



We create competitive advantages through innovation

Annual and Sustainability Report 2024

The English version of this report is a translation of the Swedish original version.
In case of discrepancies, the Swedish version shall prevail.



Contents

LKAB in brief	
Europe's leading mining and minerals group	3
Our business areas	4
Our value chain	5
Targets and outcomes	7
Comments by the President and CEO	8
Strategy	12
Business intelligence	13
Market	15
Strategic direction	18
Conditions for implementing the strategy	28
Overview of our position	34
Group overview	35
Group performance in 2024	36
Iron Ore business area	38
Special Products business area	39
Other segments and Parent Company	40
Sustainable development	41
Ten year overview	43
Risks and risk management	45
Sensitivity analysis	51
Climate-related financial risks and opportunities (TCFD)	52
Financing	55
Corporate Governance	56
Comments by the Chairman of the Board	57
Corporate Governance Report	58
Board of Directors	65
Group management	67
Sustainability Report	68
General information	69
Sustainability governance at LKAB	70
Strategy, value chain and material topics	74
Climate change	83
Environmental impact	87
Biodiversity and ecosystems	90
Resource use and circular economy	93
Own workforce	95
Workers in the value chain	100
Affected communities	102
Business conduct	108
Reporting according to the EU Taxonomy Regulation	110
GRI index	114
Auditor's Limited Assurance Report on the Sustainability Report	117
Financial statements	118
Financial statements – Group	119
Financial statements – Parent Company	123
Notes	127
The Board's attestation	176
Auditor's report	177
Other information	
Mineral resources and reserves	181
Terminology and definitions	189
Annual General Meeting and financial calendar	190



About the Annual and Sustainability Report 2024

The Board of Directors and the President hereby submit the Annual and Sustainability Report for 2024 for Luossavaara-Kiirunavaara AB (publ), corporate identity number 556001-5835, a limited liability company domiciled in Luleå that is wholly owned by the Swedish state.

- The administration report comprises pages 35–55.
- A statutory sustainability report has been prepared in accordance with Chapter 6 of the Swedish Annual Accounts Act. Sustainability efforts are reported according to Global Reporting Initiative (GRI) guidelines. The sustainability reporting comprises pages 68–116.
- Disclosures on climate risks (TCFD) comprise pages 52–54.

Europe's leading mining and minerals group

LKAB is an international mining and minerals group that offers iron ore, minerals and special products. Since 1890 we have developed through unique innovations and technology solutions, and the business is driven forward by around 5,200 employees in 12 countries.

Our high-quality iron ore products account for 90 percent of sales, while our minerals and special products are important growth areas for the future. The plan is to develop carbon-free processes and products by 2045.

Our mission: Innovative and competitive mining and processing of iron ore and minerals to produce climate-efficient quality products.

Our vision: We are leading the transformation of our industry toward a sustainable future.

Key ratios	2024	2023
Operating profit, MSEK	8,722	16,230
Return on equity, %	11	20
Permanent employees at year-end	5,222	5,188
Investments during the year, MSEK	5,408	5,442
Iron ore products delivered, Mt	21.9	25.3
Iron ore products produced, Mt	22.7	26.2
Mineral resources, excl. mineral reserves, bn tonnes	5.1	4.6



80%

LKAB mines around 80 percent of all iron ore in the EU.

SEK 33 bn

Sales of SEK 33 billion in 2024.

SEK 4.4 bn

SEK 4.4 billion in proposed dividend for the owner, the Swedish state.

LKAB's main markets



Our business areas

We have two business areas: Iron Ore and Special Products. The iron ore products form the backbone of our business while Special Products, aimed at a broad palette of market segments, contributes to the development of our business and operations.



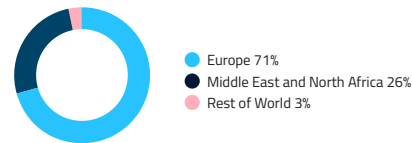
Iron Ore business area

Production and deliveries of high-quality iron ore products to steel producers form the foundation of our value creation and will be the basis of our growth and profitability for a long time to come.

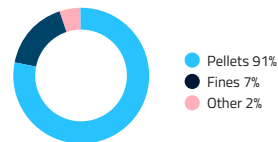
Offering

All the products below are used for steelmaking. **Blast furnace pellets** are ready for production upon delivery to the customer. The pellets act as an iron-bearing material in iron and steelmaking by being reduced and melted in blast furnaces. **Direct reduction pellets** are used by customers that make steel by means of reduction in a direct reduction shaft followed by melting in an electric arc furnace. **Fines** are crushed, concentrated iron ore that our customers sinter together into lumps before it can be reduced and melted during ironmaking in blast furnaces.

Sales by region
Percentage of sales, MSEK



Sales by product
Percentage of sales, MSEK



Share of the Group's external sales

88%

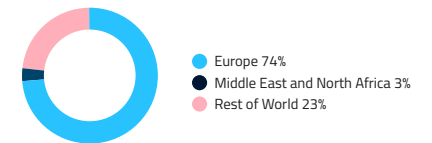
Special Products business area

This business area has two main lines of business: development and sales of industrial minerals, and products and services for the mining and construction industries. Europe is our main market, but we have customers throughout the world.

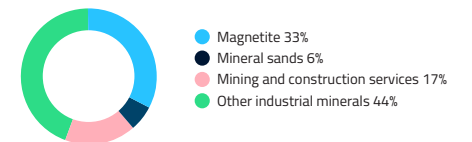
Offering

The operations are mainly conducted by wholly owned subsidiaries that work in partnership to support the production chain for iron ore products. Examples of this are products and services such as drilling systems, rockwork and concrete work, engineering services and explosives. With our own mineral resources from the existing mining, industrial minerals is the biggest part of the business and Magnetite is the largest product segment. In addition to magnetite products we offer a portfolio of minerals that have been upgraded and customised for each market and application.

Sales by region
Percentage of sales, MSEK



Sales by product and service area
Percentage of sales, MSEK



Share of the Group's external sales

12%

Our value chain

LKAB's operations form the basis of many long value chains. By taking our responsibilities seriously and through our ongoing transformation we can influence these in a sustainable direction. We put great emphasis on social responsibility, resource efficiency, greater utilisation of residual products and the conditions for reduced emissions. The value chain for the Iron Ore business area is shown below.

Securing mineral resources and mineral reserves is the foundation of our business. It is based on these that we plan our mining. Mineral resources are the estimated amounts of minerals present in the ground, while mineral reserves are the parts of these assets that it is financially and technically feasible to mine under present conditions. Exploration secures the supply of iron ore and other minerals in the long term. In 2024 LKAB's mineral reserves amounted to just over 1 billion tonnes and mineral resources to 5.1 billion tonnes.

The iron ore that we mine is rich and consists mainly of magnetite. This is naturally magnetic (ferrimagnetic), which facilitates its concentration and means less fossil fuel is required in pellet production compared to competitors who produce pellets primarily based on hematite. The iron content of the concentrate after the concentration process is over 70 percent. The iron ore that is mined is crushed before it is transported to the surface, and the end product is processed further above ground into iron ore pellets and fines. Energy consumption for the finished product amounts to 176 kWh per tonne.

Purchasing

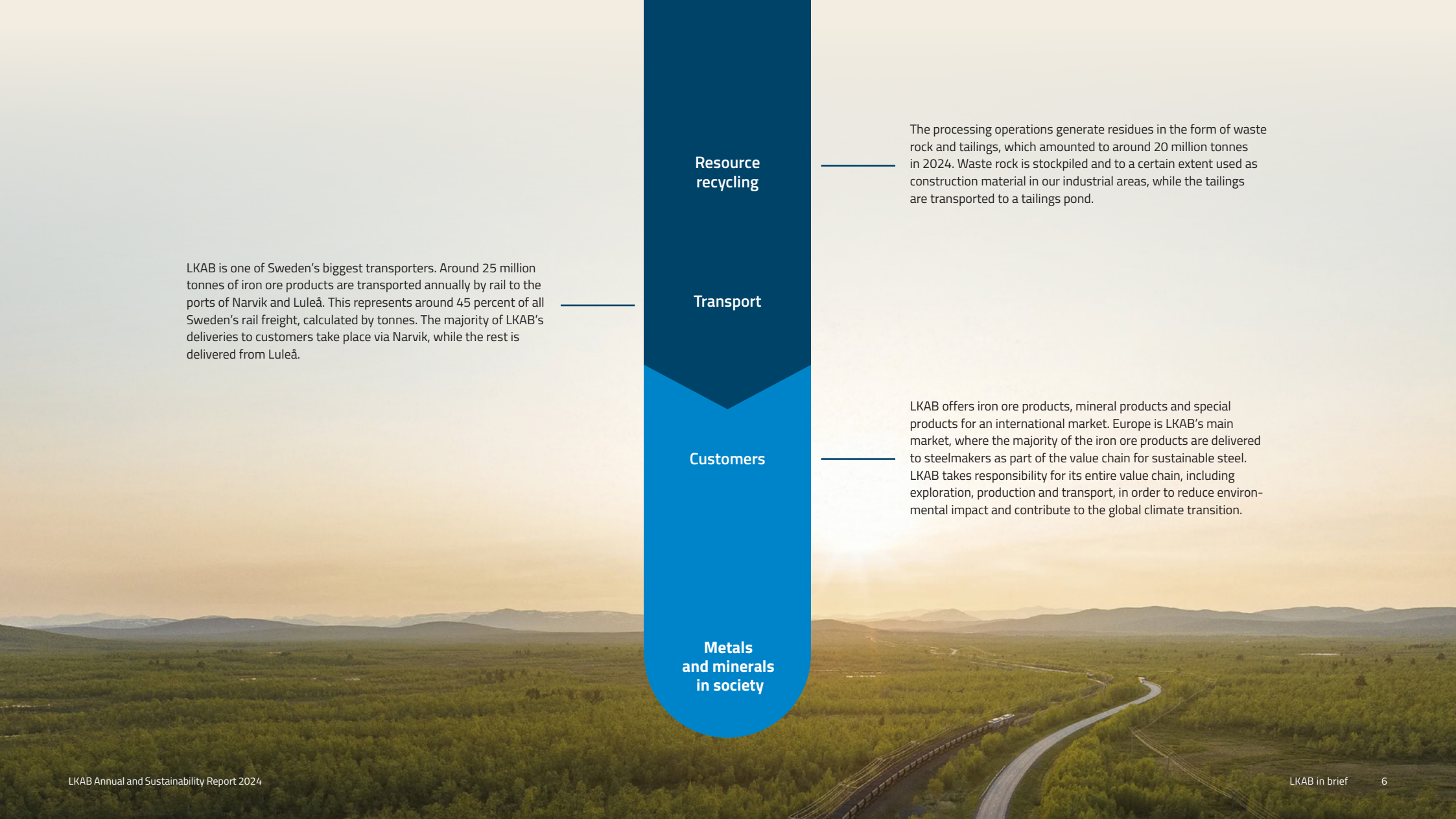
LKAB is a major purchaser. We work in partnership with strategic suppliers to increase sustainability, productivity and cost efficiency.

