-4,410**
Carrying value on Dec 31, 2024	**63**	**253**	**353**	**971**	**39**	**256**	**1,935**
Carrying value on Jan 1, 2024	63	251	381	994	43	174	1,905

Reclassifications include transfers from advances paid and construction work in progress to other asset classes as well as transfers between historical cost and accumulated depreciation and impairment.

Intangible assets and property, plant and equipment by geographical region

€ million	2025	2024
Finland	**1,544**	1,563
Other Europe	**515**	518
North America	**366**	426
APAC region	**6**	8
Other countries	**0**	0
	2,432	2,515

Capitalized interest expenses

There were no capitalization of borrowing costs on investment projects during 2025 nor in comparison year. Total capitalized interests on December 31, 2025 were EUR 21 million (Dec 31, 2024: EUR 22 million).

Management judgments

Management estimates relating to useful lives and recoverable amounts affect significantly the intangible asset and property, plant and equipment values in the consolidated statement of financial position, and different assumptions and assigned lives could have a material impact on the reported amounts.

Carrying amounts of intangible asset and property, plant and equipment items are regularly reviewed for any indication of impairment. If any such indication emerges, the asset's recoverable amount is assessed, which requires estimation of future cash flows attributable to the asset and related valuation parameters.

Indications for changes in useful lives are reviewed annually, and if changes to previous estimates are identified, the useful lives are revised accordingly. If an impairment loss is recognized, the estimated useful life of the asset is also reassessed.

Accounting principles

Intangible assets other than goodwill include capitalized development costs, patents, licenses and software. These assets comprise mainly acquired assets that typically have definite useful lives. An intangible asset is recognized if it is probable that the asset will generate future economic benefits to the Group and the cost of the asset can be measured reliably.

Property, plant and equipment consist mainly of facilities, machinery and equipment used in stainless steel and ferrochrome production.

Intangible assets and property, plant and equipment are recognized initially at cost. Cost comprises of the asset's purchase price and all costs directly attributable to bringing the asset ready for its intended use. Government grants received for investment purposes are deducted from the asset's cost. Intangible assets and property, plant and equipment acquired in a business combination are measured at fair value at the acquisition date.

Borrowing costs (mainly interest costs) directly attributable to the acquisition of an asset are capitalized in the statement of financial position as part of the asset's carrying amount, when it takes a substantial period of time to get the asset ready for its intended use.

After initial recognition, intangible assets and property, plant and equipment are measured at cost less accumulated amortization, depreciation and impairment losses. Intangible assets and property, plant and equipment, other than land and mine properties, are amortized or depreciated on a straight-line basis over their expected useful lives. Assets tied to a certain fixed period are amortized over the contract term.

Amortization of intangible assets is based on the following estimated useful lives:

Software	up to 10 years
Capitalized development costs	up to 10 years
Intangible rights	up to 20 years

Depreciation of property, plant and equipment items is based on the following estimated useful lives:

Buildings	25–40 years
Heavy machinery	15–30 years
Light machinery and equipment	3–15 years

Self-owned land is not depreciated, as the useful life of land is assumed to be indefinite. Mine properties include preparatory work to utilize an ore body or a portion thereof, such as shafts, ramps, ventilation and other infrastructure necessary for mining operations. Mine properties are depreciated using the units-of-production method, which allocates the depreciable amount based on the extraction of proven and probable ore reserves over their estimated useful lives. Reserve estimates are reviewed annually, and depreciation rates are adjusted prospectively to reflect changes in expected production or reserve quantities.

Other tangible assets include items such as land improvements, asset retirement obligations related to landfill areas and infrastructure within the facilities, such as roads and railroads.

Recognition of amortization or depreciation on an asset is ceased when the item is classified as held for sale.

If indication regarding an impairment of an asset is identified, the asset's recoverable amount is estimated as the higher of the fair value less costs to sell or the value in use. If the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. A previously recognized impairment loss is reversed if there is a change in the recoverable amount. However, the reversal must not result in a higher carrying amount than what it would have been if no prior impairment loss had been recognized. Impairment losses are presented as other operating expenses in the consolidated statement of income.

Gains or losses on disposals of property, plant and equipment or intangible assets are determined as the difference between the net proceeds received and the carrying amount of the asset. These gains or losses are presented in other operating income or expenses.

Goodwill

Goodwill arises from business combinations and is recognized at the acquisition date at the amount excess of the consideration transferred over the fair value of the identifiable assets acquired, liabilities assumed and any non-controlling interest and any previously held equity interests in the acquiree. Goodwill is not amortized but tested for impairment. Goodwill is measured at cost less accumulated impairment losses. Impairment losses on goodwill cannot be subsequently reversed.

See note 4.3 for goodwill impairment testing.

Emission allowances

Emission allowances are reported as other intangible assets. They are measured at cost and initially recognized when control is obtained. Allowances received free of charge are recognized at nominal value, i.e. at zero carrying amount. Emission allowances are derecognized against the actual emissions, or when the emission allowances are sold.

Emission allowance expense is recognized when emission allowances received free of charge do not cover the annual emissions for the difference based on the cost of the purchased allowances. In case the Group does not hold sufficient allowances to cover the actual emissions, a provision regarding the obligation to return the emission allowances is recognized at fair value at the end of the reporting period. The expenses are presented as other operating expenses. Gains from the sale of emission allowances are recognized as other operating income.

4.2 Leases

Outokumpu leases land, buildings, and machinery and equipment used in the Group's operations. Outokumpu has also entered into service and supply contracts that contain lease elements. Approximately 70 percent of the Group's right-of-use assets are linked to an index or a rate, making the related lease payments variable. The terms of new vehicle leases are typically 3 to 5 years, and lease terms for other machinery and equipment range up to 15 years. Lease terms for land and buildings can be significantly longer with the remaining terms for individual contracts on land of approximately 40–90 years. Leases for machinery and equipment include also contracts with variable lease payments based on usage of the equipment. Machinery and equipment are also hired with daily rates for temporary use, in which case they are reported as short-term leases. Most of the right-of-use assets are in Finland, totaling EUR 118 million.

Right-of-use assets

2025 € million	Land	Buildings	Machinery and equipment	Advances paid and other tangible assets	Total
Historical cost on Jan 1, 2025	36	39	223	1	299
Additions	—	9	17	0	26
Reclassifications	—	0	0	—	1
Other changes	0	0	3	0	3
Historical cost on Dec 31, 2025	**36**	**49**	**243**	**1**	**329**
Accumulated depreciation and impairment on Jan 1,2025	-6	-24	-89	0	-119
Depreciation and impairments	-1	-4	-36	0	-41
Reclassifications	—	0	0	—	-1
Other changes	0	0	5	0	5
Accumulated depreciation and impairment on Dec 31, 2025	**-7**	**-28**	**-120**	**-1**	**-156**
Carrying value on Dec 31, 2025	**29**	**20**	**123**	**1**	**173**
Carrying value on Jan 1, 2025	30	15	134	1	179

2024 € million	Land	Buildings	Machinery and equipment	Advances paid and other tangible assets	Total
Historical cost on Jan 1, 2024	36	41	179	1	257
Additions	—	5	51	0	56
Reclassifications	1	1	0	0	1
Other changes	0	-9	-7	-1	-16
Historical cost on Dec 31, 2024	**36**	**39**	**223**	**1**	**299**
Accumulated depreciation and impairment on Jan 1, 2024	-5	-30	-75	-1	-110
Depreciation and impairments	-1	3	-33	0	-31
Reclassifications	-1	-1	0	0	-1
Other changes	—	4	19	1	23
Accumulated depreciation and impairment on Dec 31, 2024	**-6**	**-24**	**-89**	**0**	**-119**
Carrying value on Dec 31, 2024	**30**	**15**	**134**	**1**	**179**
Carrying value on Jan 1, 2024	30	11	104	1	147

In 2024, Outokumpu took into use three cargo vessels leased from Langh Ship. Additions include EUR 39 million related to these contracts.

Lease receivables

€ million	2025	2024
Non-current	**5**	6
Current	**1**	1
Total	**6**	7

Lease liabilities

€ million	2025	2024
Non-current	**156**	167
Current	**43**	38
Total	**199**	206

Maturity analysis of lease liabilities is presented in note 5.1.

Lease expenses

€ million	2025	2024
Depreciation	**-41**	-38
Impairments and impairment reversals	**0**	7
Interest expenses	**-12**	-13
Expenses on short-term and low-value leases	**-23**	-25
Total	**-76**	-68

In 2024, the impairment reversal of EUR 7 million is related to a lease contract in Germany.

Lease cash flows

€ million	2025	2024
Repayments	**-42**	-38
Interest paid	**-12**	-13
Total	**-54**	-50

Management judgments

Management judgment and estimates relate mainly to incremental borrowing rates of the Group companies, the probabilities of utilizing extension options in lease contracts and lease terms applied for contracts that are valid until further notice, which impact the reported amounts of lease liabilities and right-of-use assets.

The incremental borrowing rates are defined as part of the process to determine interest rates for intra-group lending, in which Outokumpu defines synthetic ratings for the subsidiaries. The incremental borrowing rate takes into account the currency, the maturity of the lease liability, the credit risk of the lessee based on the synthetic rating, and country risk.

The contracts with extension options are reviewed regularly to evaluate the probability of utilization based on information available.

Contracts that are valid until further notice represent only a small amount of Group's lease contracts, as most contracts have a fixed term. The lease terms for the contracts that are valid until further notice are either defined based on the Group's mid-term planning cycle of 3 years or treated as short-term depending of the type of the asset.

The Group applies materiality in defining low-value items for lease accounting purposes.

Accounting principles

Group as a lessee

Lease liabilities measured at the present value of future lease payments are recognized to the statement of financial position. In determining the present value of the lease liabilities, the fixed and index/rate-based lease payments are discounted with the interest rate implicit to the lease when available, or with the incremental borrowing rate of the company.

Lease payments are divided into interest expense and repayment of the lease liability. Lease contracts may include options to extend the contract term or purchase the leased asset at the end of the lease term. Lease term is determined as the non-cancellable period of the lease taking into consideration the options to extend and terminate if it is reasonably certain that the Group will exercise the extension option or will not exercise the termination option.

Leased assets are presented in the balance sheet as a separate line item. Right-of-use assets recognized to the statement of financial position are measured at the amount of lease liability and lease payments made in advance, less accumulated depreciation and impairments. Right-of-use assets are depreciated on a straight-line basis over the lease term, or over the expected useful life of the asset in case the asset will transfer to Outokumpu at the end of the lease term or it is highly probable that a purchase option will be used.

Lease liabilities are presented as part of non-current and current debt in the consolidated statement of financial position. Lease liabilities are part of the net debt calculation.

Lease liabilities or right-of-use assets relating to short-term leases, leases of low value items, or intangible assets are not recognized to the statement of financial position. Instead, related payments are recognized as expense to the profit or loss.

Sale and lease-back

So-called sale and lease-back transactions by the Group in 2019 or later (i.e. in accordance with IFRS 16) do not typically meet the IFRS 15 criteria of a sale, as Outokumpu typically retains the control of the asset. Consequently, they do not meet the criteria of sale and lease-back, either. The asset remains in Outokumpu's property, plant and equipment at cost less accumulated depreciation and impairments. The proceeds of the transaction are recognized as other loans under non-current or current debt.

Sale and lease-back transactions carried out prior to 2019 have been treated according to the accounting principles prevailing at the time.

Group as a lessor

At inception of a lease contract, an assessment is made whether the lease is a finance lease or an operating lease. If the lease transfers substantially all of the risks and rewards incidental to ownership of the asset, it is considered to be a finance lease, otherwise the lease is considered to be an operating lease. The Group has no material finance lease contracts.

Rental income received from property, plant and equipment leased out by the Group under operating leases is recognized on a straight-line basis over the lease term. Rental income is presented as other operating income. The Group has no material income from operating lease contracts.

4.3 Goodwill impairment test

Goodwill by operating segment

	Goodwill	
€ million	**2025**	2024
Europe	**343**	343
Ferrochrome	**114**	114
Total	**457**	457

Assumptions by operating segment

	Europe	Ferrochrome
2025		
Weighted average cost of capital (WACC), pre-tax, %	**9.9**	**10.0**
Weighted average cost of capital (WACC), after-tax, %	**7.9**	**8.1**
Terminal growth rate, %	**0.5**	**0.5**
2024		
Weighted average cost of capital (WACC), pre-tax, %	9.1	9.1
Weighted average cost of capital (WACC), after-tax, %	7.1	7.4
Terminal growth rate, %	0.5	0.5

Test results and sensitivities by operating segment

2025	Europe	Ferrochrome
Headroom, € million	685	122
After-tax WACC increase leading to impairment, %-points	2.6	1.2
EBITDA decrease leading to impairment, %	22	10
Terminal growth rate of zero leading to impairment	No	No

Headroom is the amount by which the recoverable amount determined based on the value-in-use analysis exceeds the segment's operating capital amount as at the impairment testing date.

Goodwill impairment testing

In 2025 and 2024, as a result of the impairment testing performed to Group's cash-generating units, no goodwill impairment losses were recognized. Goodwill impairment testing is carried out on an operating segment level, as they correspond to the Group's cash-generating units (CGUs) and the goodwill allocation level.

The recoverable amounts of the cash-generating units are based on value-in-use calculations that are prepared using discounted cash flow projections. These long-term projections are based on the Group's strategy approved by the Board of Directors and Outokumpu Leadership team. The estimates include cash flow forecasts for the period 2026–2030 after which the terminal value is calculated. The carrying amount to which the recoverable amount is compared, is the operating capital of the segment.

The value-in-use calculation is highly sensitive to changes in key assumptions such as estimated delivery volumes and estimated sales prices contributing to EBITDA estimates, as well as discount rate.

Management judgments

Key assumptions of the value-in-use calculations include the discount rate, sales prices, delivery volumes and the terminal value growth rate. Assumptions also include estimates on capital expenditure development including decarbonization related investments, and impacts related to on-going EVOLVE-strategy-implementation related initiatives.

Cash flow forecasts are discounted using the pre-tax weighted-average cost of capital (WACC) as defined for Outokumpu. The components of WACC are the risk-free rate, Outokumpu's credit margin, the equity market risk premium, the equity beta for a peer group, and the industry's median capital structure.

In general, management believes that the assumptions used in the value-in-use calculations are conservative based on the current economic circumstances. Growth rates assumed for stainless steel deliveries are generally lower than independent analysts' view on long-term market development.

Accounting principles

Goodwill is allocated to and tested for impairment on operating segment level, which corresponds to the Group's cash-generating units (CGUs), and the lowest level goodwill is monitored. Impairment test is carried out on an annual basis, or more frequently if indication of goodwill impairment exists.

In goodwill impairment testing, the recoverable amounts are based on value in use determined by discounted future net cash flows expected to be generated by the cash-generating unit. The discount rate used is a pre-tax rate that reflects the current market view on the time value of money and the CGU-specific risks.

An impairment loss is the amount by which the carrying amount of the segment's assets exceeds its recoverable amount. Impairment losses are recognized first on goodwill and after that on other intangible and tangible assets on a pro-rata basis. In the consolidated statement of income impairments are presented in other operating expenses. Impairment losses related to goodwill cannot be subsequently reversed.

4.4 Inventories

€ million	2025	2024
Raw materials and consumables	**613**	684
Work in progress	**612**	723
Finished goods and merchandise	**367**	333
Advanced payments	**16**	25
Total	**1,608**	1,764

Reversal of write-downs related to net realizable value of EUR 3 million were recognized in the profit or loss during 2025 (2024: reversal of write-downs of EUR 11 million).

