



Extract from

Human rights guideline

**Adopted by the president and CEO of Luossavaara-
Kiirunavaara AB (publ)
February 18th 2021**



1. Introduction, purpose, scope

1.1. Introduction

As a state-owned company, LKAB has a duty to act in an exemplary manner in all markets, and this always includes respecting human rights. The requirements set out by the owner in the owner policy and arising from international guidelines on safeguarding human rights, and the efforts made by LKAB to be a sustainable Group as referred to in the Group strategy have been incorporated into this Group guideline.

1.2. Purpose

The purpose of this guideline is to support the work of effectively identifying and managing risks associated with direct and indirect infringements of human rights.

The guideline must ensure that real, potential or perceived limitations or negative effects on human rights are identified within the Group, in its value chain and in relation to the company's stakeholders. LKAB must also have a well-functioning process for managing and remediate identified impact.

The guideline also seeks to support communication according to law and ensure compliance with other requirements.

1.3. Scope

This group guideline applies to all LKAB Group employees. This also includes collaboration with business partners, and it applies throughout the value chain.

Furthermore, it includes work together with those stakeholders upon whom LKAB has the ability to exert an influence, both internally and externally. The stakeholders concerned are suppliers, customers, agents and other business partners. The degree of influence we are able to exert governs our level of responsibility.

2. Implementation and publication

2.1. Implementation

Human rights are included in employee training, and specific training for management teams shall be conducted.

Due diligence shall be carried out on an ongoing basis to identify, prevent, limit and report on LKAB's impact on human rights. Business area managers /chiefs of staff are responsible for identifying the impact on human rights annually, and at the start-up of new projects. Based on the results measures in accordance with this guideline shall be taken.

Risks linked to human rights are managed according to the risk management policy and identified risks are registered in LKAB's risk and deviation management system.

Identified risks and impacts are reported through the sustainability reporting system.

Guideline compliance is monitored through supplier sustainability audits and internal audits of the operations.

2.2. Publication

The policy document shall be published internally on the Group-wide pages in the business system and on LKAB's external website.

Every year, the Board issues a statement on modern slavery under Section 54 of the UK Modern Slavery Act, which explains how we make sure modern slavery and human trafficking do not occur in our business or supply chain, and what measures have been taken and planned. Publication takes place on LKAB's external website, in the annual and sustainability report and in accordance with instructions from UK Home Office.

3. Work on human rights

Respect for human rights is fundamental to the sustainability of our business. Our operations impact the society and environment, both in a positive and negative way. An important part of our work concerns balancing the impact we have on people and communities with a view to maximising the positive impact while reducing the negative as far as possible. The work shall be characterised by clarity, transparency and dialogue to satisfy stakeholder needs for information and insight.

A special focus is directed on the following areas, based on analyses of risks in the operations and with stakeholders:

- Impact on society from our operations
- Operations and production in risk countries
- Working conditions and safety

- Indigenous people
- Diversity and discrimination

The work must also include making sure that processes are in place to prevent modern slavery and human trafficking from taking place in our business and supply chain.

We strive not to buy any material containing conflict minerals that directly or indirectly favour the armed groups that contribute to significant human rights violations, e.g. in the Democratic Republic of Congo and neighbouring countries. We are also actively engaged in close collaboration with customers, suppliers and other stakeholders on best practices and viable solutions for the continued development of a responsible value chain.

We must not acquire materials that contribute to human rights violations and we expect the same behaviour from our suppliers, in compliance with our Supplier code of conduct.

Ongoing dialogue with stakeholders

LKAB is engaged in ongoing dialogue with stakeholders to better understand their concerns. Particular emphasis is placed on dialogues with the stakeholders who may be affected negatively, such as indigenous people and those who will be affected by land claims. The aim is to understand our impact on human rights and be aware of risks in order to take action.

Stakeholder might not always be aware of their rights and it is therefore important that LKAB inform about these where appropriate and not benefit from the other party's unawareness. In the dialogue, a language that both parties understand shall be used.

Measures

In cases where LKAB identifies a negative impact on human rights, or where there is an obvious risk, action is taken in accordance with an established process. The principle is to remediate the violated group/individual through cooperation and consensus. Relevant incidents, actions and follow-up of human rights work shall be reported in the annual sustainability report.

Where necessary, external expertise is consulted to ensure accurate, objective assessments.

4. Reporting guideline contraventions

Contravention of this Group guideline may be reported through the line organisation or to HR, the governing document manager or other appropriate business function. The contravention can also be reported via LKAB's whistleblower system SpeakUp, given that the nature of the contravention is in line with the purpose of the whistleblower system. (SpeakUp can be found at www.lkab.com).

5. Revision

This governing document shall be reviewed on an ongoing basis, at least annually, to ensure that it remains relevant to the organisation, has the intended effect, and that the LKAB Group is compliant. The human rights guideline must be submitted to the President and CEO annually for adoption.

This document is based on, monitored and revised using the following references, among others:

- The Universal Declaration of Human Rights (UDHR)
- International Covenant on Civil and Political Rights (ICCPR)
- International Covenant on Economic, Social and Cultural Rights (ICESCR)
- ILO Declaration on Fundamental Principles and Rights at Work
- UN Guiding Principles on Business and Human Rights (UNGPR)
- UN Global Compact
- Convention on the Rights of the Child
- Swedish Mineral Strategy
- GRI G4 Mining and Metals Sector Supplement
- International Council on Mining & Metals Sustainable Development Framework (ICMM)
- Children's Rights and Business Principles
- The Swedish Government Action Plan for Business and Human Rights

6. Further guidance

Anyone wishing to discuss interpretation, use or similar regarding this governing document may contact LKAB's Sustainability Department.