Exploration

Mining

Our iron ore is mined both above and below ground. The vast majority of the mining takes place underground, deep below ground level, in the mines in Kirunavaara (Kiruna) and Malmberget (Gällivare), which are the world's two largest underground mines for iron ore mining. In 2024 LKAB mined around 45 million tonnes of crude ore in our underground mines and open-pit mines in Kiruna, Gällivare and Svappavaara.

Processing



LKAB is one of Sweden's biggest transporters. Around 25 million tonnes of iron ore products are transported annually by rail to the ports of Narvik and Luleå. This represents around 45 percent of all Sweden's rail freight, calculated by tonnes. The majority of LKAB's deliveries to customers take place via Narvik, while the rest is delivered from Luleå.

Resource recycling

The processing operations generate residues in the form of waste rock and tailings, which amounted to around 20 million tonnes in 2024. Waste rock is stockpiled and to a certain extent used as construction material in our industrial areas, while the tailings are transported to a tailings pond.

Transport

Customers

LKAB offers iron ore products, mineral products and special products for an international market. Europe is LKAB's main market, where the majority of the iron ore products are delivered to steelmakers as part of the value chain for sustainable steel. LKAB takes responsibility for its entire value chain, including exploration, production and transport, in order to reduce environmental impact and contribute to the global climate transition.

Metals and minerals in society

Targets and outcomes

Our strategic targets for sustainable value creation for the period 2022–2030 support our vision of leading the transformation of our industry toward a sustainable future.

Stable and resource-efficient operations¹⁾

LKAB shall have the financial strength required to implement our strategy and increase flexibility in our transformation.

Outcome: The net debt/equity ratio remains at a good level and the return on equity exceeds the target level of 9 percent. The Board of Directors is proposing to the Annual General Meeting that a dividend amounting to MSEK 4,400 is paid, which is 50 percent of net profit for the year.

	2024	2023	Target for 2026	Target for 2030
Net debt/equity ratio, %	-15.5	-23.8	<60.0	<60.0
Return on equity, %	11.0	20.0	>9.0	>9.0
Dividend, %	50 ²⁾	50	40–60	40–60

Safe, healthy and stimulating workplace

To retain, develop and recruit the skills we need, LKAB must be a good place to work where people can develop, thereby contributing to increased prosperity and communities that are attractive to live and work in.

Outcome: The year was overshadowed by the tragic fatal accident that occurred in Kiruna during the spring. Work to create more structured HSE activities was intensified during the year. This included evaluating the current risk profile along with a third party, with the aim of developing an action plan to reduce the number of serious injuries and to prevent fatal accidents entirely. The ambition is that the efforts will also contribute to an improved safety culture in the long term. The accident rate developed positively during the year, from 6.3 at the end of 2023 to 4.9 at the end of 2024. Over the year we saw a continued increase in both the percentage of women in the workforce and the percentage of women in management positions.

	2024	2023	Target for 2026	Target for 2030
Lost time accidents per million hours worked ³⁾	4.9	6.3	4.0	2.0
Long-term sickness absence, %	0.7	0.7	0.8	0.8
Women in the workforce, %	29	27	30	— ⁴⁾
Women in management positions, %	31	29	30	— ⁴⁾

Climate-efficient sustainable transformation

We shall lead the transformation of the iron and steel industry for a better climate and sustainable development.

Outcome: Energy consumption in kWh per tonne of finished product increased during the year, mainly impacted by unstable production. Carbon emissions were affected mainly by the decreased production volume and amounted to 600 (645) kt for the full year.

Biodiversity efforts are divided into four levels. Both business areas have achieved level one and are working towards level two, which is to develop biodiversity plans. During 2024 a metric for the change in biodiversity from the baseline year of 2021 up to and including 2023 was developed for parts of our business.

	2024	2023	Target for 2026	Target for 2030
Energy consumption, kWh per tonne of finished product	176	165	162	154
Carbon emissions, kt	600 ⁵⁾	645	608	536
Biodiversity	— ⁶⁾	— ⁶⁾	— ⁶⁾	— ⁶⁾

¹⁾ The current financial targets were established by the general meeting held in October 2021. ²⁾ The Board's proposal to the Annual General Meeting regarding dividend in relation to net profit for 2024.

³⁾ Lost time injuries per million hours worked for the Group, including suppliers. ⁴⁾ The target for 2030 is to achieve a 60/40 gender balance in management teams.

⁵⁾ Carbon emissions have been updated since LKAB's full-year report for 2024 as a result of an audit conducted. ⁶⁾ For a description of biodiversity targets, read more on pages 41 and 90–92.

➤ [Read more about our biodiversity efforts on pages 41 and 90–92.](#)



A challenging year

The year 2024 has been characterised by major challenges, including a tragic fatal accident, problems on the Iron Ore Line, production disruptions and falling iron ore prices. At the end of the year, however, all production facilities were up and running again.

The energy issue has become an increasingly important factor for both our competitiveness and our ability to reach important climate targets. The geopolitical situation is creating great uncertainty. Yet in this turbulent world LKAB is strengthening its position relative to our competitors – we are becoming a more important player in building sustainable value chains – with 80 percent of the EU's iron ore production. We have the qualities required to enable the steel industry to move away from emissions-intensive blast furnace technology.

At the same time, our deposits of rare earth elements and phosphorus provide great opportunities to reduce the EU's import dependency and contribute to strengthening the Union's self-sufficiency. LKAB's strength is that we can adapt and that we combine business acumen with sustainable and responsible mining – an approach that has permeated our entire business since its inception over 130 years ago. This creates value for both society and our customers. The commitment and skills of our employees have been crucial to our ability to adapt and continue to deliver high-quality iron ore and mineral products to our customers.

Europe at a crossroad: geopolitical and energy challenges

Over the past year we have witnessed an increasingly unstable geopolitical situation casting its shadow over Europe and the world at large. The war in Ukraine has not only challenged security policy but also exposed the vulnerability of Europe's energy supply. With continental Europe's heavy dependence on imported gas, which has now been partly replaced by expensive liquefied natural gas (LNG), energy prices have skyrocketed.

High energy prices remain one of the biggest challenges, both for us and for Europe as a whole. The expansion of fossil-free energy is moving too slowly to support the climate transition, creating a paradox: the climate targets are becoming more difficult to achieve, while at the same time industry is under pressure from the EU Emissions Trading System (ETS). With a planned phase-out of free emission allowances by 2035, there is increasing pressure on sectors such as the iron and steel industry to transform. The companies are caught in a trap.

Europe is at a crossroad. Unless we and our customers have access to cheap and reliable energy and the resources needed to transition to fossil-free production, we risk seeing energy-intensive industries move to countries such as the United States and China. These countries not only

offer cheaper energy but also less stringent climate requirements. Such a development would not only be an economic loss for Europe – with corporate bankruptcies, fewer jobs and, by extension, lower economic prosperity – but also a global climate threat, as emissions would likely increase in less sustainable production environments. In short: without cheap and reliable energy, Europe risks deindustrialising before the continent has had time to phase out fossil fuels.

Sweden's entry into NATO in 2024 is a historic milestone. It marks a new era for our national security, but it also places demands on critical infrastructure such as the Iron Ore Line – the backbone of LKAB's logistics. The Iron Ore Line, which is already under strain, may need to cope with the increased pressure of rail transport between NATO countries, requiring coordination and investment to meet future needs. Nearly half of all rail freight in Sweden, calculated in tonnes, is transported on the Iron Ore Line.