In 2025, Outokumpu applies cash flow hedge accounting for three selected nickel hedging programs out of which one impacts also inventory values. More details on commodity price risk and hedge accounting are presented in notes 5.3 and 5.4.

Management judgments

Management judgment and estimates are applied in net realizable value (NRV) and inventory obsolescence analysis.

NRV calculation requires estimates on sales prices for products to be sold in the future to the extent the prices are not known, which can be a significant part of the future prices. Due to fluctuations in nickel and other alloy prices, which are the most important commodity price risks for Outokumpu, the realized prices can deviate significantly from the estimates used in NRV calculations.

The alloy surcharge clause as well as daily fixed pricing of stainless steel reduce the risk arising from the time difference between raw material purchase and product delivery. However, the risk is still significant because the delivery cycle in production is longer than the alloy surcharge mechanism expects and the daily fixed pricing can also deviate from this cycle depending on the timing of the delivery.

Inventory obsolescence for stainless steel products is estimated based on internal guidelines on slow-moving inventory.

Accounting principles

Inventories are stated at the lower of cost and net realizable value. These are defined with different methodologies depending on the type of inventory.

The cost of raw materials is determined as the monthly weighted average of the actual raw material cost. The cost of self-produced finished goods and work in progress comprises of raw materials, direct labor, other direct costs and related production and procurement overheads. Cost of purchased products includes all purchasing costs including direct transportation, handling and other costs.

NRV is calculated as the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs attributable to the sale.

Obsolete stainless steel products are valued at scrap value. Spare parts are carried as inventory and their cost is recognized in profit or loss as consumed.

Major spare parts are recognized in property, plant and equipment when they are expected to be used over more than one year.

4.5 Trade and other receivables and payables

Trade and other receivables

€ million	2025	2024
Non-current		
Non-current receivables and accruals	**9**	10
Current		
Trade receivables	**329**	389
VAT receivables	**75**	53
Escrow deposits	**13**	14
Prepaid insurance expenses	**5**	3
Other accruals	**21**	21
Other receivables	**14**	12
Total	**457**	492
Loss allowance on trade receivables		
On Jan 1	**6**	5
Additions in loss allowance	**4**	2
Reclassifications	**0**	—
Reduction in loss allowance	**0**	0
On Dec 31	**10**	6
Age analysis of trade receivables		
Not overdue	**301**	349
Past due 1–30 days	**20**	25
Past due 31–60 days	**7**	6
More than 60 days	**0**	9
Total	**329**	389

Factored trade receivables

Outokumpu uses factoring to finance its working capital. Under these arrangements, Outokumpu has on December 31, 2025 derecognized trade receivables totaling EUR 357 million (Dec 31, 2024: EUR 426 million), which represents the fair value of the assets. Net proceeds received amounted to EUR 357 million (2024: EUR 426 million). The underlying assets have a maturity of less than one year.

The maximum amount of loss related to derecognized assets is estimated to be EUR 15 million (2024: EUR 17 million). This estimate is based on insurance policies and contractual arrangements between factoring companies and Outokumpu. The analysis does not include the impact of any operational risk related to Outokumpu's contractual responsibilities.

Trade and other payables

€ million	2025	2024
Non-current		
Accruals	**10**	13
Current		
Trade payables	**1,006**	1,129
Accrued employee-related expenses	**81**	74
Accrued interest expenses	**3**	7
VAT payable	**42**	50
Withholding tax and social security liabilities	**19**	20
Advance payments received	**10**	32
Accruals relating to customer rebates	**42**	32
Factoring arrangements related payables	**39**	4
Tax on mined minerals	**8**	7
Other accruals	**45**	31
Other payables	**25**	4
Total	**1,320**	1,390

Other payables include subsidies received.

Liabilities related to customer contracts and advance payments received

On December 31, 2025, accrued volume discounts related to customer contracts amounted to EUR 42 million (Dec 31, 2024: EUR 32 million).

The liabilities related to unperformed transportation services were not material on December 31, 2025, and these liabilities are expected to be recognized as revenue over the following three months.

Advance payments received are related to customer contracts which are expected to be recognized as revenue over the following three months.

Risk information

Credit risk

Outokumpu's sales are covered by approved credit limits or secured payment terms. Most of the outstanding trade receivables have been secured by trade credit insurances, which typically cover some 95% of the insured amount. Part of the credit risk related to trade receivables is managed with letters of credit, advance payments and guarantees.

On December 31, 2025, the maximum exposure to credit risk of trade receivables was EUR 329 million (2024: EUR 389 million). The portion of unsecured receivables during 2025 has been approximately 5–11% of all trade receivables. During 2025, credit limits have remained available from the insurer and there is no significant change in the insurance cover. Outokumpu has frequently monitored customer credit risk and the overdue situation and continued its close co-operation with the insurers.

Outokumpu uses factoring, which transfers most risks and rewards to the buyer of the receivables. At the end of the year 2025, most of the receivables were generated by a large number of customers and there were only few risk concentrations.

Country risk

Exposure to country risk is monitored and mitigated by having a credit insurance that provides cover against political risks on external account receivables. However, there is some exposure on certain countries where insurance was unavailable.

Accounting principles

Trade and other receivables and payables include financial assets or liabilities measured at amortized cost. After initial recognition, they are measured at amortized cost by using the effective interest rate method. Trade and other receivables are valued net of accumulated impairments.

Factored trade receivables

Factored trade receivables have been derecognized from the statement of financial position when the related risks and rewards of ownership have materially been transferred to the counterparty of the factoring transaction.

Expected credit losses

Outokumpu applies a simplified model in assessing and recognizing loss allowance for expected credit losses on trade receivables. The calculation model is based on overdue statistics and counterparty-specific credit ratings linked with loss probabilities for each rating. Loss allowances are recognized in selling and marketing expenses in the consolidated statement of income.

Liabilities related to customer contracts

Liabilities related to customer contracts include accrued volume rebates, advance payments received and liabilities related to transportation service not yet performed. Accrued volume discounts have been recognized as reductions in revenue during the financial year.

4.6 Provisions

2025 € million	Environmental provisions	Restructuring provisions	Other provisions	Total
Provisions on Jan 1, 2025	48	1	35	84
Translation differences	0	0	-2	-2
Increase in provisions	9	65	7	81
Utilized during the financial year	-2	-2	-17	-21
Unused amounts reversed	-1	-5	-1	-7
Reclassifications	—	-3	—	-3
Other changes	0	1	—	1
Provisions on Dec 31, 2025	**54**	**56**	**23**	**134**

2024 € million	Environmental provisions	Restructuring provisions	Other provisions	Total
Provisions on Jan 1, 2024	48	24	38	110
Translation differences	0	0	1	1
Increase in provisions	2	8	3	13
Utilized during the financial year	0	-27	-1	-28
Unused amounts reserved	-2	-6	-6	-14
Reclassifications	—	2	0	2
Provisions on Dec 31, 2024	**48**	**1**	**35**	**84**

€ million	**2025**	2024
Non-current provisions	**76**	52
Current provisions	**57**	33
Total	**134**	84

Environmental provisions

The majority of the environmental provisions are for closing costs of production facilities and landfill areas, removal of problem waste and landscaping in facilities in Finland and Germany, and aftercare of closed mines in Finland. The outflow of economic benefits related to environmental provisions is expected to take place mainly over a period of more than 10 years. Due to the nature of these provisions, there are uncertainties regarding both the amount and the timing of the outflow of economic benefits.

Restructuring provisions

As part of the restructuring program announced in October 1, 2025, Outokumpu recorded a restructuring provision of EUR 34 million mainly focusing on business area Europe and global group functions. The majority of the EUR 34 million cash flow impact is anticipated in 2026. The planned measures are expected to affect approximately 650 Outokumpu full-time positions by the end of 2027. In relation to the new EVOLVE strategy, announced on June 10, 2025 and

due to the various cost efficiency improvement initiatives in business area Europe, Outokumpu recorded a restructuring provision of EUR 29 million. The cash flow impact from this provision is anticipated to take place during the years 2025-2028.

In 2024, the utilization mainly relates to the restructuring measures in Germany that were planned at the end of 2023. Outokumpu has transferred it's precision strip operations from Dahlerbrück to Dillenburg and closed its coil service center in Hockenheim. These restructuring measures impacted close to 200 people in Germany.

Other provisions

Other provisions comprise for example provisions for litigations, product and other claims and are mainly current in nature. More information on disputes and litigations in note 6.3.

Management judgments

Provisions are based on management's best estimates at the end of the reporting period.

Regarding environmental provisions, the management judgments and estimates relate mainly to the timing and the scope of the activities to be carried out as well as the costs of such activities in the future. Environmental expenditure related to dismantling an entire production facility and restoring the area are generally estimated when decision on a site closure is made.

As actual outflows can differ from estimates due to changes in law, regulations, public expectations, technology, prices and conditions, and can take place in many years in the future, the provisions are regularly reviewed to take such changes into account.

Regarding restructuring provisions, the judgments and estimates mainly relate to the amounts of termination benefits to employees.

Accounting principles

A provision is recognized when Outokumpu has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions relate mainly to environmental liabilities, restructuring plans, onerous contracts and litigations. Non-current provisions are discounted to present value at the end of the reporting period using risk-free discount rates.

Outokumpu aims at minimizing negative impacts of its present and discontinued operations on the environment, and aims to remediate any material negative impacts that have occurred where viable. Environmental expenditure arising from restoring the conditions caused by past operations are recognized as expenses when they are incurred. Environmental provision is recognized when the Group has a legal or constructive obligation to decommission or remove a facility or equipment, rehabilitate environmental damage, or landscape and restore an area. The recognition of environmental provisions is based on current interpretation of the effective environmental laws and regulations together with Outokumpu's Code of Conduct.

When environmental expenditure will arise from future asset retirement obligations, an item of property, plant and equipment corresponding to the amount of the provision is recognized, and it will be depreciated over the asset's useful life. Subsequent adjustments to the provision are deducted from or added to the cost of the corresponding asset in a symmetrical manner.

A restructuring provision is recognized when a detailed restructuring plan has been prepared and its implementation has been started or the main parts of the plan have been communicated to those, who are impacted by the plan. Restructuring provision mainly comprise of employee termination benefits.

Any potential compensation from a third party is not included in the amount of the provision but recognized as a separate asset when it is virtually certain that the compensation will be received.

5. Capital structure and financial risk management

Outokumpu maintained a strong financial position in 2025. Despite weaker profitability and cashflow, net debt increased only moderately and liquidity remained strong. In November 2025, credit rating agency Moody's affirmed Outokumpu's corporate family rating at Ba2 and changed the outlook from stable to negative.

The capital structure is regularly monitored by management with focus on the company's leverage ratio (net debt to adjusted EBITDA) and liquidity. The target is to have Net debt to EBITDA ratio of 1.0x with disciplined financial flexibility to support strategic investments and manage cyclical market conditions, allowing it only temporarily to exceed 2.0x.

The main objective of capital management is to secure the ability to operate on a going concern basis to enhance value to shareholders and to optimize the cost of capital. Outokumpu seeks to maintain access to loan and capital markets at all times and to preserve sufficient liquidity. The Board of Directors reviews the Group's capital structure on a regular basis. Capital structure and debt capacity are taken into account e.g. in investment, dividend and debt decisions.

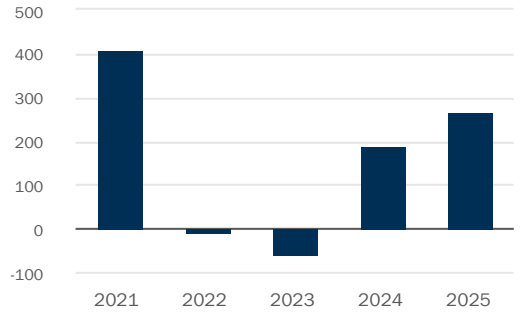
Equity is managed through the dividend policy, share buybacks and issuances of equity or equity-linked securities.

Tools to manage debt in order to optimize the maturity structure of the debt portfolio and to minimize finance costs include raising new debt in various forms, establishing financing facilities, prepaying and cancelling loans, notes and other financing facilities.

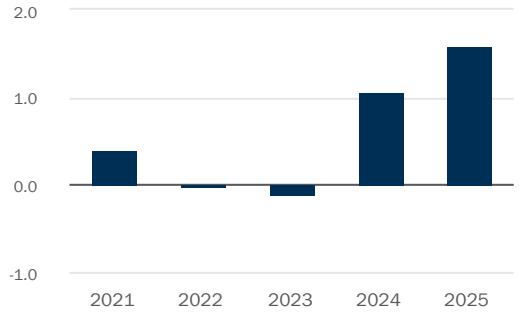
Capital structure

€ million	2025	2024
Total equity	**3,405**	3,748
Gross debt	**627**	502
Total capitalization	**4,032**	4,250
Net debt	**265**	189

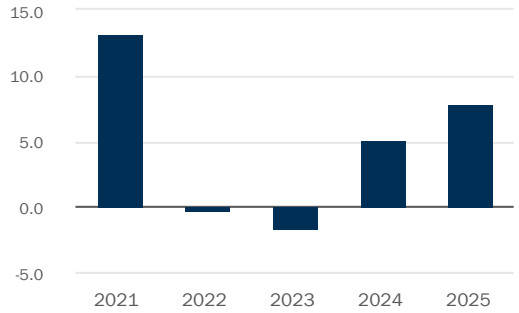
Net debt, € million*



Net debt to adjusted EBITDA*



Debt-to-equity, %*



*Including discontinued operations until 2022.

5.1 Net debt and capital management

Debt management in 2025 continued to focused on ensuring sufficient liquidity, keeping net debt level within the set target, and at the same time monitor financing costs. Net debt increased to EUR 265 million at the year-end of 2025 driven by negative free cash flow and the dividend payout. During 2025, Outokumpu completed two bank financings in the form of an EUR 200 million club loan and an EUR 100 million bilateral loan. In November, Outokumpu refinanced its main liquidity facility by entering into a new EUR 800 million committed unsecured revolving credit facility, replacing its previous committed liquidity facilities of similar size. The new facility, maturing in February 2030, includes two 12-month extension options, which can be exercised in 2027 and 2028 respectively, potentially extending maturity to 2032. The margin of the new facility is linked to emission reductions in line with the approved emission reduction target by the Science Based Targets initiative for 2030.

The EUR 125 million convertible bond transaction was repaid in full in July 2025. Almost all bonds were converted into shares prior to the final maturity date. See more information on the conversion of the convertible bonds in note 5.2.

Net debt

€ million	2025	2024
Non-current		
Loans from financial institutions	**356**	71
Lease liabilities	**156**	167
Other loans	**7**	8
	519	246
Current		
Convertible bonds	**—**	123
Loans from financial institutions	**14**	14
Lease liabilities	**43**	38
Commercial papers	**50**	79
Other loans	**1**	1
	108	256
Cash and cash equivalents		
Cash at bank and in hand	**357**	308
Short-term bank deposits and cash equivalents	**5**	5
	362	313
Net debt	**265**	189

Net debt development

€ million	2025	2024
Net cash flow from operating activities	**79**	147
Net cash flow from investing activities	**-125**	-218
Cash flow before financing activities	**-46**	-71
Dividends paid	**-116**	-110
Treasury share purchase	**—**	-34
Cash flow impact on net debt	**-163**	-216
Net debt on Jan 1	**189**	-60
Cash flow impact on net debt	**163**	216
Share buyback financial liability	**—**	-38
Convertible bond conversion to shares, non-cash	**-124**	—
Reclassification to operating activities	**-1**	—
Change in net debt, non-cash	**39**	72
Net debt on Dec 31	**265**	189

Average effective interest rate of cash and cash equivalents at the end of 2025 was 2.0% (Dec 31, 2024: 3.0%).

