



LKAB Modern Slavery Act and Transparency Act Statement 2023

This statement is made pursuant to section 54 (1) of the Modern Slavery Act 2015 and Transparency Act 2021-06-18-99 and constitutes the LKAB Group's slavery and human trafficking statement for the financial year ending 31 December 2023.

Approved by the Board of Directors of
Luossavaara-Kiirunavaara AB (publ)
on 13 February 2024



Introduction

LKAB's commitment to human rights includes those principles recognised in international human rights standards such as the Universal Declaration of Human Rights (UDHR) and the ILO core conventions of labour standards.

LKAB is committed to operating responsibly and establishing high ethical standards across our company. We will not tolerate any forms of slavery or human trafficking in our business.

The UK Modern Slavery Act of 2015 requires certain companies carrying out business in the U.K. to publish a statement each year describing the steps taken to ensure that modern forms of slavery and human trafficking are not taking place in the company's business operations and supply chains. Furthermore, the Norwegian legislation Transparency Act 2021-06-18-99 (Åpenhetsloven - Act on business transparency and work with basic human rights and decent working conditions) requires transparency for Norwegian businesses.

In this Modern Slavery Act Transparency Statement, we describe our business and our policies and practices on human rights including human trafficking, in relation to our operations and supply chains.

Concerns regarding human rights can be reported to our open whistleblowing channel, SpeakUp on www.lkab.com

Our business

Luossavaara-Kiirunavaara AB (publ), which is abbreviated LKAB, is an international high-tech mining and minerals group that mines and upgrades the unique iron ore of northern Sweden for the global steel industry. LKAB is also a growing supplier of minerals for other industrial sectors. Other group business includes drilling systems, rail transport, rockwork services and property management. We are one of Sweden's oldest industrial companies and are wholly owned by the Swedish state. Sustainability is core to our business and our ambition is to be one of the industry's most innovative, resource-efficient, and responsible companies.

Most of our iron ore products are sold to European steelworks. Other important markets are the Middle East, North Africa, Asia and the USA. The Group employs about 5200 people in 12 countries.



Our structure

LKAB is structured into two business areas. The Business Area Iron Ore consists of mining and processing of iron ore products in Kiruna, Malmberget and Svappavaara, including logistics and ports in Northern Sweden and Norway. The operations in Norway LKAB Norge AS and LKAB Malmtrafikk AS employs about 200 people. The companies' main activities are port and train operations. The Business Area Special Products is active in 11 countries within the areas of industrial minerals, and mining and construction products and services. LKAB Minerals Ltd. in the UK is part of the Special Products Business Area and has business across eight sites and employs around 250 people. The main operations are processing and marketing of minerals, primarily for the building, construction, polymer, coating, agriculture, refractory and foundry industries.

www.lkab.com; www.lkabminerals.com

Our policies

One of LKAB's governing documents is our Code of Conduct which reflects our commitment to the highest ethical standards. 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, but also what those around us can expect of us as a company. It is based on international guidelines and is reinforced by our values - Committed, Innovative and Responsible and on our wish to set an example both in business and in the community. We strive for long-term business relationships founded on trust and the mutual creation of value. Acting ethically creates trust, which in turn paves the way for successful business operations.

The Code of Conduct covers a wide range of topics relevant to the protection of human rights, including harassment and discrimination, workplace violence, protecting employee privacy, anti-bribery and anti-corruption.

LKAB offers an interactive training on the Code of Conduct. The training is available in Swedish, Norwegian and English and as instructor-led training in other languages. In addition, supervisors and managers are encouraged to raise issues concerning sustainability, ethics, follow-up on the Code of Conduct, policies and other steering documents at meetings with their co-workers.

Besides the Code of Conduct, LKAB has other formal policies and governing documents intended to promote ethical and legally compliant



business conduct. Policies and governing documents contributing to our commitment to prevent violations of human rights in our business include:

- Sustainability policy
- Risk management policy
- Human rights guideline
- Anti-corruption guideline
- Purchasing guideline
- Human resources guideline
- Safety first guideline
- Supplier Code of Conduct
- Whistleblower system, SpeakUp

In accordance with our Sustainability policy and Human rights guideline, LKAB shall take responsibility for preventing and minimising any negative impact on human rights. To ensure awareness and progress in this work, risk mapping of the organisation is done. The results indicate that LKAB is already working on the areas where the greatest identified risks are found.

LKAB continues to monitor relevant legal developments throughout the world relating to human rights and will also focus on modern slavery to maintain LKAB's commitment to operating responsibly and maintaining our high ethical standards across the company. Respect for human rights is non-negotiable.

We support Agenda 2030 and the UN's Sustainable Development Goals and conduct various activities to contribute to achieving the 17 goals. As a signatory member of UN Global Compact, we are committed and continue to support the ten principles in the areas of Human Rights, Labour, Environment and Anti-Corruption.

We strive not to buy any material containing conflict minerals that directly or indirectly favor the armed groups that contribute to significant human rights violations, e.g. in the Democratic Republic of Congo and neighboring countries.