A challenging year for LKAB

2024 was a year of challenges, both externally and internally. However, several internal factors became particularly noticeable for LKAB. It is with a heavy heart that I reflect on the tragic fatal accident that took place in Kiruna during the year. This is a reminder that our work on safety must never stop. The accident represents a failure that we take extremely seriously. Our employees' safety is our top priority, and we have intensified our efforts to reinforce the safety culture throughout the organisation.

An important step in this work is the implementation of Critical Control Management (CCM) – a method of identifying and addressing risks before they lead to accidents. CCM means that we not only look at historical incidents but also analyse critical control points in order to anticipate and prevent potential events. By more clearly sorting and prioritising the most severe risks, we have been able to place greater focus on those areas where safety efforts make the most difference.



“Our employees’ safety is our top priority, and we have intensified our efforts to reinforce the safety culture throughout the organisation.”

Net sales in 2024 amounted to MSEK 33,146, a decrease from MSEK 42,923 in 2023. The decrease is mainly due to lower delivery volumes and lower market prices. Despite this, our strategy for highly upgraded iron ore products and minerals has helped to mitigate the effects. We have continued to prioritise deliveries for the steel industry's transition towards fossil-free production – something that strengthens our long-term relevance.

Production and delivery volumes were affected by two factors: firstly, two major derailments on the Iron Ore Line that caused transport stoppages; and secondly, extensive downtime in our pelletising plants – with three of our largest plants having been at a standstill for long periods of time, resulting in significant loss of production. This put pressure on our supply chains and impacted our ability to maintain normal flows to our customers, which in turn had a negative impact on our results.

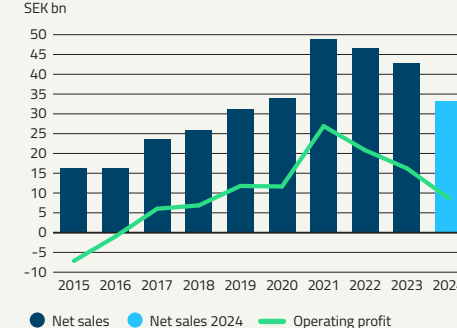
Mining iron ore profitably and sustainably

LKAB's operations are unique and central to Sweden and Europe. Our business model is based on a crucial principle: converting mineral resources into mineable mineral reserves. The difference between these terms is fundamental in the mining industry. Mineral resources refers to the total amount of identified minerals in the ground, while mineral reserves are the deposits that can be profitably extracted under current technical and economic conditions. Making this conversion possible calls for careful exploration, extensive analysis and development work as well as significant investments. Put simply, it is about how we can economically and efficiently mine iron ore from the ground.

Every day that we mine iron ore takes us closer to the end of our existing mineral reserves. It is therefore crucial that we continually identify new deposits and develop innovative mining methods and processes that increase our revenues and enable efficient and sustainable extraction. Mining can be compared to forestry where the forest is replanted in order to secure the future – but unlike the forestry industry, our mineral reserves do not grow back. This places high demands on us as a company to act responsibly and for the long term, in order to ensure both access and sustainability. It is our ability to do this – to replace what we mine with at least the same amount of new mineral reserves – that makes us a key global player in the mining industry, and that gives us our reason for existing.

Our operations require major investments and are sensitive to market changes. That is why we must constantly balance our economic responsibility with our climate responsibility. The mining industry is capital-intensive, and every investment involves great risks. However, these investments are also the key to ensuring our future competitiveness and contributing to a more sustainable world. As part of our strategy, we work not just to replace the volumes we mine every day. We want

Net sales and operating profit



- In total, our deliveries of iron ore products during the year amounted to 21.9 (25.3) Mt and production decreased to 22.7 (26.2) Mt.
- The average global spot price for iron ore was USD 110 (120) per tonne. At the end of the year the price was USD 100 per tonne. Quoted pellet premiums were just under USD 2 per tonne lower year-on-year.
- Operating profit for the year amounted to SEK 8.7 billion, representing an operating margin of 26 percent. Profit was negatively impacted by lower iron ore prices, low production and the long stoppage on the Iron Ore Line at the beginning of the year. Taking this into account, despite challenging market conditions and production constraints, LKAB has delivered a stable result in 2024.
- Performance within the business areas: Net sales for the Iron Ore business area decreased to MSEK 30,103 (39,556) and operating profit totalled MSEK 9,268 (16,484). The decrease is mainly due to lower production and deliveries, and to falling market prices. The Special Products business area reported net sales of MSEK 6,303 (6,944) and an operating profit of MSEK 504 (640), mainly affected by lower sales volumes for magnetite ore, partly offset by improved margins in industrial mineral sales.

to increase our production of iron ore, raise the quality and create new revenue streams by extracting critical minerals.

LKAB is of great importance for the Swedish economy and is a key player in Norrbotten's development. Through our business we create jobs, contribute to GDP and finance welfare via exports and tax revenues. One example of our significance is that when there were stoppages on the Iron Ore Line in 2024, the effects became so great that they could be seen in Sweden's GDP statistics. Our investments in urban transformation, infrastructure and housing contribute to the long-term attractiveness of our operating locations. At a national level, we are one of Sweden's biggest exporters – strengthening the country's position as a global role model of sustainable industry. Internationally, our production is crucial for Europe's steel industry, where our highly upgraded iron ore products are supporting the transition to fossil-free technology and helping to reduce dependence on less sustainable imported materials. European Commission President Ursula von der Leyen has indicated that securing the mining of critical minerals on European soil is a strategic priority for Europe's industrial future and for the security of the continent, and LKAB plays a key role in this too.

How LKAB works – our strategy

LKAB's strategy is made up of three parts, which together provide the foundation for our future development:

A NEW WORLD STANDARD FOR MINING:

Mining at greater depths through increased automation, electrification and digitalisation for increased volumes

We are investing in developing the mining technology of the future, with a focus on automation, electrification and digitalisation. Through this work we can reduce environmental impacts, increase the productivity of our mines and at the same time increase the safety of our workforce. Insights from increased exploration are creating the conditions for us to raise our production volumes

through the extraction of the new deposits that we have identified. We are developing new technologies in collaboration with partners, all of whom aim to implement new solutions for innovative and responsible mining at great depths.

CARBON-FREE PROCESSES:

Increased product value and reduced climate impact

Our goal is to revolutionise the iron and steel industry by enabling the production of fossil-free steel. This is being done by producing hydrogen from fossil-free electricity that can be used to reduce iron ore to sponge iron. This process can drastically reduce carbon emissions compared to the traditional blast furnace process that uses coal. This innovation is not only crucial for our own operations but also for our customers in the steel industry, who are striving to meet their climate targets.

CRITICAL MINERALS:

Extraction of phosphorus and rare earth elements for increased self-sufficiency

We are making efforts to use more of the materials we already mine in order to extract phosphorus and rare earth elements – critical minerals that are crucial for society. These critical minerals are central to the production of batteries, wind turbines and electric vehicles, among other things, as well as the mineral fertilisers on which half of the world's food production depends. Through our efforts we can help to reduce Europe's dependence on imported minerals and increase our self-sufficiency.

The challenges we need to overcome

Europe has ambitious targets for reducing carbon emissions, but without access to cheap and reliable fossil-free energy, these targets are difficult to achieve. High energy prices are already affecting the competitiveness of energy-intensive industries and the entire value chain. For LKAB,



LKAB is investing in developing the mining technology of the future to reduce environmental impact, increase productivity and raise safety levels in the mines.

the supply of fossil-free energy is crucial, as our future depends on being able to transition to carbon-free production.

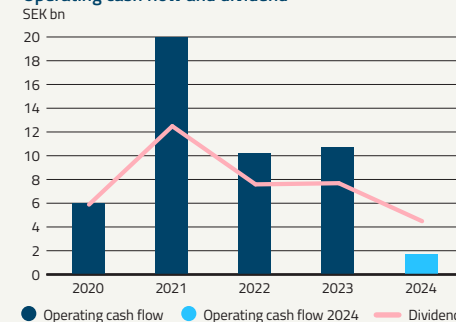
LKAB is determined to be part of the solution. We are working actively to secure our own energy supply through strategic partnerships and long-term agreements. At the same time, we are a clear voice in the debate on Europe's energy policy and the importance of prioritising investments in new competitive electricity production. Several types of power will be needed and must work together to create a stable and reliable energy system that meets both the climate goals and the needs of industry. We need all the fossil-free energy we can get.

The Iron Ore Line is LKAB's lifeblood. It is crucial for our highly upgraded products to reach customers in Europe and the world. Despite this, the line is under heavy strain – and with Sweden's entry into NATO it may need to handle even more transport, thereby increasing the pressure further. Meeting the needs of the future will require investment in modernisation, increasing capacity and sustainable transport. These investments will support

Overview and key financial ratios	2024	2023
Net sales, MSEK	33,146	42,923
Operating profit, MSEK	8,722	16,230
Costs for urban transformation provisions, MSEK	-313	-400
Net financial income/expense, MSEK	2,229	2,928
Profit/loss before tax, MSEK	10,951	19,158
Profit/loss for the year, MSEK	8,773	15,220
Capital expenditure on property, plant and equipment, MSEK	5,408	5,442
Operating cash flow, MSEK	1,740	10,704
Return on equity, %	11.0	20.0
Net debt/equity ratio, %	-15.5	-23.8
Dividend to owner ¹⁾ , MSEK	4,400	7,600

¹⁾ The dividend proposed by the Board of Directors is subject to approval by the Annual General Meeting on 24 April 2025.

