



CODE OF CONDUCT

LKAB GROUP

VERSION 4 2021



ABOUT THE CODE OF CONDUCT



The Code of Conduct applies to all employees and fixed-term employees, and describes how we at LKAB are to conduct ourselves – towards each other, towards our business partners and towards the community around us. It is based on our values and on our wish to set an example both in business and in the community. Acting ethically creates trust, which in turn paves the way for successful business operations and an inclusive corporate culture.

The Code of Conduct does not provide all the answers as to how individual employees shall act in different situations. Always use your common sense and let the questions below guide you in your decisions.

- Is it legal?
- Is it ethical?
- Can my decision affect trust and confidence in LKAB?
- How would I react if someone else did what I am doing?

We can all be confronted with difficult situations and there is not always an easy answer to what is the right course of action, so never hesitate to ask a colleague or manager if you feel unsure.



CONTENTS

| | |
|-------------------------------------|----|
| About the Code of Conduct | 2 |
| From the CEO | 4 |
| Our values | 6 |
| In the workplace | 8 |
| When we do business | 10 |
| Compliance with the Code of Conduct | 12 |
| General policies | 14 |



“ It is how we act in our day-to-day work that builds trust in LKAB.

WE ARE THE ONES WHO DECIDE HOW WELL LKAB DOES

Dear employee,

LKAB is one of Sweden's oldest industrial companies, and for more than a century has been an important cog in Swedish export industry and industrial development. Through our subsidiaries we have also expanded our minerals, services and engineering portfolio on the international market. With great commitment and a strong sense of responsibility we have worked to live up to the highest standards of responsible enterprise. And we will continue to do so!

As LKAB's CEO, I want to emphasize that it is through our actions in our day-to-day work that we build up the reputation and trust for which LKAB is known by our employees, owner, customers, suppliers and other stakeholders. Right from the start our work has focused on high quality, which has been possible thanks to all the skilled employees who together form the backbone of the LKAB Group. Our values – Committed, Innovative, Responsible – form the basis of our updated Code of Conduct. It applies to everyone within the LKAB Group, and I urge you as an employee to study the Code carefully and complete the training for the Code of Conduct.

In my meetings with you, our employees, I have found you very knowledgeable and keen to create the best conceivable conditions for the future. Together we must harness this potential. It is up to us to raise our sights and look at how we work and how we manage our business.

We are the ones who decide how well LKAB does. Together we make it possible for LKAB to go from good to best.



Jan Moström, President and CEO

OUR VALUES

LKAB's Code of Conduct is based on international guidelines and is reinforced by our values – Committed, Innovative and Responsible. The Code of Conduct provides a framework for how we should act and what those around us can expect of us.

General guidelines

LKAB's Code of Conduct is based on the following international guidelines:

- UN Global Compact
- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- Children's Rights and Business Principles

We condemn all forms of corruption and fraud and require transparency, integrity and honesty throughout our value chain, in all countries. Similarly, we dissociate ourselves from child labour, forced labour and working conditions that may be seen as harmful, offensive or downright dangerous.

INTERNATIONAL GUIDELINES

UN Global Compact

The UN Global Compact is an appeal to global commerce to embrace sustainable business methods. LKAB supports and abides by the Compact's ten principles for human rights, labour conditions and terms of employment, the environment and anti-corruption. Read more at www.unglobalcompact.org

Children's Rights and Business Principles (CRBP)

Children's rights are an important investment for the future. By safeguarding these rights we help build strong, well-educated societies that are crucial to creating a stable, all-embracing and productive business environment.

LKAB supports the Children's Rights and Business Principles (CRBP), also known as the Principles,

that were developed by the UN Global Compact, Save the Children and UNICEF and which are the first comprehensive guidelines for what companies can do in the workplace, the market and in the community to respect and support children's rights. Read more at www.childrenandbusiness.org

UN Guiding Principles on Business and Human Rights

LKAB abides by the recommendation unanimously adopted by the UN Human Rights Council in 2011. The recommendation is aimed at all states and all companies and takes the form of guiding principles concerning:

- the state's responsibility to protect the rights of individuals against infringement by private operators, including companies

- the responsibility of commerce to respect human rights
 - effective judicial recourse for individuals who consider their human rights to have been abused
- Read more at www.regeringen.se

OECD Guidelines for Multinational Enterprises

Countries adhering to the OECD guidelines encourage enterprises to follow the guidelines and make economic, environmental and social progress and to minimize the difficulties to which their various operations may give rise. The government collaborates with enterprises, trades unions and non-governmental organisations in these efforts.

