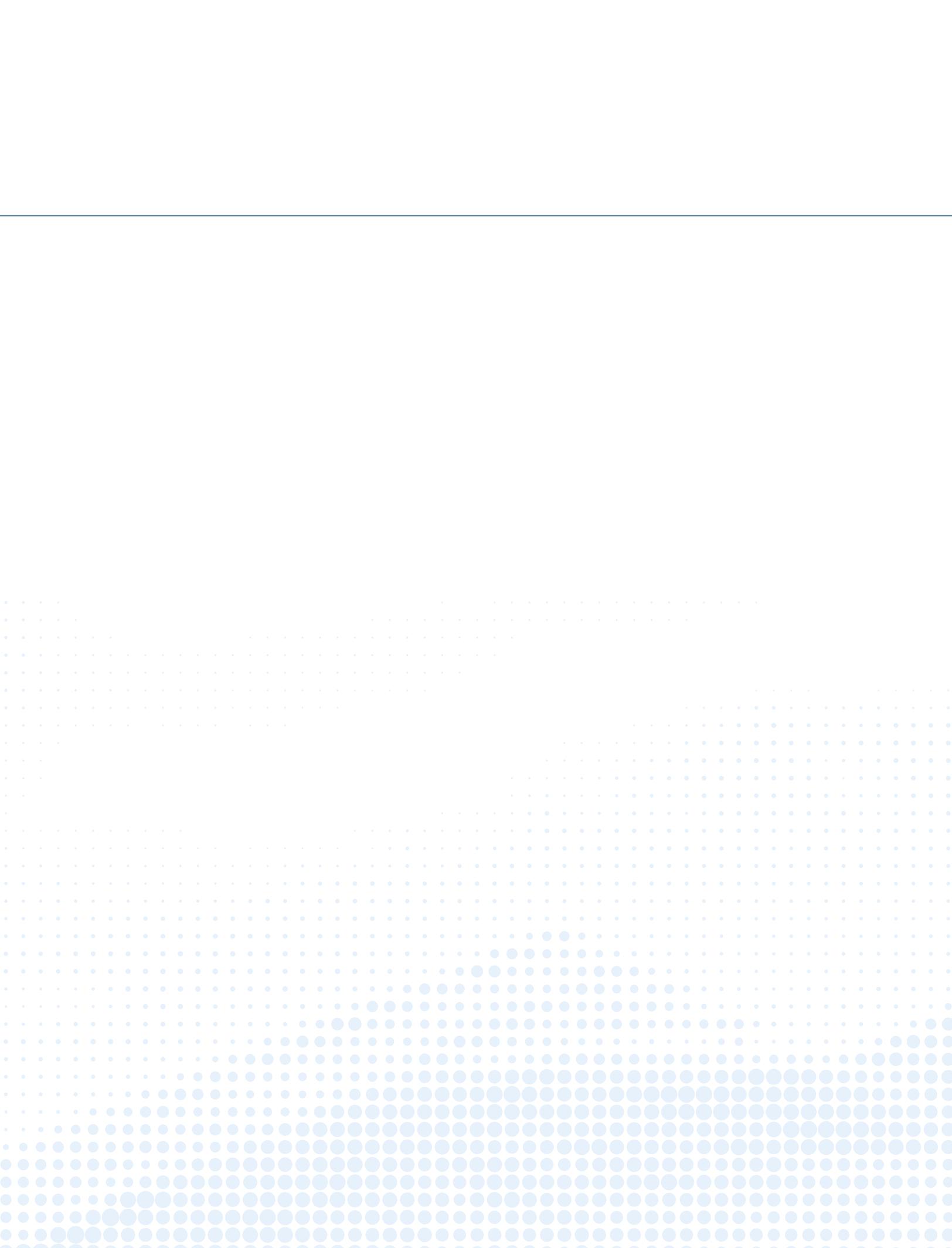




GRI APPENDIX TO
ANNUAL AND SUSTAINABILITY REPORT
2015



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LKAB SUSTAINABILITY REPORT

2015 – GRI APPENDIX

LKAB reports its sustainability efforts in accordance with the Global Reporting Initiative's (GRI) guidelines for sustainability reporting, GRI G4. The following appendix contains additions and clarifications to LKAB's Annual and Sustainability Report. The sustainability aspects included in the report are based on LKAB's material issues.

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MM = Metals and Mining Sector Specific Disclosures

● = Incomplete information. See pages 6 – 19 for information.

ABOUT LKAB'S REPORTING AND GRI APPENDIX

LKAB's Annual and Sustainability Report contains descriptions of targets, strategies and the performance of the operations from a financial and non-financial perspective. The report has been prepared in accordance with the G4 principles of the framework for sustainability reporting, issued by GRI, the Global Reporting Initiative, and the Mining and Metals Sector Supplement (MM).

LKAB's reporting provides information to many different stakeholders, which places demands on accessibility and clarity. The issues defined as material for LKAB and the stakeholders, are reported in the sustainability report in the form of descriptions and reporting of data.

INDEX	DESCRIPTION	PAGE
DMA	Emissions	Appendix
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G4-EN24 + MM	Total number and volume of significant spills	39, Appendix
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DMA + MM	Employment	Appendix
G4-LA1	Total number and rates of new employee hires and employee turnover	81, Appendix
DMA + MM	Occupational Health and Safety	Appendix
G4-LA6 + MM	Injuries, occupational diseases, lost days, absenteeism and work-related fatalities	50-51, 81, Appendix
DMA	Diversity and Equal Opportunity	Appendix
G4-LA12	Diversity among the Board, Group management and workforce ●	51, 57, 62, 64, 81, Appendix
DMA	Supplier Assessment for Labour Practices	Appendix
G4-LA15	Assessment of labour practices in the supply chain	30, Appendix
DMA	Labour Practices Grievance Mechanisms	Appendix
G4-LA16	Reported grievances about labour practices received and addressed ●	Appendix

Some of the GRI indicators require more detailed reporting of accounting principles and processes than just description of strategies and results. LKAB reports on these GRI indicators in this GRI appendix and on certain standard disclosures according to GRI, as well as providing a disclosure on the management approach for material aspects.

A GRI index is available in the Annual and Sustainability Report, and in the appendix. Any omissions are highlighted and described in this appendix. The GRI index refers to both the Annual and Sustainability Report and to the appendix.

In 2015 LKAB implemented changes in the organization, with impacts on the roles and responsibilities with respect to different sustainability areas. The descriptions in this appendix are aligned with the new organization and its roles and responsibilities, which entered into force on 1 January 2016.