Operating cash flow and dividend



Non-financial key ratios

	2024	2023
Carbon emissions, kt	600 ¹⁾	645
Energy consumption, kWh per tonne of product	176	165
Accident rate	4.9	6.3
Number of permanent employees at year-end	5,222	5,188
Percentage of women among permanent employees, %	29	27

¹⁾ Carbon emissions have been updated since LKAB's full-year report for 2024 as a result of an audit conducted.



LKAB is working together with municipalities and other actors to develop attractive and sustainable local communities.

both the climate goals and Sweden's industrial competitiveness.

In addition to the Iron Ore Line, permitting processes and attractive local communities are central to LKAB's future. Today the permitting processes are often long and complex, which slows down both innovation and the necessary investments. To enable LKAB to realise its projects and contribute to Europe's security of supply, these processes need to be reformed. A more efficient and predictable permitting system is crucial if we are to be able to take advantage of opportunities in the climate transition.

At the same time, we are working to create attractive local communities in Kiruna and Gällivare, where we maintain continuous dialogue with affected parties, including representatives of reindeer husbandry, in order to balance different needs.

Sustainable communities in the locations where we operate require a strong public sector with high-quality healthcare, education and public services. Supply of skills is a particular challenge, and we are working actively to secure access to the expertise required to run and

develop our operations. By investing in infrastructure and community development we strengthen LKAB's ability both to remain competitive and to lead the transformation of the industry.

A positive outlook for LKAB

Challenges can lead to development. In challenging times, we have become even better at what we do. By optimising our processes, improving productivity and working methodically we have shown that we can respond to difficult times with strength and innovation. This confirms our ability to adapt while sticking to our long-term goals. The transformation towards carbon freedom continues, but this is not taking place in a vacuum. For us to be able to achieve our goals, the right conditions must be in place: a stable supply of fossil-free energy, efficient permitting processes and long-term investments in infrastructure.

In 2024 we have taken significant steps forward in our development projects, from pilot plants to the implementation of new technologies that can revolutionise the entire mining industry. In autumn 2024 LKAB's

environmental permit application for our operations in Gällivare/Malmberget was published, marking the start of the formal review process in the Land and Environmental Court that is an important step in scaling up the production of phosphorus and rare earth elements – key materials for the climate transition and for reducing Europe's dependence on imported minerals. At the same time we have continued our work on fossil-free hydrogen, a fossil-free energy carrier that is key to enabling steel production without coal and reducing the industry's carbon emissions.

Our new framework "One LKAB" creates clarity in how we work and how we lead at LKAB, and will help us develop a continued successful company together. We are determined to achieve our goals and contribute to a more sustainable future. Our focus on innovation and sustainability not only creates value for LKAB, but also for our customers and for society in general. These advances, combined with our strategic partnerships and determination, show that we are on the right track, even at a time of great challenges. Throughout LKAB's long history, we have shown time and time again that we can cope with major changes and we have been an innovative trailblazer in the mining industry, both in Sweden and internationally.

I would like to end by expressing my warm and sincere thanks to all of our employees, customers and partners. Your commitment, your ideas and your hard work are the foundation for LKAB's successes. It is through your efforts that we continue to be a driving force for sustainable development and economic growth – both in Sweden and in the global arena.

Luleå, 27 March 2025

Jan Moström, President and CEO

Key events in 2024

- Following the major derailment on the Iron Ore Line in mid-December 2023 the line was taken back into operation in mid-February 2024, but had only been operating again for a few days when a new derailment put a stop to deliveries to Narvik. In total, the derailments brought deliveries on the Iron Ore Line to a standstill for 76 days.
- Tragically, a fatal accident occurred in the Kiruna mine during the second quarter. The Swedish Work Environment Authority's inspection indicates shortcomings that were also noted in our internal investigation. Several measures are being implemented based on these reviews, including targeted safety inspections with a focus on machine safety.
- Within the Emissions Trading System (ETS), the European Commission took the decision that iron ore pellets and sinter are to be included in the same benchmark for the period 2026–2030. This means that LKAB will be entitled to around six million more emission allowances for pellet production in 2026–2030. The value of this is around SEK 4 billion at today's prices.
- During the year extensive efforts were made to remedy deficiencies and improve the quality of our plants, which significantly limited production. The efforts yielded results and at the end of the year the affected plants were back in full production.
- During the autumn LKAB began a dialogue with Kiruna Municipality concerning replacement of a number of socially critical buildings that are outside the calculated impact area from mining operations. The future potential compensation, which is estimated to be just over SEK 2 billion, has increased provisions made for urban transformation.
- Following several major seismic events in the Malmberget mine, the County Administrative Board announced in the autumn that it shares LKAB's interpretation concerning working towards phase-out of the homes in eastern Malmberget. The compensation principle is that homeowners can choose between a new equivalent house or monetary compensation corresponding to the market value plus 25 percent.
- At LKAB's board meeting on 24 October an investment decision was made to establish a research and development centre and a demonstration plant for the processing of phosphorus and rare earth elements in Luleå.

Strategy

- Business intelligence
- Market
- Strategic direction
- Conditions for implementing the strategy
- Overview of our position





EXTERNAL FACTORS

Conditions in the world around us

Geopolitics, regulatory conditions, the infrastructure in Sweden and the needs of the local communities are important external factors that govern LKAB's operations.

Geopolitical turbulence

Regionalisation of the world

Geopolitical uncertainty has accelerated in the world during 2024. Increased protectionism and regionalisation may result in changing conditions for global supply chains. Europe's ambition to reduce dependence on imports and increase self-sufficiency is creating new opportunities. With LKAB's mineral resources and long-term strategy for innovation, increased product value and local production with growth, we are consolidating our position. This will provide the conditions for a transition to lower carbon emissions and stable value chains through partnerships with customers. LKAB has a key role as a supplier of iron ore to the steel industry in LKAB's home markets.

Energy prices determine the direction

Energy prices in Europe, which have risen sharply since Russia's invasion of Ukraine, continue to affect both the mining industry and steel-consuming industries. The iron and steel industry must transition its processes to reduce emissions, and competitive energy solutions are needed as the steel industry moves from a global price for energy via coal to regional prices. LKAB has a good starting position given the advantage of lower electricity prices and access to fossil-free energy in northern Sweden.

The steel industry demands flexibility

The European steel industry is on the threshold of a radical transformation, aimed at reducing its climate footprint while also ensuring competitiveness. However, the change is taking place in a challenging economic environment, with stagnating growth, high costs, uncertainty about energy solutions and how the future market will develop. This affects the pace of the transition. LKAB's flexible production and delivery model aims to be able to follow customers' needs from traditional blast furnace processes to direct reduction combined with electric arc furnaces.

Focus on security of supply

Europe needs to reduce its import dependence for critical minerals. Rare earth elements are needed for fossil-free energy and electrification. Phosphorus is a crucial input for mineral fertiliser, which is necessary for sustainable food production. By extracting critical minerals from the material we have already mined, LKAB can contribute to a circular and sustainable value chain. This will strengthen both Sweden's and the EU's security of supply.

EXTERNAL FACTORS

Regulatory conditions

The EU's climate goals set the stage

The EU's climate goals are to reduce carbon emissions by 55 percent by 2030 and to reach net zero emissions no later than 2050. Tools such as the EU Emissions Trading System (EU-ETS) and the Carbon Border Adjustment Mechanism (CBAM) – a climate tariff on imported goods – are increasing incentives for companies to reduce their carbon footprint as the cost of carbon emissions increases. Technical and economic conditions may lead to delayed action, but action must be taken to achieve the climate goals by 2050. LKAB's products have a low climate footprint in a global comparison, but the ambition is to achieve carbon-free processes and products by 2045.

Demand for fossil-free energy is increasing

For the steel industry, the EU's climate goals mean major changes. The transition from using coal in steelmaking to alternatives that reduce greenhouse gas emissions has begun. The transition increases the need for fossil-free electricity production. However, challenges such as limited access to fossil-free energy at a competitive price, a lack of infrastructure and long permitting processes may slow down development. Temporarily poorer economic development in Europe could dampen demand for fossil-free energy in the short term, but the long-term trend remains.

A great transition awaits

From 2026 onwards, the free allocation of emission allowances within EU-ETS will begin to be phased out. It will be replaced with climate tariffs. The phasing out of free emission allowances is a major change for energy-intensive industries such as the mining and steel sectors, and creates a stronger incentive for investment in fossil-free technologies.



LKAB is working for a secure and competitive supply of fossil-free energy.

With LKAB's iron ore pellets as input material, steel companies can cut back on the production of sinter – which reduces emissions of greenhouse gases – and at the same time reduce energy consumption in blast furnaces.

Efficient permitting processes are important

The permitting processes in Sweden are crucial for enabling both industrial investments to be made and mining projects to be implemented. The processes are often long and unpredictable, with many steps and actors involved. More efficient permitting processes are essential for meeting future demands for a sustainable mining industry. LKAB is navigating the complex regulatory framework using its own expertise and in collaboration with other actors. The company is actively contributing to highlighting and promoting the regulatory changes that are necessary in order for Sweden and Europe to transition.