Changes in non-current and current debt

2025 € million	Non-current debt	Current portion of non-current debt	Non-current lease liabilities	Current portion of lease liabilities	Current debt	Total
On Jan 1	79	138	167	38	79	502
Financing cash flows	300	-15	0	-42	-30	213
Transfer to current debt	-16	16	-38	38	—	—
Other non-cash movements	0	2	27	—	—	29
Convertible bond conversion to shares, non-cash	—	-124	—	—	—	-124
Other	—	-1	—	8	—	7
On Dec 31	363	15	156	43	50	627

2024 € million	Non-current debt	Current portion of non-current debt	Non-current lease liabilities	Current portion of lease liabilities	Current debt	Total
On Jan 1	213	15	146	29	38	441
Financing cash flows	—	-15	—	-38	45	-8
Transfer to current debt	-136	136	-47	47	—	—
Other non-cash movements [1)]	2	2	68	—	-4	68
On Dec 31	79	138	167	38	79	502

[1)] Other non-cash movements in debt consist mainly of the share buyback program related impact in equity as the original commitment was higher than the realized one and effective interest including accrued arrangement fees. Other non-cash movements in lease liabilities consist of new lease agreements and changes in terms of existing agreements.

Convertible bonds

		Outstanding amount	
€ million	Interest rate, %	**2025**	2024
2020 fixed rate bonds maturing on July 9, 2025	5.0	—	125

The EUR 125 million convertible bonds matured on July 9, 2025. During the conversion period, which commenced on August 19, 2020, and ended on June 25, 2025 convertible bonds were converted in a total of 47,046,505 Outokumpu shares. The final conversion price was set at EUR 2.6544 per ordinary share. The remaining part of the convertible bonds totaling EUR 0 million, that was not converted into Outokumpu shares, was paid on the final maturity date July 9, 2025. See more information on the the convertible bonds in note 5.2.

Contractual cash flows

	2025						2024					
€ million	2026	2027	2028	2029	2030	2031 –	2025	2026	2027	2028	2029	2030 —
Convertible bonds	—	—	—	—	—	—	125	—	—	—	—	—
Loans from financial institutions	14	14	114	214	14	—	14	14	14	14	14	14
Other loans	1	1	0	0	0	4	1	1	1	0	0	5
Commercial papers	50	—	—	—	—	—	79	—	—	—	—	—
Interest payments on debt and facility charges	19	18	17	7	2	1	17	9	4	2	1	2
Lease liabilities [1]	43	34	33	25	9	54	38	31	30	29	22	56
Interest payments on lease liabilities [1]	11	8	6	4	3	119	12	10	8	6	4	124
Trade and other payables	1,052	—	—	—	—	—	1,144	—	—	—	—	—
	1,190	**76**	**171**	**252**	**29**	**178**	1,430	64	57	51	42	200

Contractual cash flows related to derivative instruments are presented in note 5.4.

[1] Contractual cash flows are impacted by the index or rate changes related to lease contracts.

Credit facilities

		2025			2024		
€ million	Maturity	Total	Utilized	Available	Total	Utilized	Available
Committed revolving credit facility	Feb 2030	800	—	800	—	—	—
Committed revolving credit facility	Nov 2025	—	—	—	700	—	700
Committed Finnvera facility	Nov 2025	—	—	—	100	—	100
Committed facilities total		**800**	**—**	**800**	800	—	800
Uncommitted Finnish Commercial paper program	N/A	800	50	750	800	79	721

Overall liquidity reserves at Dec 31, 2025 were EUR 1.2 billion (Dec 31, 2024: EUR 1.1 billion). The liquidity reserves include cash and cash equivalents and EUR 800 million of outstanding committed credit facility, which was fully unutilized.

Risk information

Liquidity and refinancing risk

Outokumpu raises most of its funding centrally and in co-ordination by the Treasury function ("Treasury"). The Group seeks to reduce its liquidity and refinancing risk by having sufficient amount of cash and committed long-term credit lines available and by maintaining a balanced debt maturity profile with diversified sources of funding. Efficient daily cash and liquidity management and the use of instruments such as commercial papers and currency swaps, also reduce the liquidity risk. To finance its working capital, the Group is also selectively selling its trade receivables on a continuous basis.

Finance and liquidity plans are prepared and reviewed regularly with a focus on forecasted cash flows, projected funding requirements, planned funding transactions and financial covenant headroom. The adequacy of liquidity reserves, the amounts of scheduled annual repayments of non-current debt compared to EBITDA as well as forecasted gearing and leverage ratios are key measures being considered.

Outokumpu is exposed to changes in credit margins as the development of the leverage ratio has an impact on the interest rate margin definition in some of the Group's loan agreements and as such on its interest and other financial expenses. In addition, some of the Group´s loan agreements include a financial covenant, but a breach is unlikely as there is ample headroom in the financial covenant.

Accounting principles

Bonds, loans from financial institutions, pension and other loans are recognized at the settlement date and measured initially at fair value net of direct transaction costs. Subsequently they are carried at amortized cost using the effective interest rate method.

Transaction costs are amortized over the maturity of the borrowing using the effective interest rate method. A financial liability (or part of the liability) is derecognized when the liability ceases to exist, that is, when the obligation identified in a contract has been fulfilled or cancelled or is no longer effective.

The fair value of non-current and current debt is determined based on quoted prices for listed instruments. For loans the fair value is determined using the discounted cash flow method based on yields at the reporting date. The fair values of non-current and current debt are presented in note 5.5.

Fees related to revolving credit facilities are amortized over the expected facility term.

Convertible bonds

Convertible bonds are compound instruments with components of the bonds classified separately as financial liabilities and equity in accordance with the substance of the arrangement.

The liability component is recognized initially at fair value of a similar liability. The equity component is recognized initially at the difference between the fair values of the full bond and the liability component. Transaction costs are allocated to the components in proportion to their initial carrying amounts. The fair value includes the value of conversion rights.

Subsequently the liability component is measured at amortized cost with the effective interest method. At conversion or on expiry the equity component is reclassified within equity.

Lease liabilities

Accounting principles related to lease liabilities are presented in note 4.2.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks and other highly liquid investments with original maturities of three months or less. These are readily convertible to a known amount of cash with a low risk of any changes in the value.
Bank overdrafts are reported as current debt.

5.2 Equity

Shares and related movements in equity

€ million	Number of shares, 1,000	Share capital	Premium fund	Invested unrestricted equity reserve	Treasury shares	Total
On Jan 1, 2024	431,191	311	714	2,307	-169	3,163
Shares delivered from the share-based payment programs	852	—	—	—	6	6
Repurchase of treasury shares	-8,358	—	—	—	4	4
Shares outstanding on Dec 31, 2024	423,686	311	714	2,307	-159	3,173
Shares delivered from the share-based payment programs	544	—	—	—	3	3
Cancellation of treasury shares [1]	—	—	—	-138	149	10
Conversion of convertible bond	46,979	—	—	125	—	125
Shares outstanding on Dec 31, 2025	**471,208**	**311**	**714**	**2,294**	**-7**	**3,311**
Treasury shares	1,808					
Total number of shares on Dec 31, 2025	**473,017**					

[1] Cancellation of 30,836,205 treasury shares did not affect the number of shares outstanding.

2025

In 2020, Outokumpu issued senior unsecured convertible bonds of EUR 125 million maturing on July 9, 2025. The bonds were convertible into new and/or existing ordinary shares in Outokumpu at a set conversion price. In total, Outokumpu converted the convertible bond into 47,046,505 shares, of which 46,978,589 shares amounting to EUR 125 million were converted during the year 2025. 67,916 shares amounting to EUR 0 million were converted already in year 2023. EUR 0 million was not converted into Outokumpu shares and was paid in cash on the final maturity date July 9, 2025.

Outokumpu cancelled the total of 30,836,205 own shares for the value of EUR 149 million in connection with the conversions. The cancelled number of shares was equalling to number of repurchased shares during the Outokumpu's share buyback programs during the periods 2022–2023 and 2023–2024. Cancellation of shares impacted invested unrestricted equity, treasury shares and retained earnings but had no impact to total equity.

After the delivery of new shares and cancellation of own shares, the total number of shares increased by 16,142,384. As a result of the conversions the number of shares outstanding increased and impacted the dividend distribution by EUR 6 million.

On December 31, 2025, Outokumpu held 1,808,411 treasury shares, which represented 0.4% of the company's total number of shares.

2024

Through share buyback programs, Outokumpu was seeking to mitigate and manage the possible dilutive impact of the company's convertible bonds issued in 2020. Outokumpu purchased a total of 30,836,205 shares during share buyback programs in 2022–2023 and 2023–2024.

On February 29, 2024, Outokumpu completed its up to EUR 50 million share buyback program which was announced on November 29, 2023 and commenced on December 1, 2023. During this program, Outokumpu repurchased a total of 11,000,000 of its own shares and used a total of EUR 46 million for the share repurchases. The average price per share was approximately EUR 4.15.

During the year 2024, Outokumpu purchased a total of 8,357,545 of its own shares. As the original commitment recognized in year 2023 was higher, a EUR 4 million impact was recognized in equity during the year 2024 in relation to this program. After the completion of the share buyback program and on December 31, 2024, Outokumpu held a total of 33,188,820 treasury shares, representing 7.3 % of the company's total number of shares.

Dividend policy and distributable funds

According to its dividend policy, Outokumpu aims to distribute a stable and growing dividend over time, while maintaining the flexibility to invest in transformative initiatives that yield a minimum internal rate of return (IRR) of 20% and accounting for market cyclicality. On December 31, 2025, the distributable funds of the parent company totaled EUR 2,652 million of which retained earnings including the net result of the year were EUR 341 million.

The Board of Directors proposes to the Annual General Meeting to be held on March 26, 2026, that a dividend of EUR 0.13 per share will be paid for the year 2025, corresponding to EUR 61 million based on the number of shares outstanding on December 31, 2025. The dividend will be paid in two installments.

In 2025, Outokumpu paid for the financial year 2024 a dividend of EUR 0.26 per share, a total of EUR 116 million.

Accounting principles

Shares and share capital

According to the Articles of Association, Outokumpu has one single class of shares and all shares have equal voting rights at General meetings. The shares do not have a nominal value.

Premium fund

Premium fund includes proceeds from share subscriptions and other contributions based on the old Finnish Limited Liability Companies Act for the part the contributions exceeded the account equivalent value allocated to share capital.

Other restricted reserves

Other restricted reserves include amounts transferred from the distributable equity under the Articles of Association or by a decision of the General Meeting of Shareholders, and other items based on the local regulations of the Group companies.

Invested unrestricted equity reserve

The reserve for invested unrestricted equity comprises the portion of the subscription price for issued shares that, in accordance with the share issue decision, is not recorded as share capital. It also includes other equity contributions that are not recorded to some other reserve. In Outokumpu, invested unrestricted equity reserve includes the net proceeds from the rights issues in 2012 and 2014, the directed share issue in 2021 as well as conversion of convertible bond in 2025.

Fair value reserves

Fair value reserves include movements in the fair values of equity securities and hedge accounted derivative instruments.

Retained earnings

Retained earnings include remeasurements of defined benefit plans, cumulative translation differences and other retained earnings and losses.

Treasury shares

When the parent company or its subsidiaries purchase the parent company's own shares, the consideration paid, including any attributable transaction costs, net of taxes, is deducted from the parent company's equity as treasury shares until the shares are cancelled. When such shares are subsequently sold or reissued, any consideration received is recognized directly in equity.

Dividends

The dividend proposed by the Board of Directors is not deducted from distributable equity until approved by the Annual General Meeting of Shareholders. For the time period between the approval and the payment, the dividend to be paid is presented in current trade and other payables.

5.3 Financial risk management and insurances

The main objectives of financial risk management are to reduce the volatility of the net result and to secure sufficient liquidity to avoid financial distress. Other objectives include the reduction of cash flow volatility and the maintenance of the debt-to-equity and leverage ratios within set targets. The main objectives of insurance management are to provide mitigation against catastrophe risks and to reduce variation of the net result.

The Board of Directors has approved the risk management policy, which defines responsibilities, the process and other main principles of risk management. The Board of Directors oversees risk management on a regular basis and the Chief Financial Officer (CFO) is responsible for the implementation and development of financial risk management. The CFO leads relevant steering groups, such as the Risk Management Steering Group for enterprise risk management and the Financial Risk Steering Group for financial risk management. The Energy Steering Group for energy risk management is led by Senior Vice President (SVP) General Procurement, reporting to the CFO.

Financial risks consist of market, country, credit, liquidity and refinancing risks. Outokumpu subsidiaries hedge their currency and commodity price risk with the parent company Outokumpu Corporation, which does most of the Group's foreign exchange and commodity derivative contracts with banks and other financial institutions. The Treasury function ("Treasury") is responsible for managing foreign exchange, metal, interest rate, liquidity and refinancing as well as emission allowance price risk. Credit controlling has been mainly centralized to Finance Services, and Treasury oversees credit risk management globally. Customer credit risk is presented in note 4.5. The procurement function is responsible for managing the electricity and fuel price risks.

Treasury sources all global insurances. The main insurance lines are related to property, business interruption, liabilities and credit risk. The captive insurance company Visenta Försäkringsaktiebolag contributes to the Outokumpu's global insurance program.

Exposure to financial risks is identified in connection with the Group's risk management process. This approach aims to ensure that any emerging risks are identified early and that significant risks are described, quantified, managed and communicated appropriately.

Sensitivity of financial instruments to market risk

	Dec 31, 2025		Dec 31, 2024	
€ million	In profit or loss	In other comprehensive income	In profit or loss	In other comprehensive income
+/-10% change in EUR/USD exchange rate	-4/+5	—	+7/-9	—
+/-10% change in EUR/SEK exchange rate	-4/+5	—	-3/+4	—
+/-10% change in nickel price in USD	-1/+1	-5/+5	-1/+1	-4/+4
+/-1% parallel shift in interest rates	-0/+0	—	-1/+1	—

The sensitivity analyses apply to financial assets and liabilities only. Other assets and liabilities, including defined benefit pension plan assets and liabilities, as well as off balance sheet items such as sales and purchase orders, are not in the scope of these analyses. The calculations are net of tax. During the year the volatility for nickel price has been in the range of 11-23%. With +/–30% change in dollar denominated price, the effect in profit or loss is about EUR -2/+2 million and in other comprehensive income EUR -14/+14 million for nickel derivatives.

Risk information

Market risk

Outokumpu's main market risks are foreign exchange risk, interest rate risk, security price risk as well as commodity price risk, namely in metals, fuels, energy and emission allowances. The price changes in the before mentioned risks may have a significant impact on the Group's net result, cash flow and capital structure. Due to the cyclicality of the stainless steel business, Outokumpu's exposure to market risks may change significantly from one period to another. Consequently, derivative positions to mitigate market risks change due to the cyclical business environment.

Note 5.4 details the fair values and nominal amounts of derivative instruments while the sensitivity of financial instruments to market risks is described in the table of the previous page.

The strategy for market risk management is based on identifying, evaluating and mitigating relevant risks in committed business transactions, balance sheet items and selected forecasted items for each of the market risk categories. The use of derivatives to mitigate market risks may cause timing differences between derivative gains or losses and the impact of the underlying exposure on the net result. In order to reduce such timing differences in net result, hedge accounting can be applied selectively as part of the commodity and foreign exchange hedging activities. Most of the derivatives are short-term, however, interest rate hedges typically have a maturity in excess of one year.