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DMA + MM	Indigenous Rights	Appendix
G4-HR8	Incidents of violations of rights of indigenous peoples	79, 80, Appendix
MM5	Total number of operations taking place in or adjacent to indigenous peoples' territories	41, 43, Appendix
DMA	Human Rights Assessment	Appendix
G4-HR9	Operations that have been subject to human rights reviews or impact assessments	30, 80, Appendix
DMA	Supplier Human Rights Assessment	Appendix
G4-HR11	Human rights impacts in the supply chain	30, Appendix
DMA	Human Rights Grievance Mechanisms	Appendix
G4-HR12	Reported grievances about human rights received and addressed ●	Appendix
	Society	
DMA + MM	Local Communities	Appendix
G4-SO2	Operations with significant actual or potential negative impacts on local communities	45-47
MM6	Land use disputes with local communities and indigenous peoples	79
DMA	Anti-corruption	Appendix
G4-SO5	Incidents of corruption	52
DMA	Grievance Mechanisms for Impacts on Society	Appendix
G4-SO11	Reported cases regarding community impact received and addressed	Appendix
	Resettlement	
MM9	Households resettled, and effect on their livelihoods	45-47
DMA	Closure Plan	Appendix
MM10	Operations with closure plans	37, 69
DMA	Emergency Preparedness	36-37, 84, Appendix

STANDARD DISCLOSURES

ORGANIZATIONAL PROFILE

G4-10 Description of total workforce, G4-11 Percentage of workforce covered by collective bargaining agreements

General information about LKAB's employees is available in the Annual and Sustainability Report, page 80 and in note 6 on pages 106–108. The report is supplemented in the appendix on the coverage of collective bargaining agreements. LKAB had 4,463 employees (on average) during the year, including part-time and temporary employees. LKAB's permanent employees are primarily located in Sweden (4,074 employees), Norway (210 employees) and the United Kingdom (166 employees). All employees in Sweden and Norway are covered by collective bargaining agreements, with the exception of Group management.

Omission: G4-10 Number of employees by gender is reported for the Group. This deviates from the required breakdown of workforce by gender and region.

G-14 Application of precautionary principle

Compliant with Swedish environmental legislation and as part of LKAB's environmental management system, and for the purpose of identifying and preventing adverse environmental consequences, LKAB performs mandatory risk analyses that take the precautionary principle into account. The environmental management system is certified to the environmental management standard ISO 14001.

Companies certified to ISO 9001 Quality Management Systems and ISO 14001 Environmental Management Systems:

- LKAB
- LKAB Berg & Betong AB
- LKAB Mekaniska AB
- LKAB Kimit AB
- LKAB Malmtrafik AB
- LKAB Malmtrafikk AS

Companies certified to ISO 50001 Energy Management Systems:

- LKAB
- LKAB Malmtrafik AB
- LKAB Malmtrafikk AS

G4-15 External charters, principles and initiatives

United Nations Global Compact – LKAB is not a formal signatory to the Global Compact, but strives to act in accordance with the ten principles of the Global Compact. This is expressed for instance in the Group's Code of Conduct and the Supplier Code of Conduct.

UN Guiding Principles on Business and Human Rights – LKAB strives to comply with the international guidelines, which are expressed in the Group's Code of Conduct as well as in the Supplier Code of Conduct.

GRI (Global Reporting Initiative) – Since reporting year 2008 LKAB has applied the GRI's sustainability reporting guidelines in accordance with the directive from the owner. As of reporting year 2014 LKAB applies the new version G4, complemented with the Mining and Metals Sector Supplement.

GruvRIDAS – LKAB works on dam safety in accordance with the (Swedish) industry association SveMin's guidelines for dam safety, GruvRIDAS. The guidelines regulate matters such as the scope and range of supervision and control of dams.

OECD's Guidelines for Multinational Enterprises – LKAB strives to comply with the international guidelines that are expressed in the Group's Code of Conduct and in the Supplier Code of Conduct.

REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) – LKAB is covered by the EU regulation that regulates chemical substances. The majority of the products LKAB manufactures, those that are chemically modified, were registered before November 2010. Other products that LKAB sells are naturally occurring minerals that are exempt from registration under REACH. Before products are acquired by LKAB, they are approved via the Chemicals Inspectorate which, among other things, performs a check against REACH. Each department manager is responsible for making regular legal compliance checks and thereby ensuring that chemicals legislation is being observed.

UNICEFs Children's Rights and Business Principles – LKAB requires compliance with the international children's rights principles in the Supplier Code of Conduct.

G4-16 Memberships of associations

Euromines – The European association for the mining industry.

Jernkontoret – The industry association of the Swedish steel sector, where LKAB participates actively in the environmental committee.

SveMin – The industry association of the mining sector in Sweden. Employer issues are dealt with in the Mining Employers' Association Gruvornas Arbetsgivareförening (GAF).

SNS (Studieförbundet Näringsliv och Samhälle) – Network for sustainable development.

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-18 Process for defining report content

During 2015 LKAB worked on a materiality analysis based on earlier work. The materiality analysis provides decision support for the sustainable development strategy and sets the boundaries for the content of the sustainability report. The report is in accordance with the GRI's principles and requirements for the G4 Core option. LKAB has long been working to integrate sustainability issues into its operations and, in so doing, contributes to sustainable development. In 2012 LKAB's Board of Directors approved the first group-wide sustainable development strategy. The strategy was based on a previously conducted materiality analysis and reflected the economic, social and environmental responsibilities. The strategy defines four focus areas – Attractive LKAB, Attractive Communities, Responsible Operations and Resource-efficient Production. The work within the focus areas was conducted with the aim of achieving the agreed objectives. The targets are reported on page 5 in the Annual and Sustainability Report.

Principles of materiality analysis

The material issues are defined using the GRI principles of:

- sustainability context
- stakeholder inclusiveness
- materiality
- completeness.

LKAB is facing a number of challenges and the internal stakeholders, with deeper insight into LKAB's operations, consider the general sustainability aspects from this perspective. Access to land is one example of a significant sustainability issue for LKAB that is not directly captured by the GRI aspects. In line with the GRI principles, LKAB has decided to consider access to land as an aspect and describe the challenges for the company, even if there are no corresponding GRI indicators.

Identification of material aspects

The process of identifying the material aspects comprises three steps: business intelligence, stakeholder analysis and internal identification. Based on the results of the materiality analysis, certain issues, such as 'access to land' and 'human rights' have gained more weight in the analysis and in the sustainability report. Other issues such as 'transport' and 'environmental investments' are not requested by internal or external stakeholders and are therefore not reported on. Such issues are addressed in the category of 'monitor and consider' as defined below, or removed as material aspects in the report. The internal work on issues related to aspects that are no longer actively communicated in the report continues. Since the information has not been requested and as LKAB considers the governance of the issues to work well, other issues have been prioritized. As a result of the annual review some aspects have been merged. 'Supplier work safety' has been merged with 'responsible sourcing', 'upcoming legislation' has been merged with 'compliance with legislation and environmental permits', 'reindeer herding interests' has been changed to 'interests of Sami villages' and 'impact and cooperation with the local community' has been added to 'urban transformation'. 'Land access' has been defined as an aspect – even if there is no corresponding GRI indicator.

Business intelligence – Sustainability issues that are essential to stakeholder trust and the company's ability to contribute to sustainable business are identified through broad and continuous business intelligence. This is based on:

- Identification of best practices for sustainable business in general, and for the industry in particular.
- Benchmarks, including issues identified as material by competitors and industry colleagues, in Sweden and globally.
- Standards based on international initiatives and management systems. In this year's materiality analysis, a mapping of the UN Sustainable Development Goals has been included to link LKAB's sustainability work to the global objectives.
- Areas and issues raised by the media, related to LKAB and the industry.

Stakeholder dialogue – Based on observations and conclusions from LKAB's business intelligence, continuous dialogue takes place with LKAB's stakeholders to identify issues and expectations, as well as to validate the ongoing work and priorities. In October 2015, LKAB initiated a stakeholder dialogue in which an external party conducted dialogues with 9 stakeholder groups, including 14 telephone interviews and two workshops regarding LKAB's responsibilities, and the challenges and opportunities related to sustainability. Read more in Stakeholder relations.

