

## **CRONIMET expands cooperation with Finnish stainless steel producer Outokumpu**

- **Outokumpu acquires 10 percent minority stake in CRONIMET North-East GmbH**
- **Strategic partnership to contribute to the decarbonization of stainless steel production.**
- **CRONIMET retains full operative control over North-East GmbH**

**Karlsruhe, November 7, 2023**

CRONIMET, world's market leader in stainless steel recycling, and Outokumpu, the world's leading supplier of sustainable stainless steel, are further expanding their strategic partnership. To this end, the Finnish stainless steel producer is acquiring a 10 percent stake in CRONIMET North-East GmbH, an intermediate holding company which directly and indirectly holds the shares in CRONIMET's northeastern European companies.

Outokumpu and CRONIMET are working together to optimize the raw material cycle: regionally processed scrap for the production and consumption of stainless steel in Europe.

"This partnership is another step towards achieving the sustainable development goals: a low carbon footprint in the production of stainless steel with regional scrap and through shorter transport routes to Outokumpu's stainless steel mills," says Jürgen Pilarsky, CEO of CRONIMET Holding GmbH.

In addition to supplying Outokumpu's European stainless steel mills with stainless steel scrap from CRONIMET's sites in northeastern Europe, the two companies have also agreed in this partnership to work together on innovation and research. Together they intend to work on technologies that contribute to the decarbonization of the stainless steel industry. The partnership also focuses on reducing costs through better planning on both sides and reducing waste within the supply chain.

"We are pleased to partner with CRONIMET as we share a common goal in terms of regional development - accelerating the circular economy in the Northeast European market area while paying attention to sustainability and CO2 reduction during transportation and stainless steel production," expressed Marc-Simon Schaar, Chief Procurement Officer at Outokumpu.

As a shareholder, Outokumpu acts as a strategic partner in CRONIMET's North-East Europe business, expanding the existing successful cooperation. CRONIMET retains full operational control over the participating companies of CRONIMET North-East GmbH. An expansion of the shareholding in CRONIMET North-East or an investment in other companies of the CRONIMET Group is not planned.

The completion of the transaction is subject to customary closing conditions and regulatory approvals by the competition authorities.

**About the CRONIMET Holding Group**

The CRONIMET Holding Group, headquartered in Karlsruhe, Germany, is a global specialist for stainless steel scrap and ferroalloys. The focus here is on returning metallic raw materials to the materials cycle through recycling and processing, thus contributing to the securing of raw materials and raw material efficiency. For more than four decades, the company has been supplying raw materials to the stainless steel producing industry. The CRONIMET Holding Group was founded in 1980 and is now present worldwide with more than 1500 employees at 68 locations.

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