Foreign exchange rate risk

Outokumpu is exposed to foreign exchange rate risk as its business and operations are global. The risk arises from changes in exchange rates and may have effects on net result, cash flow and balance sheet. The foreign exchange exposure consists of risks associated with foreign currency cash flows (transaction risk), translation risk and economic risk, such as the change in competitiveness resulting from changes in foreign exchange rates.

The transaction risk arises from committed and forecasted transactions and payments in currencies other than the functional currency of the entity and from changes in fair value of foreign currency denominated items recognized on the balance sheet.

The fair value risk consists of foreign currency denominated accounts receivables, accounts payables, debt, cash, loan receivables and the currency position from commodity derivatives. The transaction and fair value risks are, with a few exceptions, hedged in full in major currencies. Forecasted and probable cash flows are not typically hedged, but can be hedged selectively. The Group's fair value foreign exchange position in currencies and in major EUR and SEK based Outokumpu companies is presented in more detail in the following table. The committed and forecasted transactions are excluded from the table.

In 2025, there was no hedge accounting applied in foreign exchange hedging activities.

Foreign exchange positions of EUR based companies

	Dec 31, 2025				Dec 31, 2024			
€ million	SEK	USD	GBP	Other	SEK	USD	GBP	Other
Trade receivables and payables	-45	-85	5	3	-8	-257	9	11
Loans and bank accounts [1]	114	-765	-36	0	156	-829	-59	7
Derivatives	-48	913	20	-11	-145	996	38	-30
Net position	20	64	-11	-9	3	-90	-13	-12

Foreign exchange positions of SEK based companies

	Dec 31, 2025				Dec 31, 2024			
€ million	EUR	USD	GBP	Other	EUR	USD	GBP	Other
Trade receivables and payables	-7	7	1	0	11	15	5	2
Loans and bank accounts [1]	4	1	1	2	10	2	1	1
Derivatives	-31	-18	-21	-6	-58	-25	-19	-7
Net position	-34	-10	-19	-5	-36	-8	-13	-4

[1] Includes cash and cash equivalents, loan receivables and debt.

Currency distribution and re-pricing of outstanding net debt

€ million						Dec 31, 2025
Currency	Net debt[1]	Derivatives[2]	Rate sensitivity[3]	Gross debt	Average rate, %[4]	Duration, year[5]
EUR	523	721	10.8	-627	4.5	1.5
SEK	-32	114	0.8	—	—	—
USD	-186	-792	-9.8	—	—	—
Others	-39	-39	-0.8	—	—	—
	265	4	1.1			

€ million						Dec 31, 2024
Currency	Net debt[1]	Derivatives[2]	Rate sensitivity[3]	Gross debt	Average rate, %[4]	Duration, year[5]
EUR	399	760	9.8	-502	6.2	2.0
SEK	-32	151	1.2	—	—	—
USD	-115	-865	-9.8	—	—	—
Others	-63	-58	-1.2	—	—	—
	189	-12	0.0			

[1] Includes cash and cash equivalents and debt.
[2] Net derivative liabilities include nominal value of currency forwards earmarked to debt and interest rate derivatives at Dec 31,2024. There were no interest rate derivatives at Dec 31,2025.
[3] The effect of one percentage point increase in interest rates to financial expenses over the following year from net debt and derivatives.
[4] Includes gross debt. Currency forwards are not included in average rate calculation.
[5] Duration calculation includes both debt and interest rate derivatives. There were no interest rate derivatives at Dec 31,2025.

Outokumpu's largest foreign exchange transaction risk exposures are in US dollars and Swedish krona. A major part of the Group's sales is in Euros and US dollars and thus the local currency denominated production costs in Sweden cause foreign exchange risk. The main US dollar cash flow risks origin from sales in the ferrochrome operations as chromium is priced in US dollars and US dollar priced raw material purchases in the European stainless steel business. Internal financing denominated in Swedish krona and US dollar cause significant fair value foreign exchange rate risk, which is hedged with forward contracts and, if possible, with matching of external debt or investment.

Translation risk consists of current net investment in foreign entities and future foreign currency denominated profits and losses, which eventually will have an impact on Group's net result and balance sheet through consolidation. Outokumpu's net result and net investment translation risk is mainly in US dollars and Swedish krona. The equity translation risk is not typically hedged, although, according to the Treasury policy, this risk can be hedged selectively. In 2025, there were no hedges of net result or net investment exposures. However, the effective portion of gains (EUR 17 million, net of tax) on earlier financial years' net investment hedges is recognized in equity.

Economic risk relates to foreign exchange rates, commodity and energy prices, or any other market price risks, which impact the long-term competitive position. Hedging of economic risk in the Group is seen as a strategic decision approved by the CFO. In 2025, there were no hedges related to economic risks.

Interest rate risk

Changes in interest rates expose Outokumpu to interest rate risk with effects on Group's net interest expense (i.e. cash flow risk) and value of assets and liabilities (i.e. fair value risk). The objective of the Group's interest rate risk management is to have a significant share of net debt effectively with a short-term interest rate as a reference rate. This approach may help to reduce the average interest rate of debt. Approximately 98% (2024: 65%) of the Group's debt has an interest period of less than one year and the average interest rate of non-current debt on December 31, 2025 was 4.6% (Dec 31, 2024: 5.8%).

The interest rate risk exposure is composed of the Group's net debt including all interest-bearing assets and liabilities as well as derivatives that hedge these items. Interest rate derivatives, such as interest rate swaps, are used to adjust the share of net debt effectively repricing in different maturities according to limits defined in the Treasury policy. At the end of 2025 there were no open hedges related to interest rate.

Euro, Swedish krona and US dollar have a substantial contribution to the Group's interest rate risk exposure. The interest rate risk exposure in Swedish krona and US dollar primarily originates from cash balances and foreign exchange derivatives. The interest rate position for the Group is presented in more detail in the table on the previous page.

Metal price risk

The Metal price risk arises from changes in metal market prices and may have effects on net result, cash flow and balance sheet.

The Group's most significant exposures in metals price risk arise from chromium and nickel, while other alloy metals with metal price risk include for example iron and molybdenum. Outokumpu is exposed to metal price risk for example through the purchase of raw materials as well as sale of stainless steel products where the price of alloy metals is based on market prices. The timing difference in such commercial purchases and sale transactions as well as its inventory position expose the Group to metal price risk alongside the Group's capability to pass on price changes in raw materials to end-product prices.

Outokumpu's underlying metal net position (in the following alloy metals: nickel, iron and molybdenum) consists of fixed price purchase orders, inventories of alloy metal containing materials and fixed price sales orders. The metal net positions (in tons of metal) are continuously calculated in order to manage the underlying positions.

Metal market prices are based on prices determined in regulated markets, such as the London Metal Exchange (LME). Also, derivatives contracts to mitigate metal price risk are based on, for example, LME prices. Chromium does not have an established financial derivatives market and, consequently, is not included in the scope of the Treasury policy. Financial derivatives mainly in nickel are used to manage the impacts of metal price changes on the Group's net result, whereas efficient working capital management helps to reduce cash flow variations caused by metal prices. Outokumpu has continued to apply cash flow hedge accounting programs on nickel hedging in order to reduce the timing differences between derivative gains or losses and the net result impact of the underlying exposure. The hedge accounting covers a material part of the Group's nickel derivatives hedges. The Group's financial derivatives fair values and nominal amounts are presented in more detail in the table 5.4 Derivative instruments.

In addition to hedging with financial derivatives, the metal price risk is also mitigated through other measures such as pricing decisions. A part of the Group's stainless steel sales contracts include an alloy surcharge clause, with the aim of reducing the risk arising from the timing difference between alloy metal purchase and stainless steel pricing and delivery.

Energy and emission allowance price risk

Outokumpu manages energy price risk centrally and mitigates the risks by guidance from the Energy Procurement policy. Energy price risk is hedged with long-term agreements, fixed price supply contracts, partial ownerships in power utilities and derivatives. See more information in note 5.4. Market developments and the company's overall energy risk positions are actively monitored in review meetings by the Outokumpu Energy Steering Group, ensuring timely and informed decisions that support stable and responsible business performance.

Overall, Outokumpu's energy spend decreased around 5%–10% compared to last year. For 2026, Outokumpu's energy portfolio has been hedged with roughly 65%–75% of the estimated consumption.

Outokumpu has initiated and carried out multiple actions to prevent risk from materializing. As the volatility in the market persists, Outokumpu has continued its focus on daily optimization to reduce overall energy costs. Outokumpu has also started several initiatives to accelerate the improvement in energy efficiency. See more information on energy in the Climate change chapter in the Sustainability Statement (part of Review of Board of Directors), especially under "Energy consumption and mix".

Outokumpu is exposed to changes in emission allowance prices as the Group's main production sites are located in Europe and thus participating in the EU Emissions Trading Scheme (EU ETS). All Outokumpu sites met the compliance requirements regarding returning of

emissions to local authorities on time in 2025. The Group's emission allowances positions are composed of realized and forecasted emissions netted against confirmed and forecasted emission allowances granted by the authorities. The general economic outlook, the prices of fuels and power as well as decisions on the EU ETS have a significant impact on the price of emission allowances. The current trading phase of the EU ETS refers to the period 2021–2030. Outokumpu forecasts to have adequate amount of EU emission allowances until the end of this decade. However, the future decisions on EU ETS may have a significant impact on this forecast.

Security price risk

Outokumpu has equity investments and fixed income securities. On December 31, 2025, the main investments were in OSTP Holding Oy (investment in associated company of EUR 33 million) and Voimaosakeyhtiö SF (investment in associated company of EUR 0 million). For more information on the investments presented in notes 5.6 and 6.6.

The captive insurance company Visenta Försäkringsaktiebolag has investments totaling EUR 27 million in fixed income and equity funds in order to optimize return for assets and to manage the risk prudently.

Country and counterparty credit risk

Treasury monitors credit risk related to financial institutions. Outokumpu seeks to reduce these risks by limiting the counterparties to banks and other financial institutions with good credit standing. For derivative transactions, Outokumpu prefers to have the ISDA framework agreements in place.

Exposure to country risk is monitored and mitigated by having a credit insurance that provides cover against political risks on external account receivables. However, there is some exposure on certain countries where insurance was unavailable.

Insurances

As part of risk mitigation activities, Outokumpu aims to secure its assets and business continuity by arranging insurances against financial losses arisen from unexpected risk events. Risks related to property, business interruption, liabilities and credit risk are covered by insurances as per policy terms and conditions. Outokumpu continued its systematic property and marine cargo loss prevention programs, focusing on execution of the mitigating and preventive actions.

Outokumpu has a captive insurance company, Visenta Försäkringsaktiebolag (Visenta), for optimizing insurance arrangements as part of the Group's risk management. The captive insurance company is registered in Sweden and can operate as a direct insurer and reinsurer for covering risk of Outokumpu Group entities only. Visenta has to comply with capital adequacy requirements set by the financial supervisory authority in Sweden and European Insurance and Occupational Pensions Authority (EIOPA). During the reporting period Visenta was well capitalized to meet other externally imposed requirements, which are based on, e.g., the Solvency II framework. There were no significant changes in Visenta's assets during the year.

5.4 Derivative instruments

€ million	Positive fair value	Negative fair value	2025 Net fair value	2024 Net fair value	2025 Nominal amounts	2024 Nominal amounts
Currency and interest rate derivatives						
Currency forwards	4	-11	**-7**	14	**1,735**	2,013
Interest rate swaps	—	—	**—**	-2	**—**	125
					Tonnes	Tonnes
Metal derivatives						
Forward nickel contracts, hedge accounted	10	-14	**-4**	5	**18,152**	16,984
Forward nickel contracts	4	-4	**0**	1	**5,502**	8,592
					MWh	MWh
Gas derivatives						
Forward gas contracts, hedge accounted	0	-5	**-5**	4	**973,118**	917,408
Total derivatives	17	-34	**-17**	22		
Less long-term derivatives						
Forward nickel contracts, hedge accounted	0	—	**0**	0		
Forward gas contracts, hedge accounted	0	-2	**-2**	1		
Short-term derivatives	17	-33	**-16**	22		

Contractual cash flows

2025 € million	2026	2027
Currency derivatives		
Outflows	1,733	—
Inflows	-1,737	—
	-4	**—**

2024 € million	2025	2026
Currency derivatives		
Outflows	2,021	—
Inflows	-2,006	—
Interest derivatives	-5	—
	10	—

Hedge accounted cash flow hedges (commodity derivatives)

	2025	2024
Fair value of nickel derivatives, € million	**-4**	5
Nominal amount of nickel derivatives, tonnes	**18,152**	16,984
Fair value of gas derivatives, € million	**-5**	4
Nominal amount of gas derivatives, MWh	**973,118**	917,408
Hedge ratio	**1:1**	1:1
Fair value reserve in other comprehensive income, € million	**-9**	10
Reclassified to sales in profit or loss, € million	**9**	13
Reclassified to cost of sales in profit or loss, € million	**-5**	-6
Recognized in inventory, € million	**1**	2

The nickel hedge accounting programs implemented for business area Americas and business area Europe cover a material part of the Group's sales and purchase contracts. Forwards, which correspond to the pricing model of the underlying items, are used as derivative instruments. Only the spot component of nickel derivatives is under hedge accounting, the forward element is recognized in profit or loss. The effectiveness is tested regularly. Management estimates that the possible ineffectiveness that could arise relates to credit risk or timing of transactions, but these are estimated to be immaterial.

The LNG gas hedge accounting program implemented for Outokumpu Stainless Oy covers a substantial part of the purchases of LNG gas contracts. The derivative instrument used in hedging is a forward which pricing corresponds to the pricing of the underlying item. The effectiveness is tested regularly. Management estimates that the possible ineffectiveness that could arise relates to credit risk or timing of transactions, but these are estimated to be immaterial.

Master netting agreements and similar arrangements

€ million	2025	2024
Derivative assets		
Gross amounts of recognized financial assets in the statement of financial position	**17**	39
Related financial instruments that are not offset	**17**	16
	0	23
Derivative liabilities		
Gross amounts of recognized financial liabilities in the statement of financial position	**34**	17
Related financial instruments that are not offset	**17**	16
	17	1

Outokumpu enters into derivative transactions with most counterparties under ISDA agreements. In general, the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. In certain circumstances, e.g. when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated. The termination value is assessed and only a single amount is payable in settlement of all transactions. ISDA agreements do not meet the criteria for offsetting the balances in the statement of financial position, but the right to offset is enforceable only on the occurrence of future credit events. The table above sets out the carrying amounts of recognized financial instruments that are subject to the agreements described above.

Accounting principles

Derivatives are initially recognized at fair value on the trade date, when the Group enters into a derivative contract, and are subsequently measured at fair value.

The presentation of the gains or losses arising from the fair value measurement depends on the purpose of the derivative. The gains or losses arising from fair value changes of effective hedge-accounted derivative contracts are presented in profit or loss congruent with the hedged item. Changes in fair value of derivative contracts, where hedge accounting is not applied, are recognized in EBIT in other operating income and expenses. Changes in fair value of derivatives designated for financing activities are presented within financial income and expenses.

The fair value measurement is based on quoted market prices and rates as well as on discounted cash flows at the end of the reporting period. Fair values of derivatives can in certain cases be based on valuations of external counterparties.

Hedge accounting

Outokumpu applies cash flow hedge accounting on certain commodity derivatives. For each hedging arrangement the relationship between the hedging instrument and the hedged item, the objectives of risk management and the strategy of the hedging arrangement are documented.