Internal identification – The identification of material issues or aspects; the internal risk management process considers the continuous process of evaluation and follow-up against our targets and our corporate strategies.

Prioritization of material aspects

LKAB applies an external and an internal perspective to prioritize material aspects:

External: The perspective is based on the issues that stakeholders in various dialogue forums highlight as prioritized. The dialogues also validate the ongoing work and priorities. They form the basis for an internal assessment of stakeholder priorities.

Internal: The perspective is based on the issues that constitute LKAB's impact on sustainable development. LKAB also considers the manner in which the company can influence the issue; the importance of the business model being sustainable; and the importance of the business model to creating value. An aspect that has a major impact on sustainable development can get a lower materiality classification if LKAB's procedures and governance are adequate. For example, the external perspective indicates that LKAB performs well on energy issues, while LKAB has identified clear potential for improvement in respect of energy. Correspondingly, stakeholders believe that LKAB's work on biodiversity can be improved, while LKAB's assessment is that management, procedures and monitoring are in place.

- The basis for prioritization from the internal perspective is LKAB's customer promise, Performance in Ironmaking.
- LKAB's corporate strategy governs how resources are distributed, processed and managed – the mineral resources LKAB depends on, human capital, innovations and capital assets, financial capital and relations with the world around us.

Validation of the materiality analysis

LKAB validates the prioritized aspects annually with internal stakeholders and checks them against any surveys conducted, such as SIFO surveys and employee surveys. Stakeholder feedback on the Sustainability Report can take place at any time during the year and is used in the internal validation process.

Boundaries

The boundaries of LKAB's responsibility are described for each material aspect in the GRI appendix in the section Specific standard disclosures. This specifies whether the aspect is material within the organization (LKAB Group) or outside it (any part of our value chain).



IDENTIFIED MATERIAL ASPECT	GRI ASPECT	G4 INDICATOR	DESCRIPTION OF INDICATOR
Responsible purchasing	Supplier Environmental Assessment	G4-EN33	Environmental impacts in the supply chain
Responsible purchasing	Supplier Human Rights Assessment	G4-HR11	Human rights impacts in the supply chain
Responsible purchasing	Supplier Assessment for Labour Practices	G4-LA15	Impacts of labour practices in the supply chain
Anti-corruption	Anti-corruption	G4-S05	Incidents of corruption
Work environment, health and safety	Occupational Health and Safety	G4-LA6 + MM	Injuries, occupational diseases, lost days, absenteeism and work-related fatalities
Biodiversity	Biodiversity	G4-EN12 + MM	Significant impacts of activities, products, and services on biodiversity
Biodiversity	Biodiversity	MM2	Sites requiring biodiversity management plan
Economic/financial performance	Economic performance	G4-EC1 + MM	Direct economic value generated and distributed + compliance with EITI
Economic/financial performance	Economic performance	G4-EC3	Coverage of the organization's defined benefit plan obligations
Energy use	Energy	G4-EN3	Energy consumption within the organization
Energy use	Energy	G4-EN5	Energy intensity
Energy use	Energy	G4-EN6	Reduction of energy consumption
Compliance with the terms of environmental permits and legislation	Compliance, Environmental	G4-EN29	Significant fines and other sanctions due to non-compliance with environmental laws and regulations
Management of views on environment and society	Environmental Grievance Mechanisms	G4-EN34	Number of grievances about environmental impacts filed and addressed
Management of views on environment and society	Human Rights Grievance Mechanisms	G4-HR12	Number of grievances about human rights filed and addressed
Management of views on environment and society	Labour Practices Grievance Mechanisms	G4-LA16	Number of grievances about labour practices filed and addressed
Management of views on environment and society	Grievance Mechanisms for Impacts on Society	G4-S011	Number of grievances about impacts on society filed and addressed
Emergency preparedness	Emergency Preparedness	MM G4-DMA	Emergency preparedness
Employees and employment types	Employment	G4-LA1	Total number of employees and employee turnover
Environmental emissions	Emissions	G4-EN15	Direct carbon dioxide emissions
Environmental emissions	Emissions	G4-EN16	Indirect carbon dioxide emissions
Environmental emissions	Emissions	G4-EN21 + MM	NOx, SOx and other significant emissions to air
Environmental emissions	Effluents and Waste	G4-EN24 + MM	Total number and volume of significant spills
Environmental emissions	Effluents and Waste	MM3	Total amounts of overburden, rock, tailings, and sludges and their associated risks
Diversity and non-discrimination	Non-discrimination	G4-HR3	Incidents of discrimination
Diversity and non-discrimination	Diversity and Equal Opportunity	G4-LA12	Diversity among the Board, Group management and workforce
Human rights	Human Rights Assessment	G4-HR9	Operations that have been subject to human rights reviews or impact assessments
Closure plan	Closure Plan	MM10	Number and percentage of operations with closure plans
The product's environmental benefits	Products and Services	G4-EN27	Environmental impact mitigation of products and services
Impact on employment and infrastructure	Indirect Economic Impact	G4-EC8	Significant indirect economic impacts
Resource-efficient use of raw materials	Materials	G4-EN1	Materials used by weight or volume
Interests of Sami villages	Indigenous Rights	G4-HR8	Incidents of violations of indigenous peoples' rights
Interests of Sami villages	Indigenous Rights	MM5	Total number of operations taking place in or adjacent to Indigenous peoples' territories
Urban transformation	Local Communities	G4-S02	Operations with significant actual or potential negative impacts on local communities
Urban transformation	Grievance Mechanisms for Impacts on Society	MM9	Households resettled, and effect on livelihoods
Urban transformation/Interests of Sami villages	Local Communities	MM6	Land use disputes with local communities and indigenous peoples

Results: LKAB's materiality analysis

The results of the materiality analysis are shown in a diagram that includes the aspects that are material for LKAB's sustainable development efforts. The issues that are not currently considered as equally material have not been included in the diagram. The aspects have been divided into four categories depending on the strategy for managing them:

- Communicate and monitor:
 - LKAB needs to continuously communicate about the issues that stakeholders deem essential.
- Communicate and manage:
 - Both LKAB and the stakeholders indicate the aspects as top priorities for sustainable development. The aspects require clear management and communication.
- Manage and inform:
 - LKAB considers the aspects to be very important for sustainable development, and will proactively inform stakeholders about their governance and management.
- Monitor and consider:
 - The aspects are essential, but not prioritized at the moment. They may be emerging issues and need further observation or internal monitoring. LKAB does not report on indicators related to these aspects.

Impact on sustainability reporting

The Annual and Sustainability Report includes the aspects deemed to be material based on dialogue with stakeholders and that have been validated by LKAB. This means that material aspects, in the first three categories described above, are reported in the Sustainability Report. Aspects in the Communicate and Manage category, which both stakeholders and LKAB deemed important for sustainable development, are given the most attention in the report.

Update of materiality analysis

The materiality analysis is updated when necessary and the work on identifying material sustainability issues is seen as a recurring task. The reason for updating it may include external changes, access to new knowledge, new focus among stakeholders, or that LKAB's business changes and this affects the conditions of stakeholders and their expectations of LKAB.