The Swedish state and LKAB abide by the OECD guidelines. Read more at www.oecd.org



What customers and suppliers can expect of us

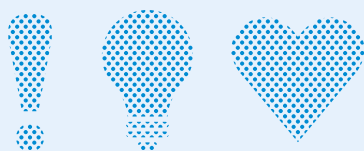
Our operations must be run with great integrity based on market conditions. Our customers can expect competitive, high quality products delivered with a limited impact on people, the environment and our surroundings. LKAB is a significant source of employment in

many of our operating locations and we conduct ourselves in a businesslike, professional and impartial manner in our relations with suppliers and contractors.

LKAB strives for long-term business relationships founded on trust and the mutual creation of value. Our Code of Conduct provides a framework for how we should act and what those around us can expect of us as a company.

We also make demands of our suppliers. Our Supplier Code of Conduct is based on our own code of conduct and contains several basic requirements regarding sustainability that every supplier shall accept in order to do business with us. The Supplier Code of Conduct is available in multiple languages. More information can be found on LKAB's external website.

OUR VALUES



Committed – Innovative – Responsible

LKAB's values form the basis of how the business is operated. By committed we mean that the performance of our customers is at the heart of everything we do. By innovative we mean that we emphasize creative thinking to drive improvements forward. By responsible we mean that we act for the long term, show respect and put safety first.

LKAB's CODE OF CONDUCT

The Code of Conduct applies to all employees and describes how we at LKAB are to conduct ourselves – towards each other, towards our business partners and towards the community around us.

IN THE WORKPLACE

LKAB seeks to be an attractive employer that contributes to equal opportunities and a stimulating, healthy working life. An inclusive culture within the organisation generates more innovative solutions and better products.

A safe and healthy work environment

Our workplaces shall be safe, injury-free and healthy. Employees have a shared responsibility to prevent work-related illness and injuries in accordance with the company's sustainability policy. LKAB is a drug-free workplace and we encourage our employees to have a healthy lifestyle. LKAB organizes local cultural, sports and family events for our employees. As an employee, you are also encouraged to stay fit and to participate in local club activities and to take initiatives that benefit community development.

Diversity and equality

Each employee adds to LKAB's diversity by contributing different skills, qualities, experiences and backgrounds. We believe that diversity and equality enhance the profitability of the business and make it a more attractive employer. This idea characterises our recruitment and the way we work. We will not tolerate discrimination against LKAB's employees on the grounds of age, gender, transgender identity or expression, religion or other belief, national or ethnic affiliation, sexual orientation or any impairment. Neither do we allow any kind of abuse, harassment or selective treatment, and we work actively to counter both

direct and indirect or unconscious discrimination. As an employee, you are encouraged to report any abuse or harassment to your line manager, safety representative or to the SpeakUp whistleblower system, where you can remain anonymous. Managers have a duty to take action in accordance with procedures in the business management system in the event of abusive discrimination and harassment.

In order to recruit and retain employees it is important that our workplaces are characterized by a positive view of parenthood and that this shall not form any kind of obstacle to a career within LKAB.

More information about LKAB's diversity guidelines can be found on the intranet.

Good working conditions

We offer our employees an attractive work environment with competitive terms of employment. Working for us means plenty of opportunities to develop and a good work/life balance. We believe that clear, supportive leadership is just as important as a committed, responsible workforce. This is to be achieved by means of well-defined roles and processes, and by you as an employee having the right skills and by your efforts being followed up continually.

Our external impact environment and climate

Environmental and climate work is considered in everything we do at LKAB. We take responsibility for minimising our environmental impact and will also work to encourage our contractors, suppliers and other stakeholders to take responsibility for their own operations.

Our goal is to achieve carbon-free processes and products by 2045, and gradually reduce our climate impact during the period up until that time, while improving our energy efficiency not only in every part of our operation, but also together with our suppliers and customers.