The effectiveness of the hedge relationship is documented and assessed when hedging is started and at least in the end of each reporting period. Hedge effectiveness is calculated and assessed between the changes in the fair value or cash flows of the hedged item attributable to the hedged risk and the changes in the fair value or cash flows of the hedging instrument to ensure that these impacts offset one another. Hedge accounting is discontinued if the requirements of hedge accounting are no longer met.

Fair value changes of derivatives designated to hedge forecasted cash flows are recognized in other comprehensive income and presented within the fair value reserve in equity to the extent that the hedge is effective. Such fair value changes accumulated in equity are reclassified in profit or loss, and presented in sales or cost of sales in the period when the hedge accounted cash flows affect the profit or loss. In the certain hedge accounted transaction, the realized gains or losses of the nickel derivatives are first reclassified from fair value reserves in equity to the inventory for a certain period and finally recognized in profit or loss. The fair value changes related to the ineffective portion of the hedging instrument are recognized immediately in profit or loss.

5.5 Financial assets and liabilities

Carrying values and fair values of financial assets and liabilities by measurement category

2025 € million	Amortized cost	Fair value through other comprehensive income	Fair value through profit or loss	Carrying amount	Fair value	Fair value hierarchy level
		Measured at				
Non-current financial assets						
Equity investments	—	24	—	24	24	1,3
Trade and other receivables	9	—	0	9	0	3
Hedge accounted derivatives	—	—	0	0	0	2
Current financial assets						
Other investments	—	—	27	27	27	1
Trade and other receivables	330	—	—	330		
Hedge accounted derivatives	—	—	10	10	10	2
Derivatives held for trading	—	—	7	7	7	2
Cash and cash equivalents	362	—	—	362		
	701	24	45	769		
Non-current financial liabilities						
Non-current debt	519	—	—	519	519	2
Hedge accounted derivatives	—	—	2	2	2	2
Current financial liabilities						
Current debt	108	—	—	108	108	2
Trade and other payables	1,052	—	—	1,052		
Hedge accounted derivatives	—	—	18	18	18	2
Derivatives held for trading	—	—	15	15	15	2
	1,679	—	34	1,713		

There were no transfers between levels 1, 2 and 3 during the years. A major part of equity investments at fair value through other comprehensive income at hierarchy level 3 relates to investments in unlisted energy producing companies.

2024 € million	Amortized cost	Measured at Fair value through other comprehensive income	Fair value through profit or loss	Carrying amount	Fair value	Fair value hierarchy level
Non-current financial assets						
Equity investments	—	28	—	28	28	1,3
Trade and other receivables	10	—	0	10	0	3
Hedge accounted derivatives	—	—	1	1	1	2
Current financial assets						
Other investments	—	—	28	28	28	1
Trade and other receivables	390	—	—	390		
Hedge accounted derivatives	—	—	15	15	15	2
Derivatives held for trading	—	—	23	23	23	2
Cash and cash equivalents	313	—	—	313		
	714	28	67	809		
Non-current financial liabilities						
Non-current debt	246	—	—	246	247	2
Hedge accounted derivatives	—	—	0	0	0	2
Current financial liabilities						
Current debt	256	—	—	256	273	2
Trade and other payables	1,144	—	—	1,144		
Hedge accounted derivatives	—	—	7	7	7	2
Derivatives held for trading	—	—	10	10	10	2
	1,646	—	17	1,663		

Reconciliation of changes on level 3

€ million	Investments at fair value through profit or loss	Equity investments at fair value through other comprehensive income
Carrying value on Jan 1, 2025	0	23
Additions	3	2
Fair value changes	-3	-10
Carrying value at the end of the period	0	14

€ million	Investments at fair value through profit or loss	Equity investments at fair value through other comprehensive income
Carrying value on Jan 1, 2024	0	7
Additions	3	1
Fair value changes	-3	15
Carrying value at the end of the period	0	23

In 2023, Outokumpu Corporation agreed to participate in a convertible loan offered by associated company Voimaosakeyhtiö SF to its shareholders. Outokumpu's share of the convertible loan is EUR 14 million. The first call of the loan was in August 2023 amounting to EUR 5 million, the second one in October 2024 totaling to EUR 3 million and the third one in August 2025 totaling to EUR 3 million. At the end of December 2025, the loan is valued at EUR 0 million. The change in value is presented in the other market price gains and losses in the consolidated statement of income, for more information see note 2.5. For more information on Voimaosakeyhtiö SF, see note 5.7 and 6.6.

Accounting principles

The Group's financial assets and liabilities are classified as items at fair value through profit or loss, items at fair value through other comprehensive income and items at amortized cost. The classification is based on Group's business model for financial assets and liabilities, and their contractual cash flow characteristics.

If a financial asset is not measured at fair value through profit or loss, significant transaction costs are included in the initial carrying amount of the asset. Financial assets are derecognized when the Group loses the rights to receive the contractual cash flows on the financial asset or it transfers substantially all the risks and rewards of ownership outside the Group. Accounting principles related to transaction costs and derecognition of borrowings are presented in note 5.1.

Financial assets and liabilities measured at amortized cost

Financial assets measured at amortized cost include trade and other receivables and cash and cash equivalents. These assets are measured initially at fair value. After initial recognition, they are measured at amortized cost by using the effective interest rate method less accumulated impairments. The accounting principles related to factored receivables and expected credit losses are presented in note 4.5.

Financial liabilities measured at amortized cost include the borrowing and trade and other payables. See note 5.1 for further accounting and fair valuation principles for borrowings and note 4.5 for accounting principles for trade and other payables.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments in listed and unlisted companies. Accounting principles are presented in note 5.6.

Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities at fair value through profit or loss include derivative instruments. Financial assets at fair value through profit or loss include also investments in debt instrument or money market funds held for trading purposes and intended to be sold within a short period of time. In some cases, also equity investments can be classified in this category.

These financial assets and liabilities are recognized at the trade date at fair value and subsequently remeasured at fair value at the end of each reporting period. The fair value measurement is based on quoted rates and market prices as well as on appropriate valuation methodologies and models.

Realized and unrealized gains and losses arising from changes in fair values of non-derivative financial assets are recognized in market price gains and losses under financial income and expenses in the reporting period in which they are incurred. Accounting principles related to derivatives are described in more detail in note 5.4.

Measurement of fair values

Several accounting policies and disclosures require the measurement of fair values. Financial assets and liabilities measured at fair value are classified to fair value hierarchy levels based on the source information and inputs used in the fair valuation. In level one, fair values are based on public quotations for identical instruments. In level two, fair values are based on market rates and prices and discounted future cash flows. For assets and liabilities in level three, there is no reliable market source available and thus the fair value measurement is not based on observable market data. Therefore, the measurement methods are chosen taking into account the information available for the measurement and the characteristics of the measured item.

5.6 Equity investments at fair value through other comprehensive income

€ million	2025	2024
Carrying value on Jan 1	**28**	12
Additions	**2**	2
Fair value changes	**-5**	13
Carrying value on Dec 31	**24**	28

Fair value reserve in equity

€ million	2025	2024
Fair value on Dec 31	**24**	28
Fair value at acquisition	**15**	14
Fair value reserve from equity investments	**9**	14

Equity investments at fair value through other comprehensive income include unlisted and listed strategic holdings mainly in energy companies in which Outokumpu does not have control, joint control or significant influence.

These energy companies produce energy to their shareholders on a cost-price basis (Mankala principle) which is a widely used business model among Finnish energy companies. Under the Mankala principle, shareholders are entitled to receive energy in proportion to the ownership, and each shareholder is severally responsible for its respective share of the costs of the energy company as set out in the articles of association.

The additions of EUR 2 million in 2025 are mainly related to the increase in investments in EPV Energia Oy.

Outokumpu is an owner in nuclear utility by provider Pohjolan Voima Oy (PVO), with an ownership share of 0.1%. PVO is a shareholder in Teollisuuden Voima Oy (TVO). TVO, where Outokumpu does not have a direct ownership, operates Olkiluoto 3 (OL3) a nuclear power plant in Eurajoki, Finland. Outokumpu has indirect ownership in Tornion Voima Oy, a combined heat and power plant in Tornio, Northern Finland. This indirect ownership is through EPV Energia Oy, with an ownership share of 0.5%. In addition, Outokumpu has a direct ownership in Rajakiiri Oy with a share of 19.9%. Rajakiiri Oy is a wind power company in Tornio. The total estimated fair value of the aforementioned three utility assets was EUR 13 million at the year end (Dec 31, 2024: EUR 22 million). The remaining EUR 11 million (Dec 31, 2024: EUR 6 million) are other share holdings.

Management judgments

Unlisted strategic energy companies

The valuation model of the other unlisted strategic energy companies include among others discount rate derived from risk free rate (Germany 10 year bond yield), growth factor depending the nature of the power plant or wearing out of the mill and contractual factors which may have an impact on the valuation. Discounted cash flow models include also adjustments based on the latest information regarding the power plants and potential energy production.

Accounting principles

Equity investments at fair value through other comprehensive income consists of investments which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognize in this category. These are mainly strategic investments, so this classification is considered relevant.

The investments and divestments are recognized at the trade date. They are included in non-current assets unless there is an intention to dispose of the investment within 12 months from the reporting date.

The investments are measured at fair value, and fair value changes are recognized through other comprehensive income and presented net of tax in fair value reserve in equity. The valuation is based on quoted rates and market prices at the end of the reporting period, as well as on appropriate valuation techniques, such as cash flow discounting. Observable market data is used in the valuation when available but also entity-specific management estimates are applied.

Dividends are recognized in profit or loss. When equity investment is disposed, the accumulated fair value changes are reclassified from fair value reserve to retained earnings.

The premium paid over the FPX Nickel Corp. share's market price at the acquisition date has been treated as part of the inventory and will be released at the time of the nickel purchase.

5.7 Commitments and contingent liabilities

€ million	2025	2024
Mortgages and pledges on Dec 31		
Mortgages	**156**	156
Other pledges	**13**	13
Guarantees on Dec 31		
On behalf of subsidiaries for commercial and other commitments	**31**	34
Other commitments for financing on Dec 31	**8**	4

Outokumpu has issued business mortgages over movable assets in Kemi to secure an outstanding project loan maturing in September 2030.

Other pledges, EUR 13 million, relate to Outokumpu's responsibility for certain debts of the associated company Manga LNG Oy, the amount of which was EUR 7 million at the end of the reporting period (December 31, 2024: EUR 9 million).Outokumpu Corporation is, in relation to its shareholding in EPV Energia Oy, liable for the costs, commitments and liabilities relating to electricity provided by Tornion Voima Oy. These commitments are reported under other commitments for financing.

The Group's other off-balance sheet investment commitments totaled EUR 76 million on December 31, 2025 (December 31, 2024: EUR 42 million).

Contingent liabilities

Outokumpu is a minority shareholder in its associated company Voimaosakeyhtiö SF, which is the majority shareholder of Fennovoima Oy. In February 2025 the Arbitral Tribunal confirmed that it does not have jurisdiction to adjudicate claims brought by RAOS Project Oy and JSC Rosatom Energy International (JSC REIN) against Outokumpu in arbitration proceedings over a dispute between Fennovoima Oy and Rosatom entities related to the termination of the Engineering, Procurement and Construction (EPC) contract in May 2022, into which Outokumpu Corporation was joined in 2023. Therefore, the arbitration proceedings with respect to Outokumpu have ended and there are no contingent liabilities at the end of the reporting period.

Accounting principles

Unrecognized commitments are disclosed when the Group has an obligation or a pledge to assume a financial liability at a future date.

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed by uncertain future events that are not wholly within the control of the entity. Obligations that are not considered probable or where the amounts cannot be reliably measured are also considered as contingent liabilities. Contingent liabilities are not recognized in the statement of financial position but disclosed as off-balance sheet commitments.

6. Group structure and other notes

6.1 Discontinued operations

Long Products as discontinued operations in 2022

During the year 2022, Outokumpu signed an agreement to divest the majority of the Long Products business operations to Marcegaglia Steel Group and reported it as assets held for sale and discontinued operations. The divestment was completed on January 3, 2023. The final escrow account settlement related to this transaction remained for the year 2024 and was settled with a minor impact on the financial statements. The impact from the release of the escrow account was booked to the net result in continuing operations in 2024. In 2025, Outokumpu did not have any impacts from discontinued operations.

Accounting principles

Non-current assets or a disposal group are classified as held for sale if their carrying amount will be recovered principally through the disposal of the assets and the sale is highly probable. If their carrying amount will be recovered principally through their disposal rather than through their continuing use, they are measured at the lower of carrying amount and fair value less cost to sell. Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

Result from the discontinued operations is reported separately from income and expenses from continuing operations in the consolidated statement of income and prior periods are restated accordingly. Assets and liabilities related to the discontinued operations are presented as separate line items in the statement of the financial position and the comparative period is not restated. The statement of cash flows consists of total group figures including the discontinued operations.

Intra-group revenues and expenses between continuing and discontinued operations are eliminated in continuing operations only when the revenues and expenses are not considered to continue after the disposal of the discontinued operations.

6.2 Business acquisitions and disposals

2025

In 2025, Outokumpu did not have any business acquisitions or disposals.

2024

Disposals

In 2024, Outokumpu divested its Mexico branch distribution business in Mexico City, Guadalajara and Monterrey – formerly known as Outokumpu Mexinox Distribution. Prominox, the largest stainless steel distributor in Mexico, acquired the ongoing business operations and customer base from Outokumpu. They were reported under the operation of Outokumpu's business area Americas. The net asset value was EUR 1 million and the gain on sale was EUR 3 million. The transaction had a positive cash impact for Outokumpu amounting to EUR 4 million.

Accounting principles

The disposed companies are included in the consolidated Financial Statements up to the date when the control is lost. The gain or loss on disposal together with cumulative translation adjustments related to disposed companies are recognized in the consolidated statement of income at the date control is lost.

6.3 Disputes and litigations

Fennovoima project

In May 2025, Outokumpu commented on unconfirmed news about a possible legal process initiated in Moscow by Rosatom against Outokumpu, among other parties. By the end of the reporting period, Outokumpu has not received any official notification regarding the reported claim or the process. From the beginning, Outokumpu has denied and continues to deny all grounds for liability related to the terminated Fennovoima nuclear power plant project, including the existence of any contractual relationship or obligation between Outokumpu and any Rosatom company. Rosatom has already previously and groundlessly attempted to involve Outokumpu in the arbitration proceedings concerning the termination of the Engineering, Procurement and Construction (EPC) contract regarding the Fennovoima nuclear power plant project. As we communicated on February 14, 2025, the arbitral tribunal confirmed that it does not have jurisdiction to adjudicate claims brought by RAOS Project Oy and JSC Rosatom Energy International (JSC REIN) against Outokumpu. This decision terminated the arbitral proceedings with respect to Outokumpu. There may be attempts in the future to join Outokumpu in legal disputes arising out of the terminated project.

Dispute over payment of wages in the US

On July 16, 2018, a class of plaintiffs, consisting of former and current Outokumpu Calvert mill employees, brought a suit against Outokumpu Stainless USA, LLC in the U.S. federal district court, alleging that the company failed to pay full wages for regular work and overtime work they performed. The district court entered a default judgment against Outokumpu in 2021 with respect to liability without Outokumpu having the opportunity to argue the merits of the allegations and subsequently found Outokumpu liable to the plaintiffs for approximately USD 13 million in the aggregate, plus attorney's fees. Outokumpu unsuccessfully appealed the district court's decision and the matter was remanded to the district court for a final judgment. On July 2, 2025, the district court issued a partial judgment requiring Outokumpu to pay the plaintiffs approximately USD 13 million plus post-judgment interest and notify certain individuals, who were not previously notified at the initial stages of the case, that they have a right to opt-in to the class and receive damages payments for the relevant period. Outokumpu is now awaiting the district court's further ruling on the damages for these additional opt-in plaintiffs, Outokumpu's previously argued defenses, and the amount Outokumpu must pay the plaintiffs' attorneys for their fees. Outokumpu now has an approximately USD 11 million provision in respect of this matter as approximately half of the provision was settled in July 2025.