Responsibility for the materiality analysis

LKAB's Department for HR and Sustainability is responsible for maintaining a current materiality analysis. A working group on sustainable development participates in the prioritization of aspects and also the validation of the analysis. The working group includes representatives of LKAB and its subsidiaries. The analysis is decided by the Senior Vice President of HR and Sustainability and is presented to Group management.

G4-19 Material aspects

For material aspects see the diagram and the table on the previous pages for cross-referencing between the aspects that LKAB has identified as material and the GRI aspects, as well as the indicators that LKAB chose to report as a result of the analysis.

G4-20 Boundaries for material aspects within the organization

The boundaries for material aspects are described under the section Specific standard disclosures at the beginning of the appendix. LKAB's systematic work on governance (DMA according to GRI terminology) for each aspect is also described.

G4-21 Boundaries for material aspects outside the organization

The boundaries for material aspects are described under the section Specific standard disclosures further on in the appendix. LKAB's systematic work on governance (DMA according to GRI terminology) for each aspect is also described.

G4-22 Explanation of corrections of information provided in previous reports

Energy: The result for the energy target 2015 has emanated from previous system boundaries in accordance with the target: "refers to facilities in Kiruna, Malmberget, Svappavaara, Luleå and Narvik". In the reporting of results for 2014, a system boundary was used that included electricity to ore trains. This system boundary is not used in the 2015 monitoring of target achievement. The results of both system boundaries are presented in the section 'Safe and resource-efficient production' in the Annual and Sustainability Report, page 39.

Sulphur: The total sulphur dioxide emissions were reported in the results for the sulphur dioxide target in 2014. However, the target includes only emissions from pellet production. The results for the sulphur dioxide target in 2014 was 1,124 tonnes. For 2015 both the target achievement and the total sulphur dioxide emissions are reported. Minor errors have also been found in the reported data for total sulphur dioxide emissions for 2011, 2012 and 2014. The differences originate in an issue related to boundaries and calculations of the total emissions in comparison to the target, which only includes emissions from pellet production. Overall, the deviations are not significant from an environmental perspective.

Huntite: The volume of mined huntite in 2014 is preliminary up to April 2015. The amount has been updated in the 2015 report. Preliminary amount in 2014 was 25.7 thousand tonnes. Confirmed amount in 2014 is 27.6 thousand tonnes.

G4-23 Significant changes in the scope, boundaries or measurement methods compared with previous years' reports

The following significant changes have been made compared to the 2014 annual report.

New method for sulphur in pelletizing plants in Svappavaara

Previously, mass balances were calculated for sulphur emissions at the pelletizing plants. Since the expansion of the sulphur purification, direct measurements are now being taken. The information is comparable to previous years; changes in measured data are deemed to be caused by increased purification.

STAKEHOLDER ENGAGEMENT

G4-24 Stakeholder groups

The stakeholders listed below were part of the 2015 stakeholder dialogue. Additional stakeholders were asked to participate but decided not to.

STAKEHOLDER GROUP	ORGANIZATION
Authority	NMinistry of Enterprise and Innovation, Norrbotten County Administrative Board
Government agency	Swedish Environmental Protection Agency, Swedish Transport Administration
Municipality	Kiruna Municipality, Gällivare Municipality
Supplier	PEAB Sweden, Outotec
Customers	SSAB
Academia	Luleå University of Technology
Industry association	SweMin
Local community	Laevas Sami Village, Gabna Sami Village, Swedish Union of Tenants
NGO	Swedish Society for Nature Conservation, Amnesty, Swedwatch

G4-25 Identification and selection of stakeholders

LKAB defines stakeholders as groups of people that directly or indirectly may affect or be affected by the decisions made by LKAB. The selection of prioritized stakeholders is based on this definition and on mutual influence. LKAB's prioritized stakeholders for dialogue and communication are: customers, employees, authorities and legislators, owners, suppliers and contractors, neighbours, interest groups, as well as reindeer husbandry and tourism. Read more on page 16 of the Annual and Sustainability Report.

REPORT PROFILE

G4-28 Reporting period

G4-29 Most recent report

G4-30 Reporting cycle

LKAB reports its sustainability work in accordance with GRI annually, per calendar year in the Annual and Sustainability Report, which according to the owner's directive is published on 31 March.

G4-33 Policy and practice with regard to external assurance

The Owner Directive is reviewed by an external party in accordance with the owner's directive. The table of contents of the Annual and Sustainability Report specifies which pages are subject to external review. Auditing firm Deloitte is regarded as independent in relation to LKAB. LKAB's Board of Directors issues and signs the Annual and Sustainability Report in its entirety.

SPECIFIC STANDARD DISCLOSURES

OVERALL SUSTAINABILITY MANAGEMENT APPROACH

LKAB's sustainability work is managed on the basis of the values "Committed – Innovative – Responsible", the sustainability strategy and the Code of Conduct. Sustainability targets are set by the Board in order to ensure that LKAB fulfils the owner's requirements that state-owned companies are to act as role models for sustainable business.

LKAB's sustainability strategy is the basis for continuous improvement, and the four focus areas cover all material aspects.

The overall responsibility lies with LKAB's Board of Directors; read more in the Corporate Governance Report in the Annual and Sustainability Report.

Operational responsibility for the sustainability work lies with the President. Since 2013 there has been a special unit for Sustainable Development which is represented in the Group management team by a Senior Vice President of HR and Sustainability. The unit is responsible for developing LKAB's position as a sustainable company and supports the Group's sustainability work.

In 2015 an ethics committee was established with a mandate to monitor and deal with violations of the Code of Conduct. The chair of the ethics committee is the Senior Vice President of HR and Sustainability, and the committee also includes the Senior Vice President of Group Control and the Legal Director. During 2015 the ethics committee handled the implementation of a reporting system for anonymous reporting of Code of Conduct violations. Implementation of the system was finalized in January 2016.

MONITORING AND EVALUATION

LKAB reports outcomes of sustainability information through Credit360, with the exception of HR data that is reported in a specific system. LKAB's energy and environmental management system is certified to the standards ISO 14001 and ISO 50001. Since LKAB conducts licensable operations, many key performance indicators are being followed up continuously to ensure compliance with permits and terms. Results are sent to the authorities for external review.

The internal quality auditors, as well as the external review of the Sustainability Report, evaluate data collection and the quality of processes.

The Senior Vice President of HR and Sustainability is responsible for strategic HR activities and the operational work is decentralized. Personnel matters are handled in the remuneration committee and the diversity committee. Work environment and health-related issues are handled by local work environment groups, as well as central work environment, safety and rehabilitation committees. All these groups include representatives of personnel and trade unions.

DISCLOSURE ON MANAGEMENT APPROACH

Economic

Economic impact – value creation and impact on employment and infrastructure

LKAB has significant economic impact. By being a profitable business, we create job opportunities for employees, contractors and subcontractors. The dividend to the Swedish state and taxes in Sweden, Norway and other countries has been significant over the past decade. Investments in research and development, infrastructure and sponsorship are additional effects of our economic value creation.

LKAB is governed by financial targets and policies for dividends, currency, credit and finance. The activities are conducted within the focus areas Resource-efficient Production and Attractive Communities.

The President and the CFO are responsible for the financial results, as reported in Annual Reports and Interim Reports. The organization's management and the Board's overall responsibilities are described in the Corporate Governance Report.

Boundary: Within LKAB and outside LKAB's operations.

