

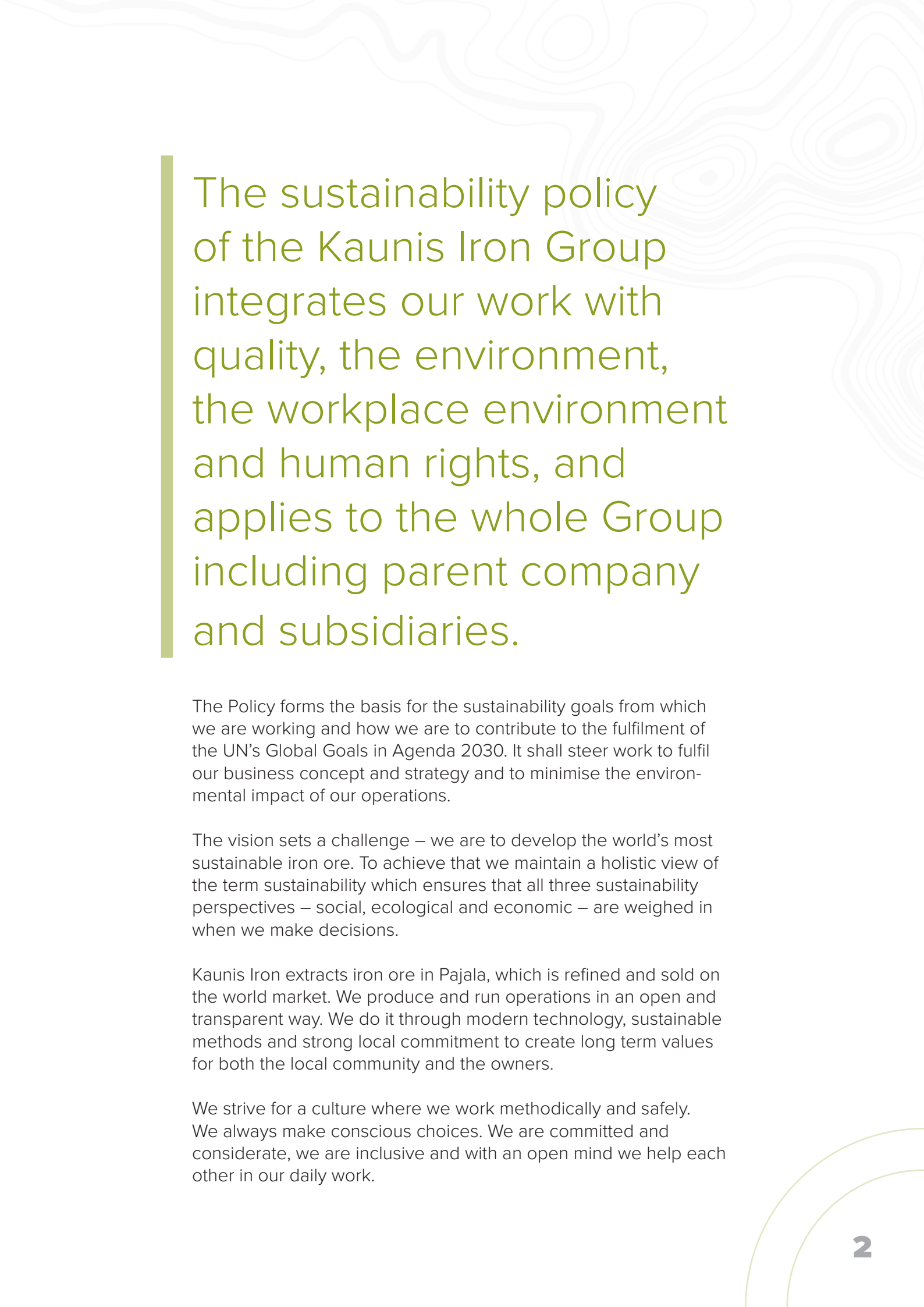
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Approved by the Board of Management,
Kaunis Iron Group.