Claim in Germany related to expired lease agreement

On January 19, 2018, Outokumpu Nirosta GmbH was served with a claim in the district court of Krefeld for a declaratory judgment by the owner of a warehouse in Krefeld that Outokumpu had leased until the end of 2016. The claim related to the responsibility for maintenance and repair of the warehouse and amounted to EUR 19 million. The parties reached a settlement which the court confirmed on June 4, 2025, and according to which Outokumpu has agreed to pay the claimant in total approximately EUR 6 million in three equal installments in 2025, 2026 and 2027. The first installment was paid in June 2025. Outokumpu has an appropriate provision in place for the remainder.

6.4 Related parties

Balances and transactions within Group including parent company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Related party transactions disclosed in this note include transactions with associated companies, Solidium Oy and the key management of the company as well as their related persons and companies in which they have control or joint control. Key management includes Leadership Team members and members of the parent company's Board of Directors, and their remuneration is presented in note 3.2. Commitments related to associated companies are presented in note 5.7. Principal subsidiaries and associated companies are listed in notes 6.5 and 6.6.

Solidium Oy, a limited company fully owned by the State of Finland, owned 15.0% of Outokumpu on December 31, 2025. Solidium's mission is to strengthen and stabilize Finnish ownership in nationally important companies and increase the value of its holdings in the long run.

Transactions with related parties are carried out at arms-length principles.

Transactions and balances with related companies

€ million	2025	2024
Sales and other operating income	**97**	87
Purchases	**-117**	-93
Dividend income	**1**	1
Trade and other receivables	**27**	25
Trade and other payables	**10**	11

All the transactions and balances with related companies are related to associated companies.

In 2023, Outokumpu Corporation agreed to participate in a convertible loan offered by associated company Voimaosakeyhtiö SF to its shareholders. Outokumpu's share of the convertible loan is EUR 14 million. The first call of the loan was in August 2023 amounting to EUR 5 million, the second one in October 2024 totaling to EUR 3 million and the third one in August 2025 totaling to EUR 3 million. At the end of December 2025, the loan is valued at EUR 0 million.

6.5 Subsidiaries

December 31, 2025	Country	Group holding, %
Europe		
Outokumpu AS	Norway	100
Outokumpu Distribution France S.A.S.	France	100
Outokumpu Distribution Hungary Kft.	Hungary	100
Outokumpu Distribution Polska Sp. z o.o.	Poland	100
Outokumpu Europe Oy [1]	Finland	100
Outokumpu India Private Limited	India	100
Outokumpu Management (Shanghai) Co., Ltd [1]	China	100
Outokumpu Middle East FZCO	United Arab Emirates	100
Outokumpu Nirosta GmbH	Germany	100
Outokumpu N.V.	Belgium	100
Outokumpu Prefab AB	Sweden	100
Outokumpu Press Plate AB	Sweden	100
Outokumpu PSC Finland Oy	Finland	100
Outokumpu (Pty) Ltd	South Africa	100
Outokumpu S.A.	Spain	100
Outokumpu (S.E.A.) Pte. Ltd	Singapore	100
Outokumpu Shipping Oy	Finland	100
Outokumpu S.r.l.	Italy	100
Outokumpu Stainless AB	Sweden	100
Outokumpu Stainless B.V.	The Netherlands	100
Outokumpu Stainless Ltd	The United Kingdom	100
Outokumpu Stainless Oy	Finland	100
Outokumpu Stainless Pty Ltd	Australia	100
Outokumpu Stainless Steel (China) Co., Ltd	China	100
Outokumpu Tornio Infrastructure Oy	Finland	100

December 31, 2025	Country	Group holding, %
Americas		
Outokumpu Brasil Comércio de Metais Ltda	Brazil	100
Outokumpu Mexinox S.A. de C.V.	Mexico	100
Outokumpu Stainless USA, LLC	The United States	100
ThyssenKrupp Mexinox CreateIT, S.A. de C.V.	Mexico	100
Ferrochrome		
Outokumpu Chrome Oy [1]	Finland	100
Other operations		
Outokumpu Americas, Inc.	The United States	100
Outokumpu Distribution Benelux B.V.	The Netherlands	100
Outokumpu EvoCarbon GmbH	Germany	100
Outokumpu Holding Germany GmbH [1]	Germany	100
Outokumpu Holding Nederland B.V. [1]	The Netherlands	100
Outokumpu Mining Oy	Finland	100
Outokumpu Stainless Holding GmbH	Germany	100
Outokumpu Stainless UAB	Lithuania	100
Viscaria AB [1]	Sweden	100
Visenta Försäkrings AB	Sweden	100

This list does not include all dormant companies. In addition, Outokumpu has branch offices in Portugal, South Korea, Taiwan, Thailand, the United Kingdom, Turkey and Vietnam.

[1] Shares and stock fully held by the parent company

6.6 Associated companies

	Industry	Domicile	Ownership, %
CRONIMET North-East GmbH	Scrap metal trading	Germany	10
Envigas AB	Energy	Sweden	21
Manga LNG Oy	Energy	Finland	45
OSTP Holding Oy	Metals processing	Finland	49
Voimaosakeyhtiö SF	Energy	Finland	23

Investments in associates

€ million	2025	2024
Investments in associated companies on Jan 1	**77**	62
Additions	**—**	13
Dividends	**-1**	-1
Share of the profit (+) /loss (-) for the period	**4**	3
Other comprehensive income	**0**	0
Translation differences	**0**	0
Investments in associated companies on Dec 31	**79**	77

See the commitments related to the associated companies in note 5.7.

The carrying amounts of individual associated companies are immaterial in the Group's consolidated Financial Statements.

Outokumpu is a minority shareholder in its associated company Voimaosakeyhtiö SF, which is the majority shareholder of Fennovoima Oy. The value of the investment in Voimaosakeyhtiö SF is EUR 0 million at the end of December 2025 (Dec 31, 2024: EUR 0 million).

In January 2024, Outokumpu acquired a 10% shareholding in the German company CRONIMET North-East GmbH. CRONIMET is reported as an associated company using the equity accounting method.

Management judgments

Significant influence

Management judgment is applied when assessing whether Outokumpu has significant influence over another company. Consideration is given to whether Outokumpu has the ability to participate in significant financial and operating policy decisions through contractual arrangements or agreements, and whether such arrangements confer significant influence.

Accounting principles

Companies where Outokumpu generally holds voting rights of 20–50% or in which Outokumpu otherwise has significant influence, but not control, are included in the consolidated Financial Statements as associated companies, and they are accounted for using the equity method from the date significant influence was obtained until it ceases.

The Group’s share of the associated company’s net result for the period is separately disclosed below Operating profit (EBIT) in the consolidated statement of income. Outokumpu’s share of changes recognized in the associated company’s other comprehensive income is recognized in the Group’s other comprehensive income.

If Outokumpu’s share of the associated company’s losses exceeds the carrying amount of the investment, the investment is recognized at zero value in the statement of financial position and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the associated company. The interest in an associated company comprises the carrying amount of the investment under the equity method together with any long-term interest that, in substance, forms a part of the net investment in the associated company.

6.7 New IFRS standards

Adoption of new and amended IFRS standards

Certain new accounting standards, amendments to or interpretations of accounting standards have been published that came into effect only after the reporting period started on January 1, 2025. These standards and amendments have not been early adopted nor are expected to have a material impact on Outokumpu's current or future reporting periods nor foreseeable future transactions. These new accounting standards and amendments are:

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7, effective from January 1, 2026 - accounting policy choice of Outokumpu is not to apply the possibility to derecognize a liability from the balance sheet earlier than the settlement date.
- Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7, effective from January 1, 2026 - Outokumpu applies the own use exception on these contracts
- Annual Improvements to IFRS Accounting Standards - Volume 11, effective from January 1, 2026
- IFRS 19 Subsidiaries without Public Accountability: Disclosures, effective from January 1, 2027

The IFRS 18 Presentation and Disclosure of Financial Statements will come into effect on January 1, 2027. Outokumpu is currently assessing the impact the amendments will have on the Group's consolidated financial statements. The following potential impacts have been identified so far:

- The adoption of IFRS 18 will have no impact on the Group's net profit, but the new categories of grouping income and expenses in the statement of profit or loss will impact how operating profit is calculated and reported. Based on a preliminary assessment, the Group has identified the following items that may have an impact on operating profit: foreign exchange gains and losses and related derivatives, as well as other financing-related items, including factoring and the revolving credit facility expenses.
- The concept of "useful structured summary" and the enhanced principles on aggregation and disaggregation might change the line items presented on the primary financial statements. However, the information presented will follow the same requirements of disclosing material information as earlier and Outokumpu is not expecting to have a significant change in information presented.
- Significant new disclosures are required for:
    - management-defined performance measures;
    - a breakdown of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss; and
    - for the first annual period of applying IFRS 18, a reconciliation of each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented when applying IAS 1.

- The statement of cash flows will be changed from the net result to operating profit as the starting point for calculating cash flows from operating activities. Interest paid will be presented as financing cash flows and interest received as investing cash flows instead of the current presentation as part of operating cash flows. Also dividends received will be presented in investing cash flows instead of operating cash flows.

Outokumpu will apply IFRS 18 from the mandatory effective date of January 1, 2027. Retrospective application is required, meaning the comparative information for the financial year ending December 31, 2026 will be restated in accordance with IFRS 18.

6.8 Events after the balance sheet date

On January 19, 2026, Outokumpu announced the proposals of the Shareholders' Nomination Board to the Annual General Meeting 2026. The Shareholders' Nomination Board proposes that the Board of Directors would consist of 10 members or, if one or more of the candidates proposed are unavailable, a correspondingly smaller number. The Nomination Board proposes that the current members of the Board of Directors Hilde Merete Aasheim, Heinz Jörg Fuhrmann, Olavi Huhtala, Kari Jordan, Päivi Luostarinen, Jyrki Mäki-Kala, Petter Söderström and Julia Woodhouse would be re-elected, and that Timo Ritakallio and Jenni Lukander would be elected as new members, all for the term of office ending at the end of the next Annual General Meeting. The Nomination Board also proposes that Kari Jordan would be re-elected as the Chairman and Timo Ritakallio elected as the Vice Chairman of the Board of Directors.

On January 8, 2026, Outokumpu announced it has signed a Memorandum of Understanding with Norsk e-Fuel, a Nordic pioneer in Power-to-Liquid project development, to work together towards realizing a CO-to-SAF (Sustainable Aviation Fuel) production plant. Norsk e-Fuel starts a feasibility study in 2026 and anticipates taking an investment decision around 2028, with production start planned for 2032. Outokumpu would provide carbon monoxide (CO) side streams from its ferrochrome production as a feedstock for the production of 80,000-100,000 tons of eSAF annually. The plant would be located next to Outokumpu's stainless steel mill in Koivuluoto, Tornio, Finland and once operational, it would create financial value for Outokumpu through increased side stream utilization. The project will support Outokumpu's decarbonization journey by allowing the company to reduce direct CO_2 emissions by 200,000 tons annually, representing 20% of Outokumpu's global direct emissions.

Parent company Financial Statements, FAS

Income statement of the parent company

€ million	Note	2025	2024
Sales		**286**	303
Cost of sales	4	**-180**	-209
Gross margin		**107**	93
Other operating income	5	**11**	10
Administrative expenses		**-155**	-146
Other operating expenses	6	**-1**	-5
Operating profit (EBIT)		**-38**	-48
Financial income and expenses	8	**41**	112
Result before appropriations and taxes		**3**	64
Appropriations			
Group contribution		**91**	46
Change in depreciation difference		**-6**	0
Income taxes		**0**	0
Net result for the financial year		**88**	110

Balance sheet of the parent company

€ million	Note	2025	2024
ASSETS			
Non-current assets			
Intangible assets	9	**109**	115
Property, plant and equipment	10	**3**	2
Financial assets			
Shares in Group companies	11	**4,433**	4,033
Loan receivables from Group companies	11	**—**	507
Shares in associated companies	11	**13**	13
Other shares and holdings	11	**3**	2
Other financial assets	11,13	**4**	1
		4,453	4,556
Total non-current assets		**4,565**	4,673
Current assets			
Current receivables			
Cash pool receivables	14	**366**	230
Loan receivables	14	**93**	22
Trade receivables	14	**63**	60
Prepaid expenses and accrued income	14	**14**	15
Other receivables	13,14	**135**	102
		670	428
Cash and cash equivalents		**326**	267
Total current assets		**996**	695
TOTAL ASSETS		**5,561**	5,368

€ million	Note	2025	2024
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	15	**311**	311
Premium fund	15	**720**	720
Invested unrestricted equity reserve	15	**2,311**	2,186
Retained earnings	15	**253**	259
Result for the financial year	15	**88**	110
		3,683	3,587
Untaxed reserves			
Accumulated depreciation difference		**6**	0
Provisions			
Other provisions	16	**4**	—
Liabilities			
Non-current liabilities			
Loans from financial institutions	17	**300**	—
Other non-current liabilities	13	**2**	1
		302	1
Current liabilities			
Cash pool liabilities	17	**891**	861
Other current loans	17	**460**	565
Commercial papers	17	**50**	79
Convertible bonds	17	**—**	125
Trade payables	17	**92**	86
Accrued expenses and prepaid income	17	**15**	13
Other current liabilities	13,17	**58**	51
		1,567	1,780
Total liabilities		**1,868**	1,781
TOTAL EQUITY AND LIABILITIES		**5,561**	5,368

Cash flow statement of the parent company

€ million	2025	2024
Cash flow from operating activities		
Net result for the financial year	**88**	110
Adjustments		
Depreciation and amortization	**12**	13
Gain/loss on sale of intangible assets, and property, plant and equipment	**-9**	-6
Unrealized exchange gains/losses	**1**	-3
Financial income and expenses	**-41**	-112
Group contribution	**-91**	-46
Change in provisions and depreciation difference	**8**	0
Taxes	**0**	0
	-120	-155
Change in working capital		
Trade and other receivables increase (-)/decrease (+)	**-3**	31
Trade and other payables increase (+)/decrease (-)	**21**	-24
	18	7
Dividends received	**49**	0
Interest received and other financial income	**149**	54
Interest paid and other financial expenses	**-159**	-89
Income taxes paid	**0**	0
	39	-36
Net cash from operating activities	**25**	-74

€ million	2025	2024
Cash flow from investing activities		
Investments in subsidiaries and other shares and holdings	**-1**	-1
Purchases of intangible assets	**-25**	-27
Purchases of intangible rights	**—**	-10
Proceeds from disposal of subsidiaries and returns	**—**	49
Purchases of property, plant and equipment	**0**	0
Proceeds from sale of property, plant and equipment	**5**	—
Proceeds from sale of intangible rights	**16**	8
Decrease in Group loans receivables (+)	**41**	—
Loans given	**-3**	—
Net cash from investing activities	**33**	19
Cash flow before financing activities	**58**	-55
Cash flow from financing activities		
Dividends paid	**-116**	-110
Treasury shares purchase	**—**	-34
Borrowings of non-current debt	**300**	—
Change in current debt, net increase (+)/decrease (-)	**-123**	247
Group contributions received (+)/paid (-)	**46**	17
Change in In-house cash account	**-105**	-267
Net cash from financing activities	**1**	-148
Net change in cash and cash equivalents, increase (+)/ decrease (-)	**59**	-203
Cash and cash equivalents in the beginning of the year	**267**	470
Cash and cash equivalents at the end of the year	**326**	267

Notes to the parent company Financial Statements

1. Accounting principles

Outokumpu Corporation's Financial Statements have been prepared in accordance with the Finnish accounting standards, and related laws and regulations that are effective for the financial year ending on December 31, 2025.