Environmental

General

LKAB's operations give rise to significant environmental impact. The landscape is affected by mining operations. Communities and the environment are also affected by emissions to air and discharges to water, noise and vibrations from ore processing and other operations. When we open new mines and claim new land, pristine environments are sometimes affected. Furthermore, pellet production requires large amounts of water and energy.

The environment and energy policy forms a basis for the governance of the environmental work. The environmental management system is certified to ISO 14001. One element of the environmental certification is the risk analyses that take into account the precautionary principle, in order to prevent negative environmental consequences. The sustainability targets guide the direction of improvement work, with energy use, emissions to air and climate-smart products being included. The work is conducted within the focus areas Resource-efficient Production and Responsible Operations.

To ensure permitted levels, regular follow-up is conducted using self-monitoring programmes.

LKAB also conducts follow-up in connection with the reporting of sustainability targets to the Board and in connection with the Sustainability Report, as well as in the annual environmental reports compiled for regulatory authorities. In Sweden, LKAB has an incident reporting system where all environmental events are to be reported.

LKAB has licensed operations; read more in the section Compliance with the terms of environmental permits and legislation.

The Senior Vice President of HR and Sustainability has overall responsibility for environmental aspects, except for energy and climate, for which the Senior Vice President of Operational Support and Business Development is responsible. Operational responsibility for all environmental aspects is delegated to the organization's departments and subsidiaries.

Resource-efficient use of raw materials

LKAB mines the natural resource of iron ore from deposits in the orefields of northern Sweden, and also uses feedstock for the production of iron ore pellets. The mining requires environmental permits; see also the section Compliance with the terms of environmental permits and legislation.

For long-term operations, LKAB need to secure new mineral reserves and mineral resources. Read more about the value chain, from exploration, mining, processing and transportation to customers, on pages 14-15 of the Annual and Sustainability Report, about the process in the section on Growth on pages 40-43 and about volumes on pages 132-134 of the Annual and Sustainability Report. See also the report in this appendix, Products with environmental benefits.

By means of the Supplier Code of Conduct, LKAB ensures that the production and delivery of feedstock achieve sustainability aspect requirements and that the origin can be traced. This is followed up by means of basic requirements for suppliers and supplier audits; read more under Responsible purchasing.

Boundary: Within LKAB and outside LKAB's operations

Energy use

LKAB's operations are highly energy-intensive, and to make energy use more efficient it is important both to keep costs down and to limit the impact on the environment. LKAB is one of Sweden's biggest energy users.

The environment and energy policy sets the direction for LKAB's energy use, which is one of the sustainability targets. LKAB's energy management system is certified to ISO 50001. Energy in the form of coal, oil and electricity is purchased from external suppliers according to established procedures. The most energy efficient option is to be chosen as far as possible, and Life Cycle Cost calculations are required in projects. Energy use is followed up at an increasingly detailed level. LKAB has no production of its own, but delivers residual heat to nearby communities in Kiruna.

Boundary: Within LKAB

Biodiversity

Overall impact on biodiversity. LKAB's operations are located in a part of Sweden with a high percentage of protected areas, for example by National Park status, Natura 2000 and the like. This means that the industrial and mining areas are often relatively close to areas of high biodiversity importance. Mines, industrial areas and urban transformation require land. This affects biodiversity, since natural land disappears as a result of the expansion of operations and infrastructure. Emissions to air from the refining process and dust from industrial areas can also have a marginal local impact on biodiversity. It is mainly emissions of SO₂ and NO_x from the refining process that can have a regional impact on sulphur and nitrogen balances, which may affect biodiversity and our carbon footprint. This in turn ultimately results in global impact on biodiversity by contributing to the greenhouse effect and the consequent effects that this implies.

Limited local impact also occurs in the operations' recipients, mainly through the increase in nitrogen supply and occasional cloudiness which may imply a certain impact on biodiversity.

LKAB's facilities also create natural environments that have a positive impact on biodiversity. Examples include open cast steeps and storehouses that add structures in the landscape that correspond to scree and wetlands. Such structures have a positive impact for certain bird species such as the peregrine falcon. In its work on ecological compensation LKAB interacts with the supervisory authorities. The efforts are governed more specifically by our guidelines for land use, which are derived from the mitigation hierarchy. We also comply with waste management plans, permits and remediation plans. These are followed up in consultation with authorities.

Boundary: Within LKAB and outside LKAB's operations

Emissions (air, water) and waste

LKAB's carbon dioxide emissions, mainly from pellet production and heating of air for mine ventilation, are significant in a domestic perspective, despite being lower than for similar operations internationally. Given the significant impact, LKAB also has a great responsibility to limit emissions and thereby contribute to the achievement of Sweden's national environmental objectives. The work is guided by the environment and energy policy and the sustainability targets that set the level of ambition and constitute a tool for follow-up. LKAB is part of the EU Emissions Trading System (EU ETS), which aims to reduce carbon dioxide and other emissions.

LKAB's operations also affect other emissions to air such as emissions of, for example, sulphur dioxide from pellet production and by pollution dusting in the form of falling dust in the communities. These are also covered by the sustainability targets and are followed up on a quarterly basis in accordance with applicable permit requirements. In addition, LKAB's operations result in noise and vibrations that are monitored in accordance with permits and reported to the supervisory authority. See pages 36-39 of the Annual and Sustainability Report for more information.

The mining operations result in large quantities of waste in the form of surrounding rock and tailings. The surrounding rock is stockpiled in mining industry areas and is not considered to be associated with major environmental risks. Tailings are stored in ponds where excess water is discharged into the recipient waters. The impact of the production on the surroundings and the environment is managed by environmental impact and environmental risk assessments, as well as by systematic efforts to minimize impact. Possible impacts are continuously monitored through self-monitoring programmes within the constraints of the permits and conditions imposed on LKAB's operations. Read more in the section Compliance with the terms of environmental permits and legislation.

Boundary: Within LKAB

Products with environmental benefits

Development of products with environmental benefits, such as less need for energy in the production process, is important because it provides competitive advantages and is a good option for the customer. LKAB's pellets have documented environmental advantages compared to similar products. LKAB's ambition is to develop more products with environmental benefits. The responsibility lies with the Senior Vice President of Operational Support and Business Development.

Boundary: Within LKAB and outside LKAB's operations

Compliance with the terms of environmental permits and legislation

The Group conducts licensable operations as described by the Environmental Code via the parent company LKAB and the Swedish subsidiaries. Most of these activities are conducted within the Mining Division. Operations cannot run without environmental permits. The most important environmental permits refer to large-scale mining and processing plants for iron ore products in the Swedish orefields, tailings ponds and depositing waste rock. Additionally, permits are required for removing gravel and moraine and for port operations. Any deviations from environmental permits during the year are described in the administration report.

The permits are continuously followed up via self-monitoring programmes and outcomes are reported to the authorities and discussed in dialogues with representatives of the authorities. A summary of the year is provided through the environmental report submitted to the supervisory authority by March 31 of the subsequent year.

Boundary: Within LKAB

Management of views on environment and society

LKAB's operations affect the surrounding environment and society; therefore, dialogue with and comments from stakeholders are important, both regarding daily operations and unforeseen events. LKAB allows environmental and community-related views and complaints to be reported by email or phone. In 2015 events were also reported using LKAB's incident reporting system Synergi. The incidents are continuously addressed and reported back on. Follow-up takes place primarily in the departments concerned, for example through the environmental department or the department for urban transformation, but also via the management's review of environmental issues which takes place twice a year. Depending on the nature of the events, they are reported to the supervisory authority and followed up through formal information exchange. In the coming years the plan is to further develop the system to make it easier for external stakeholders to report comments and events, and for LKAB to follow up on cases.