Infrastructure in Sweden

Iron Ore Line severely undersized

The Iron Ore Line is crucial for LKAB's production and deliveries, but capacity shortages and lack of maintenance are creating major challenges. Nearly half of Sweden's freight – calculated in tonnes – is transported on this railway, which is already undersized. With future increased transport needs, the lack of capacity risks hampering value creation. LKAB is calling for long-term investments and a coordinated approach to meet current and future needs.

Demand for energy is growing fast

Fossil-free energy and a stable electricity grid are pre-requisites for LKAB's transformation and expansion. More efficient permitting processes, expanded power infrastructure and capacity to meet the growing demand for electricity are pivotal for enabling a successful transition to carbon-free processes and products.

Larger port capacity needed in the north

The ports of Luleå and Narvik are important for LKAB's transport to international markets. They are critical parts of LKAB's logistics chain and act as hubs. It is important that capacity is increased to meet future expansion needs.

Meeting the needs of the local community

Successful urban transformation is vital

LKAB's operations generate major changes in the local communities, especially in Kiruna and Gällivare (Malmberget). Through dialogue with the local community, new homes, workplaces and infrastructure are planned to facilitate the transition for those affected. We are working with municipalities, the region and other actors to create attractive communities that offer housing, important public services and infrastructure.

Cooperation with local interests

LKAB works actively to balance its interests with local interests, including the needs of reindeer husbandry. Cooperation and early dialogue are conducted with the

Sámi communities affected and are essential for the mining industry and reindeer herding to continue to be conducted and developed. The cooperation agreements that exist have been developed together with the Sámi communities. They are built on mutuality and respect, and aim to put everyone in a better situation to reach agreement and find solutions on different issues.

LKAB also collaborates with local authorities, organisations and residents in its operating locations. Through dialogue, consultation and exchange of information, conditions are provided for understanding and for enabling adaptation and measures to reduce negative impacts and to benefit actors in society.



MARKET

The market determines investments in new technology

The iron and steel industry is facing significant changes, with requirements to reduce greenhouse gas emissions, increased geopolitical uncertainty and lower steel consumption in China.

Transformation of the production systems in the iron and steel industry, with coal being gradually phased out as a reducing agent, is a necessity for achieving the global climate goals. Regional energy conditions will become increasingly important in future production systems. The sector is also affected by structural changes in China's

demand for steel and in technological development, creating both opportunities and challenges in the value chains. Three important overall trends are crystallising:

- Transition for a reduced climate footprint
- Reduced steel consumption intensity in China
- An increased focus on supply risks and geopolitics

The European steel industry is under pressure

Present

Over the past year, profitability in the iron and steel industry has fallen as a result of lower steel consumption. In China, demand for steel has decreased since 2020 and stocks of iron ore have increased as production has been maintained. The result was weaker profitability and an oversupply of iron ore globally in 2024. Parallel to this development, exports of steel to other markets have increased.

Innovation and clean energy are crucial

The European steel industry is under pressure, with weak profitability and a large need for investment to meet the

requirements for lower greenhouse gas emissions.

Energy costs are a particularly big challenge, not least in comparison with other regions. Europe's dependence on imported gas, which is now largely being replaced by expensive liquefied natural gas (LNG) from the United States, has contributed to higher energy prices – thereby weakening the competitiveness of European industry.

The current economic downturn and weaker demand for steel in key sectors such as construction and the automotive industry have also exacerbated the situation, affecting both profitability and investment opportunities for the industry.

MARKET

Cost pressure and technical choices

Near future 5–10 years

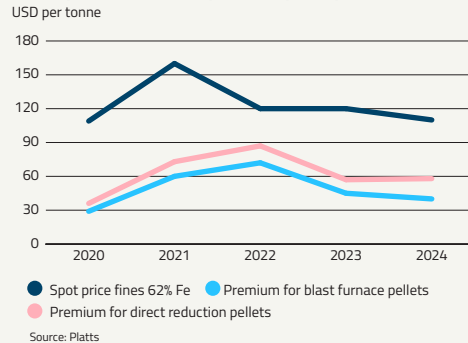
The premium for high-grade iron ore is expected to increase. Direct reduction, which is the technology most ready to replace the blast furnace process and reduce emissions of carbon dioxide, places higher demands on the iron raw material. The transition to steel production in electric arc furnaces will drive demand for high-grade iron ore, sponge iron (HBI/DRI) and scrap. When the steel industry will make major investment decisions is a complex issue that involves factors such as the available technology, access to fossil-free energy and iron raw material, and finally demand for fossil-free products. With the transition in the industry, demand for high-grade iron ore that can be used in the direct reduction process is therefore expected to increase. A limited supply of scrap and high-quality iron ore is increasing competition for resources. At the same time, companies in some developing countries are continuing to invest in blast furnaces, slowing down the global transition.

New technology for cost-effective transition

In Europe, blast furnace production is expected to decrease gradually, over time being replaced by direct reduction processes and electric arc furnaces. The EU's Emissions Trading System, in which the free allocation of emission allowances is to be phased out by 2035,

is expected to increase the production cost of systems with emissions when the actual emissions have to be paid for. When the free allowances are phased out, a Carbon Border Adjustment Mechanism (CBAM) will be introduced to protect European industry by making imports from countries with lower climate requirements more expensive. However, these carbon tariffs will not be enough to protect the competitiveness of the sector. Access to fossil-free, cost-effective energy and new technology are critical for the transformation of the steel industry. Increasing regionalisation may also lead to more protectionism, which risks making the transition more expensive. If fossil-free energy is not expanded to a sufficient extent, the EU's climate goals may become difficult to achieve. There is a risk that steel-consuming industry will move to regions where energy prices are lower and climate requirements less stringent.

Development of iron ore price and pellet premium



High-quality iron ore in focus

Future >10 years

In the longer term, demand for high-quality iron raw material, especially highly upgraded products such as pellets and sponge iron, is expected to continue to increase.

Transition

The continued transition is expected to entail higher production costs and require significant investments. The need to reduce emissions is increasing for climate reasons, but the cost of emissions is also expected to increase sharply as a result of emission allowances in the EU gradually becoming more expensive. This will lead to significantly higher costs for blast furnace-based steel production.

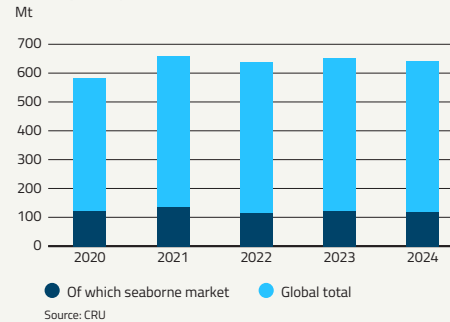
There is also uncertainty concerning how costs will develop and concerning the expansion of solutions such as hydrogen and carbon capture and storage (CCS), which may affect the pace of transition. The availability of

high-quality iron ore and scrap may be a limiting factor. Steel companies are expected to build pollution management into their processes, resulting in increased investments compared with conventional processes. At the same time, global factors such as the supply of iron ore and other raw materials, energy supply and regionalisation will be significant for the market's development.

Europe has the potential to lead the change

Regionalisation means that value chains are increasingly being built within geographical or political blocs, which may create new opportunities for European players to develop regional collaborations and secure the supply of raw materials. Europe has the potential to lead the development of a market for fossil-free steel, but this requires coordinated action and significant investments in renewable energy production and infrastructure.

Global pellet production



Top 5 pellet producers for the seaborne market 2024

Exports Mt

Company	Size	Exports
Vale	1	26.0
LKAB	2	14.5
Bahrain Steel Co	3	11.1
Samarco	4	9.3
Iron Ore Company of Canada (IOC)	4	8.2

Source: CRU

MARKET

The European steel industry

LKAB is a significant supplier of highly upgraded iron ore products for the steel industry. With a focus on quality and sustainability, LKAB delivers to steelworks and industrial customers all over the world.

Geographical markets

Our customers are mainly in the European steel industry, which accounts for around 80 percent of the company's sales. Large steel producers in northern and central Europe rely on LKAB's highly upgraded products, consistently high quality and secure delivery capacity to maintain their productivity, their effective processes and for efficient steel production with reduced carbon emissions. However, Europe is a mature market with stagnating economic growth and high competition, which places high demands on security of supply, reliability, sustainability and quality to maintain attractiveness. In addition to Europe, iron ore products are exported to other markets such as North Africa, the Middle East, North America and Asia.

Sustainability and innovation

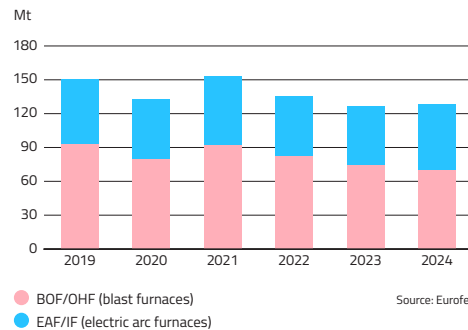
Demand for LKAB's iron ore pellets and special products has been stable thanks to high, consistent quality. LKAB is supporting the transition to a fossil-free industry by providing the market with products that have lower carbon emissions and that support customers' transition to sustainable production. This includes, for example, investments in innovation and new technology, such as carbon-free iron ore production. By recycling residual

materials for the extraction of critical minerals, and creating side streams that contribute to meeting the EU's needs for rare earth elements, we will be able to strengthen our position as a leading partner in the circular economy of the future.