Sustainability policy 2022



**KAUNIS
IRON**



The sustainability policy of the Kaunis Iron Group integrates our work with quality, the environment, the workplace environment and human rights, and applies to the whole Group including parent company and subsidiaries.

The Policy forms the basis for the sustainability goals from which we are working and how we are to contribute to the fulfilment of the UN's Global Goals in Agenda 2030. It shall steer work to fulfil our business concept and strategy and to minimise the environmental impact of our operations.

The vision sets a challenge – we are to develop the world's most sustainable iron ore. To achieve that we maintain a holistic view of the term sustainability which ensures that all three sustainability perspectives – social, ecological and economic – are weighed in when we make decisions.

Kaunis Iron extracts iron ore in Pajala, which is refined and sold on the world market. We produce and run operations in an open and transparent way. We do it through modern technology, sustainable methods and strong local commitment to create long term values for both the local community and the owners.

We strive for a culture where we work methodically and safely. We always make conscious choices. We are committed and considerate, we are inclusive and with an open mind we help each other in our daily work.

Our sustainability work is based on our own norms and values:



With **RESPECT** for the environment, people and our partners.



With **COMMITMENT** we always do what the work requires: for each other and for safety.



With **CURIOSITY** we explore, we work for progress, we want more.

By keeping our sustainability work completely integrated in our business plan we ensure that the work is firmly rooted and operated by top management, and is present in day-to-day operations and amongst our employees. All employees shall know our policies and goals, and how they can contribute to achieving the goals.

Our certified, integrated management system¹ for quality and the environment ensures that we work with continual improvement in all areas of our operations. In that way we constantly build knowledge and raise awareness among our employees and cooperation partners.

1) In accordance with the requirements of ISO9001:2015 and ISO14001:2014



Social sustainability

With respect for human rights, cultures, customs and values, Kaunis Iron wishes to take responsibility for our employees and our local community as well as society in general. We have a clear influence on the local community, where we are a major employer and a large company buying large quantities of goods and services year on year. Our commitment to social sustainability means that:

- The safety of our employees takes highest priority. Nobody shall risk injury at work.
- We strive to recruit locally and create a workplace of equality, including gender equality, where diversity is seen as a strength.
- We are completely open and transparent in our operations, to build trust and acceptance for our operations among our stakeholders. For that reason, among other things we run collaboration groups with our local stakeholders and have regular contact with the local community through personal meetings, our newspaper and digital channels.
- We support local associations through our sponsorship programme.



Ecological sustainability

Environmental work and the transition to a fossil-free and climate-neutral society are always in focus in our sustainability work. It is not possible to extract ore without an impact on the environment, and an open-pit mine affects nature in a drastic way. The operations claim large land areas and thus also affect areas of valuable nature. We have a big responsibility to prevent and minimise environmental impact and improve our use of resources in accordance with principles on re-use and the circular economy. Our commitments within ecological sustainability mean that:

- We comply with all legislation, granted permits and other binding requirements that govern our operations.
- We contribute to the fulfilment of global, national and local environmental goals.
- We take responsibility for, and play an active role in, the work with the major environmental issues of our time by working towards fossil-free mining operations and contributing to increased biodiversity in the areas where we operate, among other things through the restoration of fens.



Economic sustainability

It is important for us as a company to take responsibility for a long-term secured business economy. We shall not be driven by short-term interests, but will work for something truly lasting for Pajala, the region and Sweden. Our commitments in economic sustainability mean:

- Compliance with relevant legislation and ensuring good business ethics.
- To work for long term stable operations through financial strength and a strong cash position to manage economic downturns.
- To be an engine for local business and create growth and diversification, and to build skills in the business community through local purchasing.
- To offer sustainable and competitive iron ore concentrate on the world market.
- To be a responsive and trustworthy business partner that keeps its promises and lives up to our customers' demands and expectations.





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