Boundary: Within LKAB

Social

General

LKAB has a great responsibility for employees and others who work on our behalf. Social responsibility also extends to the supply chain and customers, and includes the preparation of a human rights policy and related "Due Diligence". The vast impacts that the operations have locally on the production locations, and that are brought about by urban transformation require LKAB to take additional responsibility.

The Code of Conduct, the Supplier Code of Conduct, the work environment and personnel policy, and the sustainability strategy and sustainability targets govern operations. The targets are followed up on a quarterly basis, so that they can be reported to the Board of Directors. In addition, other key performance indicators are monitored to ensure that the work is proceeding according to plans and business objectives. The work is conducted within the focus areas Responsible Operations, Attractive LKAB and Attractive Communities.

The President has delegated employer responsibilities to department, section and production managers. The Senior Vice President of HR and Sustainability is responsible for strategic personnel matters, including competence maintenance plans. LKAB's purchasing organization is responsible for cooperation with suppliers and subcontractors. The Senior Vice President of Urban Transformation is responsible for the implementation of the action plan for urban transformation.

Employees and employment types

LKAB is a major employer in the region. The responsibility for employees and for the working conditions of contractors is significant. The work is governed by the Code of Conduct, Supplier Code of Conduct, personnel policy and manual, work environment policy and information policy. Employees as well as suppliers must complete interactive safety training in order to get access to LKAB's industrial areas. The work is conducted within the focus area Attractive LKAB.

The President has overall responsibility and delegates it through the line of operations. The Senior Vice President of HR and Sustainability is responsible for strategic HR activities, including competence maintenance matters, and delegates the operational responsibility to managers with responsibility for staff. Employees are represented on the Board by union representatives. Personnel matters are handled by the remuneration committee and the diversity committee. Work environment and health-related issues are handled by local work environment groups and the work environment, safety and rehabilitation committees. All these groups include representatives of personnel and trade unions. The work is monitored by assessing the fulfilment of established targets and reporting is carried out using the HR department's systems. Contractors are also covered by this system, and statistics include contractor accidents.

In recent years there has been a major focus on ensuring qualified employees for each position in the company. Training of new managers is conducted on an ongoing basis and individual meetings are held with new managers. Teamwork is discussed and individual development is planned during the annual review with the employee's line manager.

The most recent employee survey was conducted in 2013. In 2015 the organization worked with the results. LKAB views internal communication as an important success factor, and the intranet and supplier portal are sources of information.

Boundary: Within LKAB and outside LKAB's operations

Occupational health and safety

LKAB's operations are associated with occupational risks for employees and suppliers. We have significant responsibility for the work environment, health and safety. The work is governed by the Code of Conduct, Supplier Code of Conduct, personnel policy and manual, and the work environment policy. The work is conducted within the focus area Attractive LKAB and an important element is the "Safety first!" programme, which aims to strengthen the safety culture and reduce the number of accidents. Reduction of accidents and long-term sick leave is included in LKAB's sustainability targets.

The assessment of LKAB's occupational health concludes that LKAB lives up to the requirements of Article 6-14 of ILO Convention 176. This is a result of LKAB's systematic work related to occupational health and safety, based on the safety policy, work environment

targets and safety management systems. Collaboration between employees, safety representatives, managers, leaders, support organizations, clients and external suppliers provides the foundation that is LKAB's strength when it comes to preventing and eliminating occupational health and safety risks, creating safe mining conditions and managing work-related injuries and unsafe situations.

The work environment is an overall responsibility that ultimately lies with the President. It is delegated to managers; however, a work environment free from accidents can only be achieved through everyone's active participation. In addition to managing risks in the work environment, LKAB strives to achieve a stimulating and sound psychosocial work environment. During 2015 the Mining Division introduced a model called the Leader's Framework, which provides a framework for leadership and a sound psychosocial work environment in the workplaces.

Boundary: Within LKAB and outside LKAB's operations

Diversity and non-discrimination

Given the imbalance of gender diversity in the organization, gender equality and non-discrimination are important issues. The work is governed by the Code of Conduct, Supplier Code of Conduct, personnel policy and manual and the diversity plan. The work is conducted within the focus area Attractive LKAB and is part of LKAB's sustainability targets, in terms of both the number of women and the recruitment targets.

The Senior Vice President of HR and Sustainability is responsible for the strategic HR activities and the operational work is decentralized. Personnel issues related to diversity are handled in the remuneration committee and the diversity committee. Work environment and health-related issues are handled by local Work environment groups and central work environment, safety and rehabilitation committees. All these groups include representatives of personnel and trade unions.

The work is followed up through target fulfilment by managers in the annual performance reviews, in the employee survey and in the salary assessment, as well as through reporting of non-compliance with the Code of Conduct and policies.

Boundary: Within LKAB and outside LKAB's operations

Responsible purchasing

LKAB is a major buyer of goods and services that in certain geographical areas and segments are subject to greater sustainability risks, mainly in terms of environmental impact, labour and human rights. LKAB manages the work through risk-based assessment, requirements in the form of a Supplier Code of Conduct, dialogue, training and monitoring. The work is conducted within the focus area Responsible Operations. Read more about supplier assessments on pages 29-30 of the Annual and Sustainability Report.

LKAB's Supplier Code of Conduct applies to all suppliers and includes a number of basic requirements. Among these are anti-corruption, child labour, forced labour, working conditions and emissions/discharges to soil, water or air. Based on the risk assessment, suppliers are urged to conduct a self-assessment against the requirements. LKAB's buyers have undergone sustainability training. The Director of Purchasing is responsible for supplier assessments and responsible purchasing.

Boundary: Within LKAB and outside LKAB's operations

Interests of Sami villages

LKAB's operations affect other activities such as reindeer herding. Respect for the reindeer herding and the Sami people's conditions for conducting such activities form the basis of LKAB's principles for cooperation and consent.

The principles include mutual respect and willingness to negotiate, open dialogue and access to information at an early stage. For certain larger projects, social impact assessments are performed. LKAB's Code of Conduct and guidelines for land use govern the work within the focus area Responsible Operations.

Cooperation agreements with the Sami villages directly affected by the operations are a means of ensuring respect. Under these agreements measures and development efforts are planned and implemented, and the principles of compensation for disturbances are discussed. The Senior Vice President of HR and Sustainability is responsible for this.

Boundary: Within LKAB

Urban transformation

The location of LKAB's ore deposits requires communities to be moved to allow continued mining operations. This entails extensive consultation with municipalities, authorities, business and neighbours.

LKAB has a significant impact on local communities as a major employer and business in the region, both because of the nature of the operations and through initiatives for local community development. Examples of collaboration includes shared interests such as infrastructure to create attractive communities. Consultations are carried out related to the parts of the business that affect the local community.

The sustainability targets, as well as guidelines for land use and a compensation model for real estate, published in 2015, governing the work are included in the focus area Attractive Communities. The operational work is described in the operational planning and is followed up consistently.

Read more on pages 16-17 of the Annual and Sustainability Report. See also 'Management of views on environment and society' in this appendix. The Senior Vice President of Urban Transformation, the Senior Vice President of HR and Sustainability together with the Senior Vice Presidents of Production North, Production South, and Marketing and Logistics are responsible for this.