Importance of the steel industry

The European steel industry produces around 140 million tonnes of steel per year and has a turnover of around SEK 2,200 billion. With over 500 production plants in 22 EU countries, it creates direct and indirect employment for millions of Europeans. The steel industry is closely integrated with Europe's manufacturing and construction industries, and is a cornerstone for development, growth and jobs in the region.

Production of crude steel in the EU and UK



Customer segments

Our customers represent a diverse mix of industries, with steelworks and industrial customers making up the core. By offering different products we meet the needs of a broad customer base.

Steel production using blast furnaces

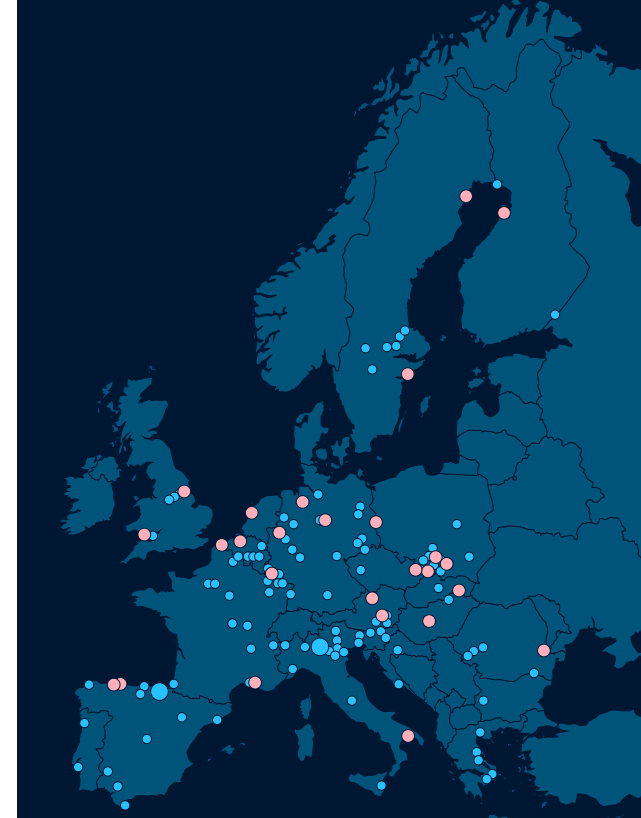
The bulk of LKAB's sales go to steelworks that use pellets and fines in blast furnaces, which accounts for a significant majority of the company's iron ore deliveries.

Steel production using electric arc furnaces

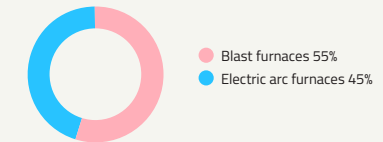
A growing customer group uses LKAB's products to produce steel through direct reduction, generally resulting in a lower climate impact. Although this segment is fairly small today, it is expected to grow in line with the industry's transition towards sustainable steel production.

Industrial customers and mineral markets

LKAB supplies around 30 different kinds of industrial minerals to customers in various sectors. This segment is smaller than the iron ore sales, but contributes with diversified revenues and innovation in new applications.



Distribution of capacity in existing blast furnaces and electric arc furnaces in Europe



Although the majority of Europe's steel furnaces are electric arc furnaces, blast furnaces account for a greater proportion of total steel production.

Focus on efficiency and innovation



Our strategy is made up of three parts, which together provide the foundation for our future development:

A NEW WORLD STANDARD FOR MINING

Mining at greater depths through increased automation, electrification and digitalisation for increased volumes

CARBON-FREE PROCESSES

Increased product value and reduced climate impact

CRITICAL MINERALS

Extraction of phosphorus and rare earth elements for greater self-sufficiency

Since its inception over 130 years ago, LKAB has through innovation streamlined the production of iron ore products and, step by step, increased the value added by processing in order to remain competitive in the market.

LKAB is now driving the development towards a new world standard for mining at great depths. A focus on carbon-free processes and products is contributing to higher product value and reduced climate impact. The extraction of phosphorus and rare earth elements is enhancing Europe's self-sufficiency in critical minerals and developing the business.

Flexibility creates scope to act

LKAB's strategy focuses on ensuring competitiveness, profitability and sustainability through stable and efficient production using innovative and fossil-free solutions. We adapt our strategic direction based on what is technically possible, financially sustainable and feasible within reasonable time frames, all while managing risks in order to balance long-term and short-term goals.

Mining and processing of the future

Future mining will take place at greater depths, with new main haulage levels designed to safely and efficiently exploit the mineral reserves and increase productivity. Digitalisation, automation and electrification are being combined with modern technology to optimise the process. In processing, the focus is on continuing to develop carbon-free iron ore pellets and evaluating the capacity for sponge iron production in Gällivare. A demonstration plant will be built in Luleå to evaluate a future business within phosphorus and rare earth elements. LKAB aims to become a leading player in Europe in industrial minerals and mining services, focusing on environmental technology, construction and the agricultural sector. We will develop services and products within engineering, drilling, explosives and maintenance, with the flexibility to meet both internal and external needs.

Current position

LKAB's competitiveness is based on the high and consistent quality of our iron ore products, our geographical location and the skills of our employees, enabling the production of high-quality pellets – which are particularly important for the future transformation of the steel industry. The limited life of the mines requires the conversion of mineral resources into reserves for continued operation. Fossil-free energy in northern Scandinavia strengthens our position, and products such as phosphorus and rare earth elements have great potential when supported by new facilities. LKAB will remain a system-critical player for the EU's steel industry and will enhance Europe's self-sufficiency in iron ore and critical minerals.

Future position

LKAB will be regarded as a long-term sustainable, reliable and stable supplier with a high level of technical expertise that utilises advantages such as ore quality and fossil-free energy. The company will adapt to the market of the future, run sustainable operations and maintain a cost position that enables production even in weak market conditions. A key player in the value chain for iron and steel and seen as a reliable supplier, LKAB will contribute to the EU's self-sufficiency in critical minerals. Collaborations and partnerships will strengthen the business and contribute to the company's strategic goals.

Overview of activities and major projects

Ongoing

- New environmental permit in Gällivare (Malmberget) includes a permit to continue the existing mining and processing activities as well as the construction of a first demonstration plant for fossil-free sponge iron and an apatite plant
- New environmental permit for the processing of phosphorus and rare earth elements in Luleå
- Started establishing a demonstration plant and research centre for further processing of critical minerals in Luleå
- LKAB has also submitted its application for an exploitation concession for the new Per Geijer deposit in Kiruna
- Further investigations into current and future deposits for continued mining

Planned

- Demonstration plant for sponge iron production using HYBRIT technology in Gällivare
- Further investigation into the possibilities for sponge iron production in Kiruna
- Continued gradual transition to carbon-free iron ore pellets
- Progressive expansion of the industrial park for critical minerals in Luleå
- Preparations for a comprehensive review/environmental permit for the operations in Kiruna



Visualisation of the demonstration plant in Luleå.

Mining at great depths is a strategic investment in the future

LKAB has long been a world leader in iron ore production. As the depth at which the orebodies are located goes ever deeper, however, we are faced with new challenges. Higher rock stresses, increased seismic activity and more complex logistics require innovative solutions.

To remain competitive and to secure future production, ever since the underground mining started we therefore began working to develop sustainable and efficient methods for mining at great depths.

Converting mineral resources into mineral reserves means ensuring that a deposit can be mined profitably – turning a resource into a practically viable and economically sustainable mineable reserve, even if the ore is very deep underground. This is possible if technical, economic and environmental factors interact to allow mining that is economically sustainable with the available technology and under the prevailing market conditions.