GUIDANCE IN THE WORKPLACE

- Carry out a 30-second risk analysis.
- Call attention to positive results achieved by employees and groups and always endeavour to treat everyone in a positive manner. Use performance reviews, workplace meetings and business planning to highlight possible improvements and changes that you realize could benefit you, your workplace and the whole of LKAB.
- Safety first! Your own health and that of your co-workers is the most important thing. Remind your colleagues to work safely and always use the right protective equipment.
- If everyone is the same, we are likely to all get stuck on the same problems; if people are different, we will solve them more easily!

GUIDANCE ON ENVIRONMENTAL CONDUCT

- In the event of an environmental incident such as an oil spill, as an employee you should firstly prevent further leakage, clean up and then always report environmental incidents in Synergi.
- To minimize risk, it is important to keep things in order.
- Use the environmental stations for waste management.
- When making purchases, remember to choose products offering high environmental standards.

WHEN WE DO BUSINESS

High levels of business ethics and a professional approach create trust in LKAB, which in turn lays the foundations for successful business operations.

The company's resources and information

We use the company's resources carefully. The company's resources are not there for personal use. We work actively on data security to ensure accessibility, accuracy, confidentiality and traceability. This encompasses the protection of business-critical information, stored data, company property and personal privacy. Ask your immediate manager if you are unsure whether information is confidential.

Taxes

At LKAB we have a clear responsibility to work in accordance with tax legislation and guidelines, both nationally and internationally. We do not use contrived tax structures intended for tax evasion. In our relations with tax authori-

ties we act transparently and provide insight into our business. To enable this, we shall secure relevant expertise and resources.

Secondary occupations

As an employee of LKAB, it is important that you do not have a secondary occupation that competes with our operations, affects our work or which may harm LKAB's reputation or put you in a position where your impartiality is jeopardised. Secondary occupations are to be assessed and discussed with your immediate manager.

Purchasing and choice of supplier

Here at LKAB we have routines that govern our purchasing. It is important for you, as an



employee, to follow these routines and use the appointed buyers. Our buyers assess the suppliers' business ethics and ensure that we have negotiated prices and terms of supply.

Conflicts of interest and bias

As an employee, you shall not deal with business matters or issues that involve your family, close relations or where you may be perceived as acting in your own interests or in the interests of those close to you. All employees are responsible for informing and advising their immediate managers and the purchasing department if there is a potential conflict of interest or potential for bias.

Entertainment, gifts and other benefits

LKAB works actively to prevent any kind of corruption. Bribes, hidden commissions and other illegal or unethical benefits are not permitted. We do not participate in any business activity that we cannot openly support. LKAB employees neither give nor accept inappropriate compensation in the form of gifts, services, travel or entertainment that could lead to their standing being called into question. Further information is available in the governing document that deals with entertainment, gifts and other benefits.

Sponsorship

LKAB works with active sponsorship. The sponsorship mainly supports culture, sports, research and academy-related matters as well as community involvement at LKAB's locations. Sponsorship management within Sweden and Swedish subsidiaries are handled by LKAB's sponsorship committee. For other countries, sponsorship is handled by the subsidiary's CEO.

GUIDANCE WHEN WE DO BUSINESS

- We respect the legislation in force in each country.
- As an employee, you never accept or proffer gifts, benefits or services or make other propositions that may call your impartiality or commercial professionalism into question.
- Our employees never exploit any advantage that their employment at LKAB may provide in respect of third parties.
- In the performance of their duties, our employees never accept offers or discounts from suppliers that are aimed at them as a private individual.
- We never get involved in projects or transactions that could result in us aiding or abetting corruption.
- We show restraint in all forms of entertainment, be we the host or the guest.
- We adhere strictly to the special requirements that apply to business relationships in the public sector.
- Gifts to the company are recorded in our gifts register via LKAB's Legal Director or the CEO of the subsidiary.
- When travelling on business you are representing LKAB and are expected to behave in a responsible manner.
- Entertainment and gifts are to be in accordance with the relevant legislation.
- We use materials, stock and equipment as well as company cars, service vehicles and leased vehicles in a sustainable way. We also take into account the environmental impact of using these resources.
- We incur expenses only if they are necessary for business purposes.