Boundary: Within LKAB and outside LKAB's operations

Anti-corruption

LKAB's risks of corruption and inappropriate conduct are assessed in the Group's overall risk management. LKAB's values "Committed – Innovative – Responsible" and Code of Conduct direct the desired behaviour within the organization and, for suppliers, there is a particular Supplier Code of Conduct. The work is carried out within the focus area Responsible Operations.

Employees are continuously trained in the Code of Conduct through interactive discussions, and the Code is included in the induction of new employees.

The work to set up a whistle blower system for anonymous reporting of deviations from the Code of Conduct for LKAB employees continued in 2016. The system was implemented in January 2016.

The ethics committee, which includes the Senior Vice President of HR and Sustainability, the Senior Vice President of Group Control and the Legal Director, is responsible for ethics and anti-corruption issues.

Boundary: Within LKAB and outside LKAB's operations

Emergency preparedness

The nature of the operations means that LKAB has a responsibility to prepare to deal with the unexpected. In particular, this applies to the parent company and production facilities. Plans and organization for managing various types of crises are in place, as are training activities, which take place regularly. The risk committee and the Chief Risk Officer (CRO) at LKAB are responsible for the structure and for ensuring that training is conducted. Training programmes and events are followed up and improvements are implemented in the procedures. These efforts are conducted within the focus area Responsible Operations.

Each manager is responsible for the local crisis organization. The Senior Vice Presidents of Production North and Production South are responsible for emergency preparedness in production, and the President is ultimately responsible for the Group. A special Group-wide risk management function has been established with a Chief Risk Officer (CRO).

Boundary: Within LKAB and outside LKAB's operations

Closure plan

LKAB is a major employer and generates employment outside its direct operations. Closure would mean significant change for the local community. Since the operations also affect the surrounding environment, remediation plans are legally required already in the permit application process. In addition to plans, there is a budget to manage long-term consequences of mine decommissioning. This work takes place within the focus area Responsible Operations.

LKAB's remediation plans are governed by laws and requirements from supervisory authorities and aim to remediate the landscape so that it can again function as a nature area. In addition to statutory measures, LKAB strives to implement so-called ecological remediation. The remediation plan is an integral part of operating plans and is communicated to the permit granting authority. Read more in the Annual and Sustainability Report on page 37 and pages 45-47, in the paragraph on Remediation and in the section on Urban transformation.

The Senior Vice President of HR and Sustainability is responsible for this.

Boundary: Within LKAB

Human rights

LKAB's social responsibility extends to our local communities, our supply chain and our customers. During 2015 LKAB worked on the development of a new policy for human rights. As part of this work, a "Due Diligence" analysis was performed focusing on urban transformation and the cooperation agreements with two Sami villages. Read more under Responsible purchasing, Interests of Sami villages and Urban transformation.

Boundary: Within LKAB and outside LKAB's operations

INDICATORS

As far as possible, all material indicators shall, be reported in the main document, LKAB's Annual and Sustainability Report 2015.

A few indicators are reported in their entirety in the appendix, which is indicated in the index, and in several cases, additions or clarifications are made in the appendix.

ECONOMIC

G4-EC1 Direct economic value generated and distributed + Mining and Metals Sector Supplement

LKAB has no operations in countries included in the EITI. Extraction occurs only in Sweden and Turkey.

ENVIRONMENTAL

G4-EN6 Reduction of energy consumption

Omission: LKAB does not present complete and uniform data for the different operation locations. LKAB intends to review its reporting during 2016.

G4-EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas

No new natural areas with known high biodiversity were utilized in 2015, in a way that could mean that certain species would be affected negatively either locally or regionally, or in such a way that the survival of a species is threatened. Read more on existing activities under the description of the DMA for Biodiversity.

G4-EN15 Direct carbon dioxide emissions

LKAB reports on the greenhouse gas carbon dioxide. The calculation methods are linked to national legislation and the EU Emissions Trading System.

The emissions are caused by fuels and additives used for pellet production. The emission factors used for each fuel and additive are regulated through permits for carbon dioxide emissions.

G4-EN16 Indirect carbon dioxide emissions

The indirect emissions are caused by electricity and are calculated using the electricity supplier's emission factors.

G4-EN21 NOx, SOx and other significant emissions to air + Mining and Metals Sector Supplement

Determination of emissions to air and discharges to water is based on samplings regulated in self-monitoring programmes and measured water resources and, in some cases, calculations based on volumes of consumed fuel and emission factors or mass balance calculations. Mass balance calculations are made for pellet production in respect of SO₂, F and HCl. Both mobile and stationary sources are covered by environmental permits and included in the reported data. More information on data measurement points and measurement techniques are available in LKAB's annual environmental reports and self-monitoring programme submitted to supervisory authorities.

G4-EN24 Total number and volume of significant spills + Mining and Metals Sector Supplement

LKAB is working continuously to identify and address unsafe situations or facilities where spills may occur, through risk and incident reporting and risk analyses. The table below is included in the supervision and statistics. No spills that occurred during the year qualified for inclusion in the financial statements (defined as penalty or other damage that has significant impact on financial assets, such as a dam failure or the like). See table below.

G4-EN24 SPILL	KIRUNA	MALMBERGET	SVAPPAVAARA	NARVIK	LULEÅ
Number of significant spills (reported to authority)	6	1	1	0	1
Volume (m ³)	27	1.5	65,000	0	0.15
Description of spill reported to authority	Six spills of oil or other chemicals were reported to the authority. Two of these occurred within buildings, one underground, two in the internal process water system and one to the municipal sewer.	Significant spills of 1-2 m ³ hydraulic oil in the terminal building in November 2015.	A major release of cooling water from the boiler plant to the nearby lake. LKAB assesses that the release resulted in a spill, primarily of sulphate and nitrogen. No harm to the lake or to human health was caused.		Overfilling of railway wagon at Uddebo in June 2015.

G4-EN29 Significant fines and other sanctions due to non-compliance with environmental laws and regulations

LKAB did not receive any fines or sanctions related to environmental matters in 2015.

G4-EN33 Significant actual and potential negative environmental impacts in the supply chain and actions taken

Since combined audits are carried out by two different departments within LKAB, all reported data from the corresponding G4-EN33, LA15 and HR11 are reported under this item. Audits are performed by the Purchasing and Quality department. A total of ten audits were conducted in 2015. Results are reported in the table below for the respective Indicator and department.