Foreign currency transactions and derivative financial instruments

Foreign currency transactions are recognized using the exchange rates prevailing at the dates of the transactions. Receivables and liabilities in foreign currencies are translated into euro at European Central Bank exchange rates prevailing at the end of the reporting period. Advance payments paid and received are presented at the exchange rates prevailing at the payment dates.

Exchange rate, interest rate and metal derivatives are recognized to the balance sheet at fair value on the trade date, and they are subsequently valued at fair value using market rates and prices, discounted cash flows and option valuation models.

The realized and unrealized gains and losses arising from fair value changes of derivative instruments are recognized in other operating income and expenses, or, in case the derivative instrument is related the financing activities, in financial income and expenses.

Sales

Sales includes sales of electricity to the Group's Nordic production facilities, consulting and other services to subsidiaries. Revenue is recognized when the goods have been transferred or the services performed. Sales are presented net of indirect taxes and rebates.

Cost of sales

Cost of sales includes expenses related to energy, IT services and supplies. Depreciation and other expenses are included to the extent they relate to operational activities.

Administrative expenses

Administrative expenses include mainly costs related to salaries and social costs, IT and other external services, rents and depreciation.

Other operating income and expenses

Other operating income and expenses include items not belonging to main business such as rental income from real estate, gains and losses from disposals of businesses, property, plant and equipment, and intangible assets, impairments, and gains and losses from derivative financial instruments, other than from instruments relating to financing activities.

Appropriations

Appropriations include group contributions and the depreciation difference.

Income taxes

Income taxes include the income taxes for the current financial year as well as adjustments to prior year taxes.

Non-current assets

Intangible assets and property, plant, and equipment are measured in the balance sheet at cost less accumulated amortization, depreciation, and impairment losses. Lease payments are recognized into profit or loss as rental or lease expenses, and leased assets are not presented in the balance sheet. The planned amortization and depreciation of intangible assets and property, plant and equipment is based on cost and estimated useful life, and are calculated on straight-line basis or as a percentage of residual value.

The estimated useful lives are as follows:

- Intangible assets 5–10 years
- Other long-term expenses 5–10 years
- Buildings 20–40 years
- Machinery and equipment 5–20 years
- Other tangible assets 4–40 years

Impairment of property, plant and equipment, as well as certain intangible assets are evaluated, when events or changes in circumstances indicate that future cash flows may not be sufficient to cover the asset book values. In an event of an impairment, the asset book values are impaired to the level of discounted future cash flows.

Financial assets include investments and receivables that are estimated to be held for longer than one year. Investments are valued at cost or at a lower probable value.

The subsidiary share values are reviewed as part of the asset impairment testing at the Group level, where cash flow forecasts based on value-in-use have been prepared for the Group's cash generating units. In subsidiary share impairment testing, these cash flow forecasts are further allocated to amounts recoverable from different sub-groups and subsidiaries. When permanent, an impairment is recognized if the total of the subsidiary share value, the net loan receivables from the subsidiary or sub-group, and the net Group external debt in the subsidiary or sub-group exceeds the recoverable amount attributed to this subsidiary or sub-group. A previously recognized impairment loss is reversed if there is a permanent increase in the recoverable amount.

Emission allowances

Emission allowances are intangible assets valued at cost. Gains and losses from sales of emission allowances are presented in other operating income and expenses.

Issue of equity

Proceeds from equity issues are recognized into equity in their entirety on gross basis. Costs related to related issues of equity are recognized as financial and administrative expenses.

Share buyback program

The share repurchases are funded by using funds from the invested unrestricted equity reserve.

Debt

Debt, including bonds and convertible bonds, is recognized in the balance sheet at nominal value. Arrangement fees are recognized as accrued expenses in the balance sheet and expensed to profit or loss over the arrangement period.

Changes in current receivables

The presentation of current receivables has been updated to more accurately reflect the nature of the underlying receivables. The comparative year's numbers have been adjusted accordingly.

Cash and cash equivalents

Cash and cash equivalents include cash at hand, cash in bank accounts, deposits maturing in three months or less, and other cash equivalent assets.

2. Personnel expenses

€ million	**2025**	2024
Wages and salaries	**-24**	-22
Pension contributions	**-3**	-4
Personnel restructuring provision	**-2**	—
Other personnel expenses	**-1**	1
Personnel expenses on income statement	**-29**	-24

Information about employee benefits of the CEO and the remuneration of Board of Directors is presented in the consolidated Financial Statements note 3.2.

	2025	2024
Average number of personnel	**202**	185

3. Depreciation and amortization

€ million	**2025**	2024
Depreciation and amortization by group of assets		
Patents, licenses and other intangible rights	**-1**	-1
IT systems and other long-term expenditure	**-11**	-11
Buildings	**0**	0
Machinery and equipment	**0**	0
	-12	-13
Depreciation and amortization by function		
Cost of sales	**-9**	-9
Administrative expenses	**-4**	-4
	-12	-13

4. Cost of sales

€ million	2025	2024
Purchases of electricity	**-145**	-174
Depreciation	**-9**	-9
IT services and supplies	**-26**	-26
Other costs	**0**	0
	-180	-209

5. Other operating income

€ million	2025	2024
Other operating income		
Market price gains and losses from derivatives	**2**	3
Gains on sale of intangible assets and property, plant and equipment and shares	**9**	6
Other income	**1**	0
	11	10

6. Other operating expenses

€ million	2025	2024
Other operating expenses		
Market price gains and losses from derivatives	**0**	-1
Losses on disposals of intangible assets and property, plant and equipment	**0**	0
Other expenses	**0**	-4
	-1	-5

7. Audit fees

€ million	2025	2024
Audit	**-1**	-1
Audit-related services	**0**	—
Other services	**0**	0
	-2	-1

In year 2025, Audit-related services include fee for the Sustainability Statement and in year 2024 this was reported as Other services.

8. Financial income and expenses

€ million	2025	2024
Dividend income	**49**	—
Interest income on long-term financial assets	**26**	34
Interest income on current assets	**17**	21
Other financial income	**1**	2
Impairments and impairment reversals of subsidiary shares	**—**	130
Interest expenses	**-60**	-79
Impairments	**-3**	-3
Other financial expenses	**-8**	-8
Exchange gains and losses	**19**	15
	41	112
Financial income from and expenses to subsidiaries		
Dividend income	**49**	—
Interest income on long-term financial assets	**26**	34
Interest income on current assets	**11**	10
Other financial income	**1**	2
Interest expenses	**-48**	-67
	39	-21

In 2023, Outokumpu Corporation agreed to participate in a convertible loan offered by associated company Voimaosakeyhtiö SF to its shareholders. Outokumpu's share of the convertible loan is EUR 14 million. The first call of the loan was in August 2023 amounting to EUR 5 million, the second one in October 2024 totaling to EUR 3 million and the third one in August 2025 totaling to EUR 3 million. At the end of December 2025, the loan is valued at EUR 0 million. Impairments in years 2025 and 2024 are related to this Voimaosakeyhtiö SF loan write down.

9. Intangible assets

€ million	Patents, licenses and other intangible rights	IT systems and other long-term expenditure	Construction work in progress	Emission allowances	Total
Historical cost on Jan 1, 2025	43	196	47	11	297
Additions	0	—	17	—	17
Disposals	-26	-39	—	-10	-75
Reclassifications	—	63	-64	—	0
Historical cost on Dec 31, 2025	**17**	**221**	**—**	**1**	**238**
Accumulated amortization and impairment on Jan 1, 2025	-38	-143	—	—	-181
Accumulated amortization on disposals	26	39	—	—	65
Amortization	-1	-11	—	—	-12
Accumulated amortization and impairment on Dec 31, 2025	**-13**	**-116**	**—**	**—**	**-129**
Carrying value on Dec 31, 2025	**4**	**105**	**—**	**1**	**109**
Carrying value on Jan 1, 2025	5	53	47	11	115
Historical cost on Jan 1, 2024	41	185	31	3	260
Additions	0	1	27	10	39
Disposals	0	0	—	-2	-2
Reclassifications	1	10	-11	—	0
Historical cost on Dec 31, 2024	43	196	47	11	297
Accumulated amortization and impairment on Jan 1, 2024	-37	-132	—	—	-169
Accumulated amortization on disposals	0	0	—	—	0
Amortization	-1	-11	—	—	-12
Accumulated amortization and impairment on Dec 31, 2024	-38	-143	—	—	-181
Carrying value on Dec 31, 2024	5	53	47	11	115
Carrying value on Jan 1, 2024	4	52	31	3	91

10. Property, plant and equipment

€ million	Land	Buildings	Machinery and equipment	Other tangible assets	Total
Historical cost on Jan 1, 2025	0	4	1	0	6
Additions	—	0	0	—	0
Disposals	0	—	—	—	0
Reclassifications	—	—	0	—	0
Historical cost on Dec 31, 2025	**0**	**4**	**2**	**0**	**6**
Accumulated depreciation and impairment on Jan 1, 2025	—	-2	-1	0	-3
Depreciation	—	0	0	—	0
Accumulated depreciation and impairment on Dec 31, 2025	**—**	**-2**	**-1**	**0**	**-4**
Carrying value on Dec 31, 2025	**0**	**1**	**1**	**0**	**3**
Carrying value on Jan 1, 2025	0	1	1	0	2
Historical cost on Jan 1, 2024	0	4	2	0	6
Additions	—	—	0	—	0
Disposals	—	—	0	—	0
Reclassifications	—	0	—	—	0
Historical cost on Dec 31, 2024	0	4	1	0	6
Accumulated depreciation and impairment on Jan 1, 2024	—	-2	-1	0	-3
Accumulated depreciation on disposals	—	—	0	—	0
Depreciation	—	0	0	—	0
Accumulated depreciation and impairment on Dec 31, 2024	—	-2	-1	0	-3
Carrying value on Dec 31, 2024	0	1	1	0	2
Carrying value on Jan 1, 2024	0	1	1	0	3

11. Non-current financial assets

€ million	Shareholdings in Group companies	Non-current loan receivables from Group companies	Shares in associated companies	Other shares and holdings	Other non-current financial assets	Total
Historical cost on Jan 1, 2025	4,033	507	13	2	1	4,556
Additions	400	—	—	1	3	404
Disposals and decreases	—	-507	—	—	—	-507
Historical cost on Dec 31, 2025	**4,433**	**—**	**13**	**3**	**4**	**4,453**
Carrying value on Dec 31, 2025	**4,433**	**—**	**13**	**3**	**4**	**4,453**
Carrying value on Jan 1, 2025	4,033	507	13	2	1	4,556
Historical cost on Jan 1, 2024	3,952	532	13	1	3	4,500
Additions	—	—	—	1	0	1
Disposals and decreases	-49	-25	—	—	-2	-76
Impairments (-) and reversals of impairments (+)	130	—	—	—	—	130
Historical cost on Dec 31, 2024	4,033	507	13	2	1	4,556
Carrying value on Dec 31, 2024	4,033	507	13	2	1	4,556
Carrying value on Jan 1, 2024	3,952	532	13	1	3	4,500

In 2025 Outokumpu Oyj injected capital to subsidiary Outokumpu Europe Oy by way of converting internal loans into equity amounting to EUR 400 million.

There are no impairment reversals of subsidiary shares in 2025 (2024: EUR 130 million relates to the Outokumpu Holding Nederland B.V.).

The additions of EUR 1 million in 2025 are related to the increase in investments in EPV Energia Oy.

Loan receivables from Group companies are carried out at arms-length principles.

Shareholdings in Group companies on December 31, 2025

The principal subsidiaries are listed in consolidated Financial Statements note 6.5.

12. Financial instruments to market risks

The financial risk management of Outokumpu Group has been centralized to Outokumpu Corporation's Treasury and risk management function ("Treasury"). The Group's management of financial risks has been described in consolidated Financial Statements, in note 5.

Outokumpu Corporation raises most of the Group's debt and is mainly responsible for arranging the internal funding. Interest rate risk management has also been centralized to Outokumpu Corporation. Treasury is responsible for developing and maintaining the Group's bank account structure. The efficient payment processes and liquidity management of the Group are enabled by bank account arrangements.

Subsidiaries hedge the foreign exchange and commodity risks with Treasury. Treasury makes the derivative agreements with banks and other financial institutions according to Treasury Policy. Outokumpu Corporation follows the price risk of emission allowances of the Group and makes, when necessary, the emission trades with subsidiaries and with external counterparties. The price risk of energy is followed centrally in Outokumpu Group according to Energy Procurement policy and the Group's price risk of energy can be hedged with derivatives according to Treasury Policy.

Sensitivity of financial instruments to market risks

	2025	2024
€ million	In profit or loss	In profit or loss
+/-10% change in EUR/USD exchange rate	+0/-0	+0/-0
+/-10% change in EUR/SEK exchange rate	-0/+0	-0/+0
+/-1% parallel shift in interest rates	+0/-0	-0/+0

Foreign exchange position

	2025				2024			
€ million	SEK	USD	GBP	Other	SEK	USD	GBP	Other
Trade receivables and payables	-9	3	0	-1	-5	3	-1	0
Loans and bank accounts	113	-790	-38	-1	151	-865	-61	4
Derivatives	-104	786	38	1	-145	862	61	-3
Net position	0	-1	0	-1	2	-1	-1	0

The sensitivity analyses apply to financial instruments only. Other assets, liabilities and off-balance sheet items such as net pension liabilities, sales and purchase orders, are not in the scope of these analyses. The calculations are net of tax.

13. Derivative instruments

€ million	2025 Positive fair value	2025 Negative fair value	2025 Net fair value	2024 Net fair value	2025 Nominal amounts	2024 Nominal amounts
Currency and interest rate derivatives						
Currency forwards with financial institutions	4	-11	**-7**	14	**1,735**	2,013
Currency forwards with subsidiaries	4	-4	**1**	-2	**868**	883
Interest rate swap with financial institutions	—	—	**—**	-2	**—**	125
					Tonnes	Tonnes
Metal derivatives						
Forward nickel contracts with financial institutions	14	-18	**-4**	6	**23,654**	25,576
Forward nickel contracts with subsidiaries	18	-14	**4**	-6	**23,894**	27,284
					MWh	MWh
Gas derivatives						
Forward gas contracts with financial institutions	0	-5	**-5**	4	**973,118**	917,408
Forward gas contracts with subsidiaries	5	0	**5**	-4	**973,118**	917,408
Total derivatives	45	-51	**-6**	10		
Less long-term derivatives						
Forward nickel contacts with financial institutions	0	—	**0**	0		
Forward nickel contracts with subsidiaries	—	0	**0**	0		
Forward gas contracts with financial institutions	0	-2	**-2**	1		
Forward gas contracts with subsidiaries	2	0	2	-1		
Short-term derivatives	43	-50	**-6**	10		

All derivatives have been classified to hierarchy level 2. Short-term derivatives are presented as part of other current receivables and other current liabilities.