COMPLIANCE WITH THE CODE OF CONDUCT

LKAB's management has overall responsibility for the Code of Conduct. Together we all have a responsibility to comply with the Code and to report deviations and breaches.

Everyone has a responsibility to comply with the Code of Conduct

Every employee has a responsibility to comply with the Code of Conduct and with applicable laws, rules, guidelines and policies. Managers are responsible for the information being spread throughout the organization.

Managers have a particular responsibility to provide their staff with conditions that allow them to act in accordance with the Code of Conduct and to support their employees on ethical matters.

LKAB's management is responsible through the sustainability department for updating the Code of Conduct and for associated training.

Training via e-learning

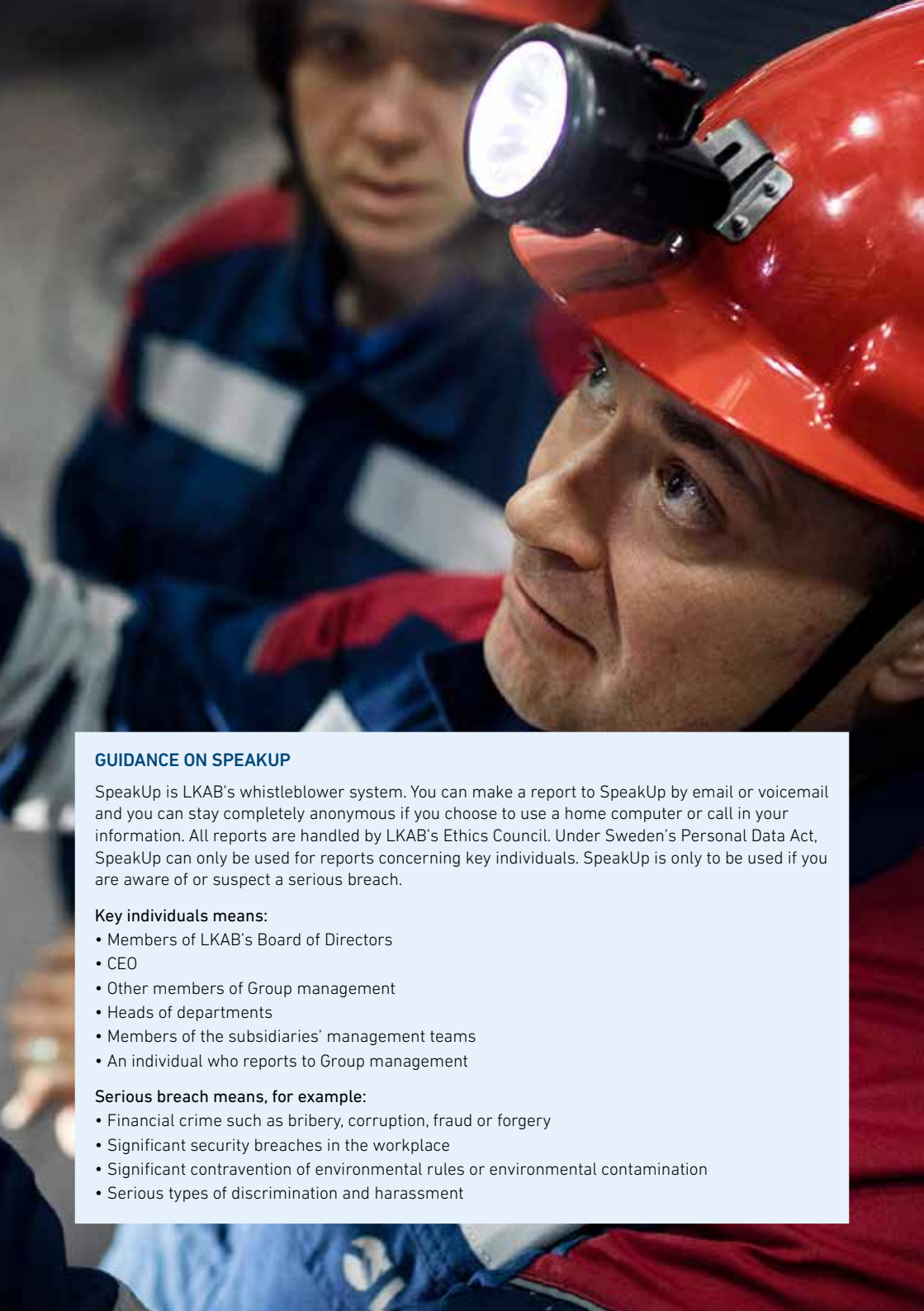
LKAB offers interactive training on the Code of Conduct. This is mandatory for all employees, including fixed-term employees, and is to form part of the induction process for all new employees. The training is available in Swedish, Norwegian and English and is also available as instructor-led training in other languages or where staff do not have a personal computer. All employees shall review the Code of Conduct at least once a year at the workplace.