INDICATOR	PURCHASING	QUALITY
G4-EN33 Environmental		
a. Number of environmental impact assessments	8	2
b. Number of suppliers identified as having significant environmental impacts	1	1
c. Significant actual and potential negative environmental impacts identified in the supply chain	Chemical management needs to improve and energy work and waste disposal must be revised.	The operations are handling and storing hazardous chemicals and substances and need to ensure that employees and responsible personnel have the right skills and knowledge.
d. Percentage of suppliers identified as having potential negative environmental impacts with which improvements were agreed upon	100%	100%
e. Percentage of suppliers with which relationships were terminated as a result of assessment	0	0
G4-LA15 Labour Practices		
a. Number of impact assessments for labour practices	8	10
b. Number of suppliers identified as having significant actual and potential negative impacts for labour practices	1	1
c. Significant impacts for labour practices identified in the supply chain	Worker protection and safety, emergency preparedness and fire protection.	The contractor manages and works with thermosets and isocyanates. Manager is not aware of the requirement for medical examination.
d. Percentage of suppliers identified as having significant actual and potential negative impacts for labour practices with which improvements were agreed upon	100%	100%
e. Percentage of suppliers with which relationships were terminated as a result of assessment	0	0
G4-HR11 Human Rights		
a. Number of human rights impact assessments	8	No audits were conducted for this area.
b. Number of suppliers identified as having significant actual and potential negative human rights impacts.	0	
c. Significant human rights impacts identified in the supply chain	0	
d. Percentage of suppliers identified as having significant actual and potential negative human rights impacts with which improvements were agreed upon	0	
e. Percentage of suppliers with which relationships were terminated as a result of assessment, and why	0	

G4-EN34 Number of grievances about environmental impacts filed and addressed, G4-LA16 Number of grievances about labour practices filed and addressed, G4-HR12 Number of grievances about human rights filed and addressed, G4-SO11 Number of grievances about impacts on society filed and addressed

Both internal and external stakeholders are able to submit comments or complaints related to our operations. The comments may refer to aspects such as the environment, the work environment and labour rights issues or to issues concerning community and supplier relations. The comments reach the company through many different channels; for example, via telephone, email and mail.

Omission: The omission regards G4-LA16 and G4-HR12 where LKAB is considering the possibility of using the existing incident reporting mechanism Synergi in order to systematize grievance management, for both external and internal reporting of matters relating to working conditions and human rights. To achieve more reliable reporting, G4-EN34 and G4-SO11 will also be integrated into the system. The work related to Synergi will continue during 2016; LKAB's goal is to launch the mechanism this year. In addition to this process, the whistleblower system SpeakUp, which LKAB has been working on for a long time, was taken into use in January 2016.

	LKAB KIRUNA	LKAB MALMBERGET	LKAB SVAPPAVAARA	LKAB NARVIK
Reported environmental matters				
Total number of complaints concerning environmental impact	15	12	0	50
Identified complaints that were addressed during the period	15	12	0	50
Identified complaints concluded during the period	15	12	0	47
Number of previous complaints completed during the period	0	0	0	0
Reported societal matters				
Total number of accident reports received during the period	2	24	0	1
Injury reports that were addressed during the period	2	24	0	1
Injury reports approved during the period	0	0	0	0
Number of reported losses that were rejected during the period	1	1	0	0
Number of previous damage claims granted during the period	0	0	0	0
Number of previous damage claims that were rejected during the period	0	2	1	0

SOCIAL RESPONSIBILITY - LABOUR PRACTICES AND DECENT WORK

G4-LA1 Total number of employees and employee turnover

METRICS	RESULT 2015
Number of newly recruited permanent employees	173
Female percentage of newly recruited permanent employees	36%
Number of external recruitments in relation to permanent employees as of 31/12 previous year	4.04%
Number of external departures in relation to permanent employees as of 31/12 previous year	5.87%
Number of permanently employed women who left during the year	62
Number of permanently employed women aged < 30 who left during the year in the region Sweden /Norway	10
Number of permanently employed women aged 30-50 who left during the year in the region Sweden /Norway	23
Number of permanently employed women aged > 50 who left during the year in the region Sweden /Norway	9
Number of permanently employed men who left during the year	194
Number of permanently employed men aged < 30 who left during the year in the region Sweden /Norway	21
Number of permanently employed men aged 30-50 who left during the year in the region Sweden /Norway	28
Number of permanently employed men aged > 50 who left during the year in the region Sweden /Norway	113

G4-LA6 Injuries, occupational diseases, lost days, absenteeism and work-related fatalities

METRICS	RESULT 2015	COMMENT	BOUNDARY
Reported occupational diseases per 1000 employees	3.74	16 reported incidents in total	Sweden
Number of accidents leading to absence, employees	50		Group-wide
Number of accidents leading to absence, women	14	Gender of injured is only indicated in Sweden and Norway	Sweden /Norway
Number of accidents leading to absence, men	33	Gender of injured is only indicated in Sweden and Norway	Sweden /Norway
Number of accidents leading to absence, Sweden/Norway	47		Sweden /Norway
Number of accidents leading to absence, other countries	3		Other countries
Number of accidents leading to absence, contractors	28		Sweden incl. Minerals Division
Fatalities due occupational accidents, employees	0		Group-wide
Fatalities due occupational accidents, contractors	0		Group-wide
Accident rate for employees, based on the number of accidents with subsequent absence per million hours worked	6.87	Target is maximum 5	Group-wide
Accident rate for contractors (calculation as above)	Missing	Number of reported accidents is 28	Group-wide
Most common type of injury		Leg/knee/hip and finger are the most common injuries	Group-wide
Number of working days lost due to accidents	975	3 casualties represent approximately 500 days of absence, affecting the total number	Group-wide

G4-LA12 Diversity among the Board, Group management and workforce

METRICS	RESULT 2015
Percentage of women in LKAB's management team	30%
Percentage of women on LKAB's Board of Directors	27%
Average age, LKAB's management team	50.8
Average age, LKAB's Board of Directors	60.72

Omission: Ethnic diversity is only reported for Swedish operations.

PERMANENT EMPLOYEES IN SWEDEN

AGE	2015
-24	215
25-29	503
30-34	432
35-39	360
40-44	484
45-49	572
50-54	578
55-59	452
60-	296

SOCIAL RESPONSIBILITY – HUMAN RIGHTS**G4-HR8 Violations of the rights of indigenous peoples**

No violations of indigenous rights were reported in 2015.

G4-HR9 Operations that have been subject to human rights reviews or impact assessments

A total of two operations' impact on human rights has been mapped: urban transformation and new mines. Certain other risks and risk areas have been identified. The analysis of operations will continue in 2016.

ADDITIONAL SECTOR DISCLOSURES: MINING AND METALS**G4-MM2 Biodiversity management plans**

In total, LKAB conducts operations at six sites, all of which are covered by indicator G4-EN11 as they are relatively close to protected areas or areas of high biodiversity value. The operations are located in Kiruna, Malmberget, Svappavaara (including Leveäniemi and Gruvberget), Mertainen, and at the ports of Luleå and Narvik. The areas are covered by Swedish and Norwegian environmental legislation and in addition the guidelines for land use that went into force in 2015 and in which LKAB undertakes to compensate for claimed natural land. As far as possible, the method to be used is the so-called mitigation hierarchy.

Currently, one of the sites – Mertainen – has a compensation plan with an implemented management plan for biodiversity. The compensation plan covers 16.6 percent of total land use.

There is no separate biodiversity management plan for the LKAB Minerals quarry in Turkey. The site is located on forest land owned by the Turkish government. To receive permits and the necessary licences to operate in this area, environmental reports must be compiled. In the environmental report there is a section on Fauna & Flora. It specifies which species are in the licence area and states that these species are not affected by LKAB Minerals' activity. Once LKAB Minerals has finished quarrying the area will be designed so that it is suitable for replanting of trees, which will be carried out by the Ministry for Forestry. The cost of this reforestation is included in the original licence.

G4-MM5 Activities adjacent to traditional areas of indigenous peoples, and agreements with indigenous peoples

LKAB has signed agreements with two out of five Sami villages affected by LKAB's operations. LKAB has mines within three Sami villages.



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