

Outokumpu Oyj
News release
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Outokumpu moves forward with digital manufacturing

In line with its strategy for digital transformation, Outokumpu is moving forward with end-to-end digital manufacturing.

Outokumpu is aiming to fully digitalize its biggest factory in Tornio, Finland, transforming it into the most digitalized and most cost-competitive stainless steel operation in the industry by 2020. After Tornio, digital manufacturing is planned to roll out to Outokumpu's other production units internationally.

With digitalization of Tornio operations, Outokumpu aims to significantly reduce lead times to customers through step-change improvements in reliability, quality and supply chain management and to gain up to 100,000 tonnes of freed capacity from the existing production assets. The Tornio unit is already today the biggest, most efficient and most sustainable stainless steel factory in Europe, covering the entire production chain from mining and smelting to melting, hot and cold rolling and finishing of high demanding stainless steel products.

In a multi-year partnership with Microsoft, Outokumpu is building an industrial digital platform, Outokumpu Digital Platform (ODP), based on Microsoft Azure. During the first six months of 2019 the joint Outokumpu and Microsoft project team has created this platform, including first two concrete solutions, already expected to bring considerable improvements in quality performance for Tornio mill.

Says **Jan Hofmann**, EVP – Business Transformation & IT, Outokumpu: “The digitalization of our global production base is a core element of our must-win battle digital transformation. We are aiming for a step change in the manufacturing of stainless steel through artificial intelligence based process optimization, predictive maintenance and quality control. We have entered into a partnership with Microsoft to create a new benchmark for the digitalization of the process industry. The transformation of our biggest plant in Tornio by 2020 will create the future blueprint also for the subsequent digitalization of our remaining plants.”

“At this point in history, all businesses need to digitally transform to thrive, if not to survive. Building a digital mindset is key to develop new capabilities that draw new insights out of data and convert those to intelligent actions to drive new outcomes. By leveraging Microsoft's advanced cloud and AI technologies, Outokumpu is creating new business value, and serving their customers with faster deliveries and increased quality. Since the heart of every company is its culture, Outokumpu is addressing its change management holistically and empowering its workforce to succeed with data-driven decision making,” said **Çağlayan Arkan**, Global Lead Manufacturing & Resources, Microsoft.



Outokumpu's Jan Hofmann, EVP – Business Transformation and IT, Mac Gwozdz, President - Europe and Stefan Erdmann, SVP – Chief Technical Officer, met with Microsoft's Dragica Boca, General Manager, Enterprise Services Western Europe and Çağlayan Arkan, Global Lead Manufacturing & Resources, to discuss and sign the partnership agreement between Outokumpu and Microsoft.

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Outokumpu is the global leader in stainless steel. We aim to be the best value creator in stainless steel by 2020, through our competitive edge of customer orientation and efficiency. The foundation of our business is our ability to tailor stainless steel into any form and for almost any purpose. Stainless steel is sustainable, durable and designed to last forever. Our customers use it to create civilization's basic structures and its most famous landmarks as well as products for households and various industries. Outokumpu employs 10,000 professionals in more than 30 countries, with headquarters in Helsinki, Finland and shares listed in Nasdaq Helsinki.
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