Compliance and consequences

Disciplinary measures will be taken for any breaches or non-compliance. This may lead to consequences under labour law for the individual such as a warning, a report to the relevant authorities, or in extreme cases, dismissal.

Report breaches of the Code of Conduct via SpeakUp

All employees are urged to notify suspected breaches of the Code of Conduct so that LKAB is made aware of them in time and is able to remedy situations, methods and incidents that contravene our Code, policies, laws, rules and guidelines and risk damaging the company or our staff. In the first instance, the line organisation shall be used; in other words, reporting via your manager, his or her manager, Human Resources, Finance/Legal, the policy manager or other appropriate operational function. If you feel that your report is not being taken seriously or you are uncomfortable about notifying the suspected breach in the line organisation, you can use LKAB's whistleblower system SpeakUp, given that the nature of the breach is in line with the whistleblower systems purpose. Read more about the whistleblower function on the intranet. The system is also open for external reporting.



GUIDANCE ON SPEAKUP

SpeakUp is LKAB's whistleblower system. You can make a report to SpeakUp by email or voicemail and you can stay completely anonymous if you choose to use a home computer or call in your information. All reports are handled by LKAB's Ethics Council. Under Sweden's Personal Data Act, SpeakUp can only be used for reports concerning key individuals. SpeakUp is only to be used if you are aware of or suspect a serious breach.

Key individuals means:

- Members of LKAB's Board of Directors
- CEO
- Other members of Group management
- Heads of departments
- Members of the subsidiaries' management teams
- An individual who reports to Group management

Serious breach means, for example:

- Financial crime such as bribery, corruption, fraud or forgery
- Significant security breaches in the workplace
- Significant contravention of environmental rules or environmental contamination
- Serious types of discrimination and harassment

GENERAL POLICIES

LKAB is wholly state-owned by the Swedish government. Our owner's requirements and guidelines are summarized in the ownership policy for state-owned enterprises and our mission, vision and strategy form the framework for our business. Our values guide us all to act in a responsible way, in cooperation with our stakeholders and with confidence in our business environment. As part of the company's governance, LKAB's Board of Directors has adopted this Code of Conduct and a number of policies for the business.

OWNER'S REQUIREMENTS, MISSION, VISION, STRATEGY LKAB'S VALUES: COMMITTED - INNOVATIVE - RESPONSIBLE

Code of Conduct

Forms the basis for how each person within the Group should act towards internal and external stakeholders. LKAB's operations must be characterized by a high standard of business ethics and integrity.

Sustainability policy

LKAB's mission is to utilise iron ore and mineral resources in a responsible way and to secure lasting competitiveness and longterm value creation. Our goal is a business that is sustainable in the long term, in which diversity is an asset. We will get there through zero accidents and illness, by showing respect for human rights and by minimising negative impact and energy consumption.

Finance policy

Shall ensure that all the Group's financial risks are identified, reported and, where relevant, managed in accordance with the wishes of the Board and the company's executive management.

Insider policy

Shall ensure that LKAB manages insider information correctly and that insider trading does not occur.

Risk management policy

Describes how LKAB ensures the work with risk management within the group to create the best possible conditions for business to achieve their strategic goals. The organization need to have an understanding of and preparedness around how strategic risks must be identified, prioritized, managed and followed up.

If you would like to know more about the Code of Conduct or associated policies, search on our intranet or at www.lkab.com or contact the sustainability department.





WWW.LKAB.COM