LKAB's favourable mix: quality, purity and innovation

A decisive factor in our success is that our iron ore has a high iron content and low levels of other substances that make steel production more difficult and more expensive. This favourable mix makes it profitable to mine ore even at great depths, as the products are in demand globally for the production of high-quality, climate-efficient steel. With our iron ore, we can produce a pellet that commands

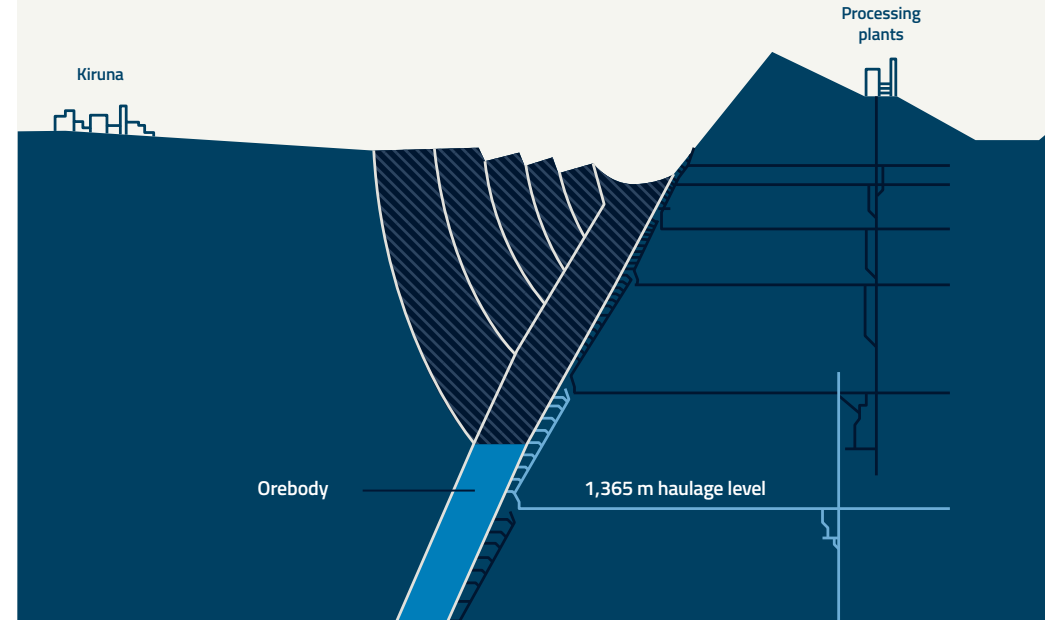
a high premium compared to the world's iron ore products in general. The combination of product quality and innovative solutions puts LKAB in a unique position in the market.

Through automation, digitalisation and electrification, together with investments to increase the value added by processing, we have continuously managed to maintain our position in the market and increase productivity. LKAB's long-term goal of carbon-free processes and products also has a direct connection to mining at great depths. Electrified machines and other battery-powered equipment are already being used in the operations to reduce climate impact and improve productivity.

Development of solutions for future mining

Sustainable Underground Mining (SUM) was a groundbreaking collaboration initiated in 2018 between LKAB, industrial partners such as ABB, Epiroc, Combitech and Volvo, and the research community via institutions such as Luleå University of Technology, which ended in 2024. Results from the SUM project are crucial to the ability to meet the unique challenges of mining at great depths while ensuring profitability. Through autonomous mining systems and real-time monitoring, high rock stresses and seismic activity can be effectively managed, thereby minimising downtime and safety risks. Electrified machinery and energy-efficient transport systems

Mining ore in the Kiruna mine



The Kiruna mine is one of the world's most advanced underground mines and symbolises technical excellence. Mining at depths of more than 1,300 metres is extremely demanding, and LKAB has developed world-leading autonomous transport systems that use AI and remote

control to optimise ore haulage. Together with cutting-edge ventilation solutions that improve the work environment and reduce climate impact, these innovations are setting new standards in safety and sustainability that are reshaping the entire mining industry.

NEW WORLD STANDARD FOR MINING

reduce both operating costs and climate impact, while smart ventilation optimises energy consumption. Digitalised control systems increase the precision of the mining process and enable remote control, which improves productivity. At the same time, these innovations contribute to a safer work environment by reducing the need for human presence in high-risk areas. Together, these solutions create the conditions for sustainable and economically efficient mining.

Continued development is focusing on the further development and implementation of important results from the SUM project, but also on continuing the work to develop suitable mining methods, design and production systems to ensure competitive mining even at greater depths. Our ability to handle rock stresses and our main design are critical to achieving the full effect of an optimised production system, and are based on our ability to continue to develop methods and solutions adapted for mining at greater depths.

Conditions for future mining at great depths

Realising our ambitions of mining at great depths to extend the life of the mines – by enabling the extraction of orebodies that are below the current main haulage levels – requires a favourable framework and cooperation between authorities, industry and academia. With the right conditions, LKAB can continue to be a global leader in the mining industry and pave the way for sustainable and profitable mining at even greater depths in the future, down to 2,000 metres.



LKAB has actively integrated drone technology into the mining operations to improve safety and efficiency underground. Together with Luleå University of Technology, LKAB has successfully conducted the world's first tests using autonomous drones to inspect mines in a real mining environment.



Digital solutions such as remote control reduce risks for employees while contributing to cost-effective mining through higher productivity.



Photo: Dan Boman 2023, Scania

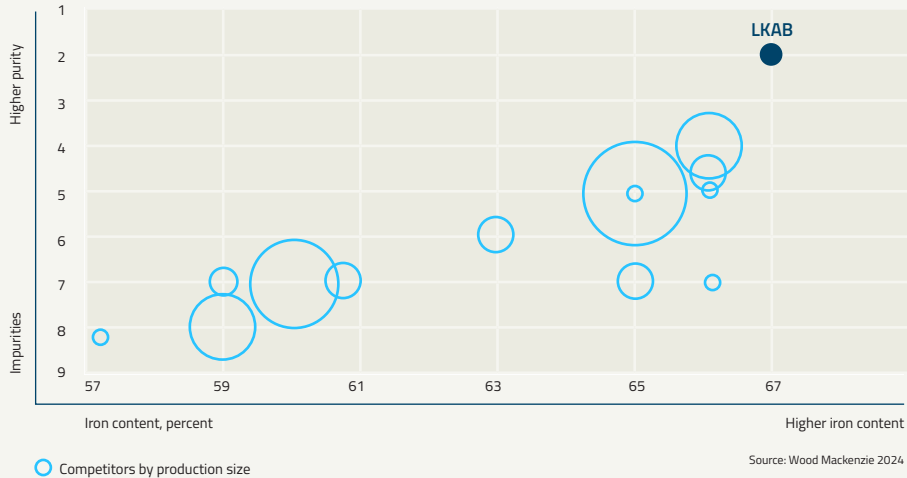
Electrified trucks, developed in collaboration with Scania, reduce emissions and contribute to more sustainable and efficient mining.

NEW WORLD STANDARD FOR MINING



Iron ore pellets and fines, extracted from magnetite from LKAB's mines, are characterised by consistent quality and good concentrating properties.

Iron content and purity
Percent



Iron ore with good properties

LKAB's iron ore pellets and fines, extracted from magnetite, are characterised by consistent quality and good concentrating properties. This enables a high iron content in the concentrate, providing good conditions for efficient pellet production. Although the iron content of the pellets is no higher than in other high-grade pellets on the market, this highly concentrated product allows more additives to be added to create the desired properties. The properties of the magnetite also provide an advantage in the sintering process, where fossil fuel consumption is around 60 percent lower than for competing products.

Iron ore resources for future generations

Following successful exploration work in 2023, LKAB was able to report total mineral resources for all deposits of 4.6 billion tonnes. The update of mineral resources for 2024 indicates continued good results from exploration and technical studies. Total mineral reserves and mineral resources as at 31 December 2024 amounted to 6.1 billion tonnes, of which total mineral reserves amounted to 1.0 billion tonnes.

Mineral reserves and mineral resources
Million tonnes



Potential in highly upgraded products

For LKAB, productivity is about high capacity utilisation of capital-intensive plants. Our competitiveness and our very reason for being are based on a balance between achieving good cost-effectiveness and offering products with high revenue potential.

Higher costs at the outset

Mining iron ore in underground mines is more expensive than in open-pit mines. Pay levels in Sweden and strict environmental requirements also increase costs. Moreover, lower production volumes affect the ability to get down to the same cost level per unit produced as competitors with larger production volumes. At the same time, LKAB has well-developed logistics and a cost advantage for delivering to customers in Central Europe when compared with imported iron ore pellets from Brazil and North America. The aim is to maximise revenue through both volume and processing, while maintaining cost control.

The cost of mining – cash cost

The cash cost shows the production cost and competitiveness of mining companies and individual mines. Comparisons of cash cost for the industry are regularly compiled by independent analysts. LKAB has higher mining costs than mining companies with open-pit mines in Australia, but higher revenue per tonne of product sold, which is based on the high-grade ore and the production of high-value pellets. Maintaining a combination of cost-effectiveness and high product prices is crucial for LKAB's long-term competitiveness. In addition, LKAB must invest effectively for competitive profitability.

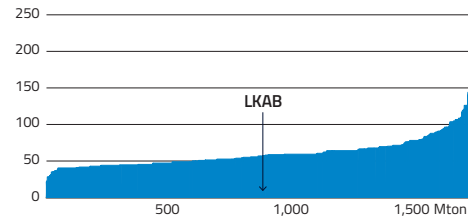
Turning the ore into highly upgraded products

To maintain a strong position, both efficiency in the day-to-day operations and the ability to convert the ore into upgraded products are crucial. Revenue optimisation through increased volume and carbon-free processes, to increase the product value of upgraded iron ore pellets and sponge iron while reducing climate impact, are key elements in the strategy. To enhance productivity we work continuously on innovation and technological development, with automation, electrification and digitalisation being important elements.

With the ambition of establishing the future technical standard in sustainable mining and iron ore production, we focus on small continuous improvements in processes, such as optimising ore haulage and energy consumption, in order to ensure flexibility and scalability in the business.

Cash cost of iron ore producers

Cost level per iron ore producer and accumulated iron ore production globally USD per tonne



Source: Wood Mackenzie

Processing drives development

LKAB supplies high-quality iron ore products adapted for both traditional and fossil-free steel-making. Through processing and innovation, the products contribute to improved efficiency, lower emissions and a more sustainable steel industry.