Our supply chain

LKAB is committed to ensuring modern forms of slavery and human trafficking are not present in our supply chains. We expect businesses, companies, and other entities that provide, or seek to provide, any kind of product or service to LKAB, including our suppliers and contractors to respect human rights and promote similar principles in their own supply chains. LKAB is a significant buyer with about 5800 suppliers in various sectors. Just over half of purchasing consists of contract work, transport and logistics. A further significant part consists of purchases of equipment,



raw materials, minerals and chemicals, as well as various types of services. LKAB's suppliers can be found in 35 different countries, mostly in Sweden and Norway, but also in other parts of Europe, USA and Asia.

Our ambition is to work with suppliers that are exemplary within sustainable business and that value chains are run efficiently with resources focused on increased responsibility towards Agenda 2030.

LKAB Supplier Code of Conduct outlines that we condemn all forms of corruption and fraud, and demand openness, integrity and honesty in all parts of our business operation in every country. In the same way, we clearly repudiate child labour, forced labour and working conditions that can be viewed as harmful, abusive or directly hazardous.

LKAB has frequent dialogue with suppliers and conducts audits and due diligence as well as providing trainings on selected suppliers that are considered to have a higher risk based on, among others, geography, industry, sanctions and business-critical risk. Suppliers with a higher risk level also complete a self-assessment based on our Supplier Code of Conduct before an audit is carried out.

Our review is tailored to the type of supplier and the activities the supplier will be performing for LKAB, and may include background screening, sanctions screening, or review of anti-bribery controls, for example.

Our sourcing team

Purchasing activities are coordinated across entities and follow a common process where cost-efficiency and sustainability are the guiding principles. The process contains of different steps: source, procure, evaluate and develop suppliers. In the sourcing phase we identify, qualify and approve new suppliers based on the LKAB Supplier Code of Conduct and risk analysis. If we decide to move on with the supplier, we ask them to take part of the LKAB Supplier Code of Conduct and complete a self-assessment before we conduct an audit. Our process includes continuous follow-up to evaluate and monitor supplier performance. It also includes to develop suppliers who does not comply fully with LKAB's requirements but still is considered to add value and show ambitions to improve.

Through cooperation we strive to develop a sustainable supply chain. The way we work with our suppliers to uphold human rights is set in our Supplier Code of Conduct. We expect our suppliers to adhere to our Supplier Code of Conduct and to conduct their business in accordance with the law and ethical manner, which includes adopting business practices that prevent modern slavery and human trafficking from taking place within their supply chain.

In cases where the audit results are not according to our standards, we have formed joint development programmes together with our suppliers, such as trainings within health and safety and working conditions. If objectives have not been met and no good reason is given, the relationship has been cancelled, or the supplier has been suspended until improvements are shown.

The status today is that all suppliers of LKAB must approve our basic requirements in order to be able to supply products and services to us. The basic requirements are part of the Supplier Code of Conduct and consists of the requirements where we have zero tolerance. Furthermore, our mineral suppliers in high-risk areas have signed LKAB's Supplier Code of Conduct, as well as most of our mineral suppliers in mid or low-risk areas. All high-risk mineral suppliers and key logistic suppliers have also been audited and trained.

A purchasing office is localised in Shanghai. The local presence enables to manage risks in the supply chain. Furthermore, this facilitates supporting suppliers when it comes to work conditions, health and safety, environment and ethics.

Actions

Carried out actions during 2023

- Internal Procurement Board formed for an effective governance of sustainability matters in the supply chain.
- Groupwide Anticorruption program started with basic anticorruption training for all employees through nano learning.
- Annual supplier day in China with focus on sustainability. Supplier days have also been carried out at the Swedish mining sites.
- 38 supplier site audits have been conducted, whereof 18 in China.
- Supplier trainings with focus on human rights have been carried out, on two occasions in China.
- Ongoing dialogue with suppliers on our sustainability requirements in the supply chain.
- The audit process within Special Products division has been expanded with a procedure on conflict minerals and a checklist originating from the Responsible Mining Initiative.
- Daily work has been aligned with new amendment of Chinese law enforcement on women's protection and forced labor:

- Included women's right into its sustainability audit checklist, to follow the law enforcement and to encourage the supplier how they continually can improve organizational culture with the purpose that no allowances should be made for discriminatory actions.
 - Developed conflict minerals working procedure, preventing the extraction and trade of minerals within LKAB's value chain from becoming a source of conflict, human rights abuses, and security risk.
- A process for Supplier Onboarding including initial risk assessment and control has been developed.

Planned actions for 2024

- Continue the process on Supplier Onboarding.
- Prepare for alignment of the due diligence process with the new Corporate Sustainability Due Diligence Directive.
- Develop and perform anti-corruption training for positions exposed to risk.
- Annual supplier day in China with focus on sustainability.
- Implement the expanded auditing process on conflict minerals to the business area Iron Ore.

Reporting

LKAB is committed to transparency in our approach to respecting human rights. We report publicly on our progress, including through this annual Modern Slavery Act Transparency Statement.

This statement was approved on 13th of February 2024, by the Board of Directors.

Date 21/02/24



Jan Moström
President and CEO