14. Receivables

€ million	From subsidiaries	From others	Total
Current receivables			
2025			
Cash pool receivables	366	—	366
Loan receivables	93	—	93
Trade receivables	63	0	63
Prepaid expenses and accrued income	1	13	14
Other receivables	117	17	135
	641	30	670

Other receivables includes derivatives amounting to EUR 43 million and group contributions amounting to EUR 91 million.

Cash pool receivables and loan receivables with Group companies are carried out at arms-length principles.

Other receivables with Group companies do not include any special terms.

2024			
Cash pool receivables	230	—	230
Loan receivables	22	—	22
Trade receivables	60	0	60
Prepaid expenses and accrued income	3	12	15
Other receivables	63	39	102
	378	50	428

€ million	2025	2024
Prepaid expenses and accrued income		
Prepaid credit fees and commitment fees	**1**	2
Prepaid interest expenses and accrued interest income	**1**	3
Prepaid IT expenses	**11**	10
Other	**1**	0
	14	15

15. Shareholders' equity

€ million	2025	2024
Share capital on Jan 1 and Dec 31	**311**	311
Premium fund on Jan and Dec 31	**720**	720
Invested unrestricted equity reserve on Jan 1	**2,186**	2,220
Convertible bonds conversion	**125**	—
Treasury share purchase	**—**	-34
Invested unrestricted equity reserve on Dec 31	**2,311**	2,186
Retained earnings on Jan 1	**259**	294
Previous year's result	**110**	75
Dividends paid	**-116**	-110
Retained earnings on Dec 31	**253**	259
Result for the financial year	**88**	110
Total shareholders' equity on Dec 31	**3,683**	3,587
Distributable funds on Dec 31		
Retained earnings	**253**	259
Result for the financial year	**88**	110
Invested unrestricted equity reserve	**2,311**	2,186
Distributable funds on Dec 31	**2,652**	2,555

16. Provisions

€ million	2025	2024
Environmental provision	**2**	—
Restructuring provision	**2**	—
	4	—

See more information on the restructuring provision mainly focusing on business area Europe and global group functions in consolidated Financial Statements note 4.6.

17. Liabilities

€ million	Interest rate, %	2025	2024
		Outstanding amount	
Convertible bonds			
2020 fixed rate bond maturing on July 9, 2025	5.0	**—**	125
Loans from financial institutions			
Nordea		**200**	—
SEB		**100**	**—**
		300	—

See more information on the convertible bonds, new loans and credit facilities in consolidated Financial Statements notes 5.1 and 5.2.

€ million	To subsidiaries	To others	Total
Current liabilities			
2025			
Cash pool liabilities	891	—	891
Other current loans	460	—	460
Commercial papers	—	50	50
Trade payables	8	84	92
Accrued expenses and prepaid income	6	10	15
Other current liabilities	17	41	58
	1,382	184	1,567

Other current liabilities includes derivatives amounting to EUR 50 million.

Cash pool liabilities and other current loans with Group companies are carried out at arms-length principles.

Other payables with Group companies do not include any special terms.

2024			
Cash pool liabilities	861	—	861
Other current loans	565	—	565
Convertible bonds	—	125	125
Commercial papers	—	79	79
Trade payables	6	80	86
Accrued expenses and prepaid income	2	10	13
Other current liabilities	28	23	51
	1,462	318	1,780

€ million	2025	2024
Accrued expenses and prepaid income		
Accrued interest expenses and prepaid interest income	**4**	8
Accrued employee-related expenses	**6**	4
Other	**6**	1
	15	13

18. Commitments and contingent liabilities

€ million	2025	2024
Other pledges on Dec 31	**13**	13
Guarantees on Dec 31		
On behalf of subsidiaries		
For financing	**172**	188
For commercial guarantees	**0**	0
For other commitments	**20**	33
Other commitments for financing on Dec 31	**8**	4
	213	238

Other pledges, EUR 13 million, relate to Outokumpu's responsibility for certain debts of the associated company Manga LNG Oy, the amount of which was EUR 7 million at the end of the reporting period (December 31, 2024 EUR 9 million).

Outokumpu Corporation is, in relation to its shareholding in EPV Energia Oy, liable for the costs, commitments and liabilities relating to electricity provided by Tornion Voima Oy. These commitments are reported under other commitments for financing.

Minimum future lease payments on leases on Dec 31

€ million	2025	2024
Not later than 1 year	**1**	1
Later than 1 year	**4**	2
	5	3

18. Events after balance sheet date

See note 6.8 of the consolidated Financial Statements. Change to the proposals of the Shareholders' Nomination Board to the Annual General Meeting 2026 and Memorandum of Understanding with Norsk e-Fuel are events after the balance sheet date of the parent company.

Signatures of the Review by the Board of Directors and Financial Statements

We hereby state that

1) the Financial Statements prepared in compliance with the applicable accounting regulation give a true and fair view of the assets, obligations, financial position and profit or loss of both the company and the consolidated Financial Statements;

2) the report by the board of directors includes a description that gives a truthful picture of the development and results of the business of the company and the group, and a description of the most significant risks and uncertainties as well as other state of the company; and

3) the sustainability report included in the report by the board of directors has been prepared in compliance with the reporting standards referred to in Chapter 7 of the accounting act and Article 8 of the taxonomy regulation.

Helsinki, February 12, 2026

Kari Jordan
Chairman

Jyrki Mäki-Kala
Vice Chairman

Hilde Merete Aasheim
Member

Heinz Jörg Fuhrmann
Member

Olavi Huhtala
Member

Päivi Luostarinen
Member

Karl-Petter Söderström
Member

Julia Woodhouse
Member

Kati ter Horst
CEO

Auditor signature

Our auditor´s report has been issued today.

Helsinki, February 25, 2026
PricewaterhouseCoopers Oy
Authorised Public Accountants

Samuli Perälä
Authorised Public Accountant (KHT)

Audit and assurance

Auditor’s Report

(Translation of the Finnish Original)

Report on the Audit of the Financial Statements

To the Annual General Meeting of Outokumpu Oyj

Opinion

In our opinion

- the consolidated financial statements give a true and fair view of the group’s financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent company’s financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report to the Audit Committee.

What we have audited

We have audited the financial statements of Outokumpu Oyj (business identity code 0215254-2) for the year ended 31 December 2025. The financial statements comprise:

- the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and notes to the consolidated financial statements, which include material accounting policy information and other explanatory information
- the income statement of the parent company, balance sheet of the parent company, cash flow statement of the parent company and notes to the parent company financial statements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, the non-audit services that we have provided to the parent company and group companies are in accordance with the applicable law and regulations in Finland and we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014. The non-audit services that we have provided are disclosed in note 2.3 to the Financial Statements.

Our Audit Approach

Overview

Materiality

- Overall group materiality: € 35 million

Audit scope

- The audit scope includes parent company, and most significant other companies, covering the vast majority of sales, assets and liabilities.

Key Audit Matters

- Valuation of goodwill
- Valuation of Property, Plant and Equipment
- Valuation of inventories
- Status of IT system environment
- Valuation of subsidiary shares in the parent company’s financial statements

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

Overall group materiality	€ 35 million
How we determined it	Based on 2025 sales
Rationale for the materiality benchmark applied	We chose sales as the benchmark because, in our view, it is a stable and an important benchmark in the group's current situation, against which the performance of the group is measured by users of the financial statements.

How we tailored our group audit scope

We tailored the scope of our audit, taking into account the structure of the Outokumpu group, the accounting processes and controls, and the industry in which the group operates. The group audit scope was focused on the manufacturing companies in Finland, Sweden, Germany, USA, Mexico, the UK and Italy. We obtained, through our audit procedures at the aforementioned companies, combined with procedures at the parent company group level, sufficient and appropriate evidence regarding the financial information of the group as a whole to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matter in the audit of the group

Valuation of goodwill

Refer to notes 4.1 and 4.3 in the consolidated financial statements.

As at 31 December 2025 the group's goodwill balance amounted to € 457 million.

Goodwill is tested by the management at least annually, irrespective of whether there is any indication of impairment. In goodwill impairment testing, the recoverable amounts are based on value in use determined by discounted future cash flows expected to be generated by the cash-generating unit.

Key assumptions of the value-in-use calculations include the discount rate, sales prices, delivery volumes and the terminal value growth rate.

Valuation of goodwill is a key audit matter due to the size of the goodwill balance and the level of management judgement involved in the estimation process.

How our audit addressed the key audit matter

Our audit of goodwill valuation focused on management's judgement and estimates used. We assessed the appropriateness of these through the following procedures:

- We tested the methodology applied in the value in use calculation by comparing it to the requirements of IAS 36, Impairment of Assets, and we tested the mathematical accuracy of the calculations.
- We evaluated the reasonableness and consistency of the future cash flow forecast, including comparing them to medium term strategic plans and forecasts approved by the Board and testing the key underlying assumptions.
- We tested the used discount rates, long-term growth rates and certain other assumptions made by, for example, comparing these data inputs to observable market data.
- We compared the current year actual results to those included as estimates in the prior year impairment model to corroborate the reliability of management's estimates.
- We also considered the appropriateness of the related disclosures provided in notes 4.1 and 4.3 in the group financial statements.

Key audit matter in the audit of the group

Valuation of Property, Plant and Equipment

Refer to note 4.1 in the consolidated financial statements.

As at 31 December 2025 the group's Property, Plant and Equipment (PPE) amounted to € 1,859 million.

The management assesses indicators of potential impairments on a regular basis and, if needed, tests the carrying amounts for impairments. Impairment testing requires estimations of future cash flows attributable to the asset and related valuation parameters.

Valuation of Property, Plant and Equipment is a key audit matter due to the size of the balance and the level of management judgement involved in the estimation process.

How our audit addressed the key audit matter

We assessed the appropriateness of the group's method and management's judgement and estimates in the impairment calculations for Property, Plant and Equipment.

We performed substantive audit procedures including e.g. testing of assets acquired, disposals and scrapings in the year and depreciation of the fixed assets mainly through analytical audit procedures.

Our audit work also included testing the operating effectiveness of controls in place to ensure the appropriate valuation of Property, Plant and Equipment.

Key audit matter in the audit of the group

Valuation of Inventories

Refer to note 4.4 in the consolidated financial statements.

As at 31 December 2025 the group's inventories amounted to € 1,608 million.

Inventories are stated at the lower of cost and net realizable value (NRV). Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs attributable to the sale.

Calculation of net realizable value requires estimates on sales prices for products to be sold in the future. Due to fluctuations for example in nickel and other alloy prices, the realized prices can impact the future sales prices significantly.

Due to the level of management judgement and the significant carrying amounts, this is one of the key audit matters.

How our audit addressed the key audit matter

Our audit work included testing controls in place to ensure proper valuation of inventories.

In addition, our audit procedures included, among other things, the following:

- We performed tests over the prices of raw materials and verified items in the product costing of work in progress.
- We performed tests over the NRV calculations and the assumptions used.
- We assessed the adequacy of the obsolescence provision and the management judgement used.

Key audit matter in the audit of the group

Status of IT system environment

The group has historically had a fragmented system environment, which has been centralized and developed further during the financial year for example through updating and implementing new systems.

The fragmented system environment and the ongoing system development impact the risks related to system access and change management, and we have accordingly designated this as a key audit matter.

How our audit addressed the key audit matter

We tested the group's controls around access and change management related to the key IT systems.

We performed tests of details utilizing data analysis to reduce the risks of material misstatement related to user access management to an acceptably low level.

We tested the group's controls related to the system updates and implementation. We tested the completeness and accuracy of data migrations relevant for financial reporting.

Key audit matter in the audit of the parent company	How our audit addressed the key audit matter
Valuation of subsidiary shares in the parent company's financial statements As at 31 December 2025 the value of Outokumpu Oyj's subsidiary shares amounted to € 4,433 million in the parent company's financial statements. The valuation of subsidiary shares is assessed by the management as part of the group's goodwill impairment testing based on the discounted cash flow model. The valuation of subsidiary shares in the parent company's financial statements is a key audit matter due to the significant carrying amounts involved and the management judgement involved.	We assessed the appropriateness of the method and management's judgement and estimates in the calculations through the following procedures: • We evaluated the reasonableness and consistency of the future cash flow forecast, including comparing them to medium term strategic plans and forecasts approved by the Board and testing the key underlying assumptions. • We tested the used discount rates, long-term growth rates and other assumptions made by, for example, comparing these data inputs to observable market data. • We compared the current year actual results included in the prior year impairment model to corroborate the reliability of management's estimates.

There are no significant risks of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014 with respect to the consolidated financial statements or the parent company financial statements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or to cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Appointment

We were first appointed as auditors by the annual general meeting on 21 March 2017.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements or our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other statements based on law

Registration of the income tax report

Our responsibility is to, based on our audit, express an opinion on the registration and publication of the income tax report required in Chapter 7 b of the Accounting Act.

The Board of Directors and the Managing Director are responsible for the registration and the publication of the income tax report.

In our opinion, the company has not been obliged to register and publish an income tax report referred to in Chapter 7 b of the Accounting Act for the financial year immediately preceding the financial year.

Other statements

The proposal by the Board of Directors regarding the distribution of profits is in compliance with the Limited Liability Companies Act. We support that the Board of Directors and the Managing Director of the parent company should be discharged from liability for the financial period audited by us.

Helsinki, February 25, 2026

PricewaterhouseCoopers Oy
Authorised Public Accountants

Samuli Perälä
Authorised Public Accountant (KHT)

Assurance Report on the Sustainability Statement

(Translation of the Finnish Original)

To the Annual General Meeting of Outokumpu Oyj

We have performed a limited assurance engagement on the group sustainability report of Outokumpu Oyj (business identity code 0215254-2) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the reporting period 1.1–31.12.2025.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability report does not comply, in all material respects, with

1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS), and
2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Outokumpu Oyj has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment).

Our opinion does not cover the tagging of the group sustainability report with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that requirement in the absence of requirements for the tagging of sustainability information in the ESEF regulation or other European Union legislation.

Basis for Opinion

We performed the assurance of the group sustainability report as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Our responsibilities under this standard are further described in the Responsibilities of the Authorised Group Sustainability Auditor section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Authorised Group Sustainability Auditor's Independence and Quality Management

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The authorised group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorised sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Outokumpu Oyj are responsible for:

- the group sustainability report and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified,
- the compliance of the group sustainability report with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, and for
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability report that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Report

In reporting forward-looking information in accordance with ESRS, management of the Company is required to prepare the forward-looking information on the basis of assumptions that have been disclosed in the sustainability statement about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Responsibilities of the Authorised Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability report is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the group sustainability report.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability report, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.

- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for example the following:

- We interviewed the company's management and the individuals responsible for collecting and reporting the information contained in the group sustainability report at the group level to gain an understanding of the sustainability reporting process and the related internal controls and information systems.

- We familiarised ourselves with the background documentation and records prepared by the company where applicable, and assessed whether they support the information contained in the group sustainability report.

- We assessed the company's double materiality assessment process in relation to the requirements of the ESRS standards, as well as whether the information provided about the assessment process complies with the ESRS standards.

- We assessed whether the sustainability information contained in the group sustainability report complies with the ESRS standards.

- Regarding the EU taxonomy information, we gained an understanding of the process by which the company has identified the group's taxonomy-eligible and taxonomy-aligned economic activities, and we assessed the compliance of the information provided with the regulations.

- We performed a site visit to the company's site in Avesta, Sweden and interviewed persons responsible for the reporting process in Calvert, USA and Tornio, Finland.

Helsinki, February 25, 2026

PricewaterhouseCoopers Oy
Authorised Sustainability Auditors

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