Fines are crushed, ground and concentrated iron ore. In order to use fines in the blast furnace process, they must first be sintered. This is done by mixing them with additives and sintering them into lumps in what is known as a sinter plant.

Blast furnace pellets are an upgraded form of iron ore produced by agglomerating iron ore into small, round balls (pellets) with a high iron content and purity that are ready for use directly in blast furnaces during steel production without having to be processed beforehand. They do not require any further processing, which means energy consumption and carbon emissions are lower.

Direct reduction pellets are an upgraded type of iron ore that is used in direct reduction. In the direct reduction process, the iron ore pellets are reduced in a shaft furnace before being melted in an electric arc furnace. Traditionally, direct reduction takes place using natural gas, but to make the process fossil-free the natural gas can be replaced with fossil-free hydrogen. Direct reduction pellets have a very high iron content and purity.

Sponge iron is a product of direct reduction, where the oxygen has been removed from the iron ore, resulting in a solid iron material that can be used directly in steelmaking. Global sponge iron production is currently limited but is expected to increase significantly given its potential to enable completely fossil-free steel production. Sponge iron is a future product for LKAB.



Collecting samples of crude pellets in a processing plant.

130 years of innovation

Ever since LKAB was founded in 1890, innovation and technological development have characterised our operations and our business. This has laid the foundations for our current position as an innovative and sustainable industrial company, with stable and profitable production. With over 130 years of experience, we have established tried-and-tested processes for moving from concept to profitable and sustainable business.



LKAB is driving innovation in order to develop new sustainable solutions in the mining and minerals industry.

Accelerated development

Our development work has been intensified in recent years, partly to enable the transformation to a new world standard for mining at great depths. This work is taking place close to the operations and existing work methods. A stated goal is that new technology and new methods from ongoing development projects can be gradually introduced into existing operations and at current mining depths once they have been proven to work, thereby contributing to increased productivity and higher volumes.

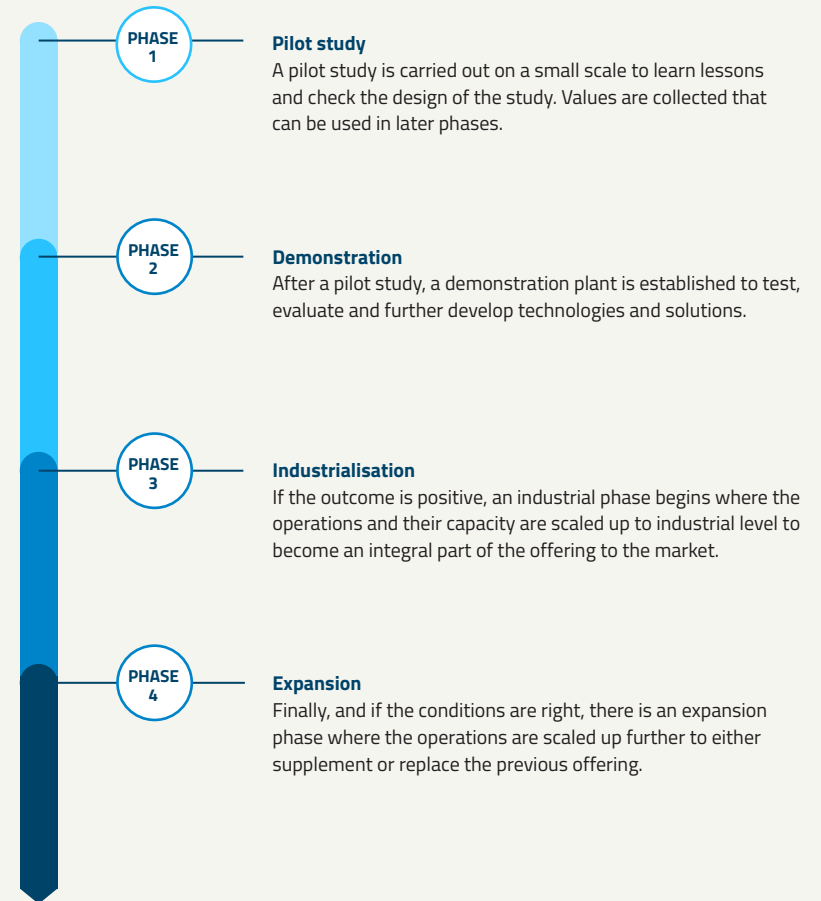
In larger development projects we see great advantages in driving innovation efforts in close collaboration with strategically important suppliers and research institutions. Our shared ambition is to identify innovative products and solutions that contribute to improved competitiveness.

By continuing to develop technologies, working methods and products, we can make a positive contribution throughout the value chain and ultimately add value for our owner, the industry and society in general.

A four-phase scale-up model

All the strategic initiatives follow a scale-up model with four phases: the pilot phase, the demonstration phase, the industrialisation phase and the expansion phase. The aim is both to ensure financial sustainability over time and also to have the operational and technical conditions in place. If the conditions are not in place, the initiative is cancelled or postponed until the conditions are deemed to be more favourable.

LKAB's proven scale-up model



NEW WORLD STANDARD FOR MINING

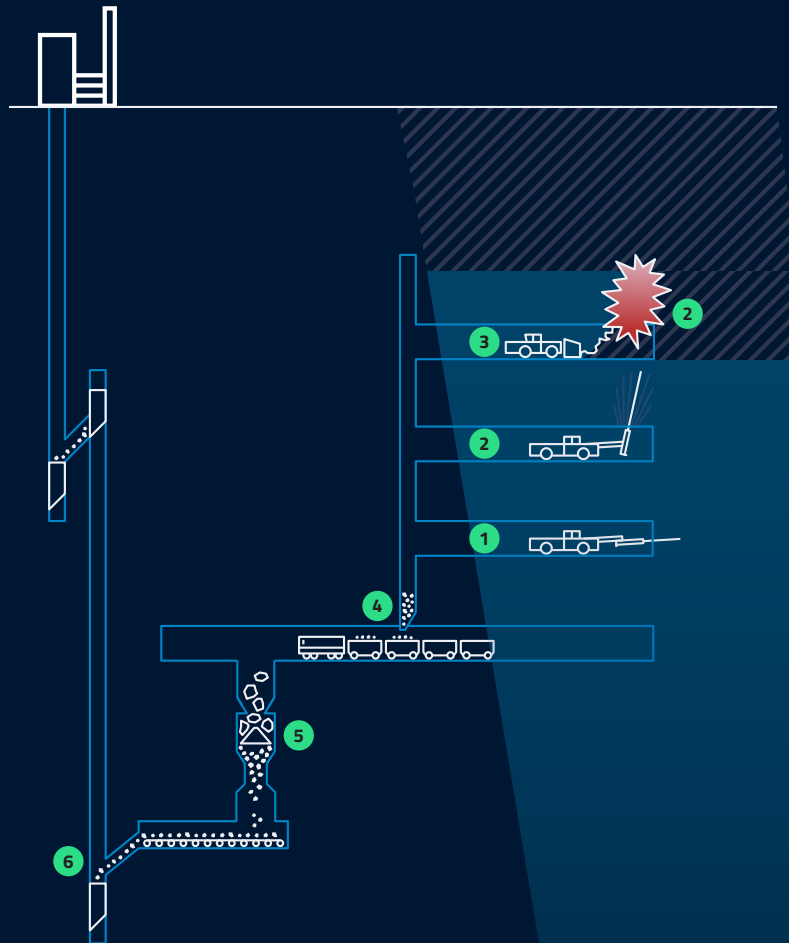
In 1952, LKAB took one of the biggest steps in our history by deciding to start mining ore underground in Kiruna. This has become our signature and a driving force for further innovation. Underground mining is more costly than open-pit mining – which has meant that we have constantly had to renew our operations and invent new solutions in order to be competitive and cost-effective, given our unique conditions. Today our mines in Kiruna and Gällivare are the two largest underground iron ore mines in the world.

1 Drifting

Tunnels are made in the rock by means of drilling, blasting, scaling (removing loose stones) and rock reinforcement. In the 1990s the charging technology was streamlined by the use of an emulsion explosive developed by ourselves. In 2014 the Giron Mobile system was introduced together with an extensive WiFi network and on-board computers, which increased efficiency and productivity by reducing unforeseen obstacles and unnecessary driving.

2 Production drilling and blasting

Production drilling and blasting are carried out using remote-controlled drilling units that drill long, upward holes through the ore, which are then filled with explosives. Digital transmission of drilling data directly to the drilling rig was made possible in 1993. The following year saw the switch to Wassara technology, a method where a water hammer is used for more efficient and more precise upward drilling – a technology leap that LKAB has since developed further. Since 2020 drones have increasingly been used to investigate hard-to-reach areas.



3 Production loading

Production loading involves loaders taking the iron ore and tipping it into rock shafts. The development of 1,000-volt electric vehicles began in the 1980s. In the 1990s the WOLIS loading system was developed, which uses RFID technology to provide drivers and production staff with real-time data. In the early 2000s LKAB became the first in the world to have fully automated loader systems. In 2024 Sandvik commenced delivery of 12 remote-controlled loaders, seven of which are electrically powered, with a load capacity of 25 tonnes. AutoMine® Multi-Lite allows an operator to remotely control several machines at the same time from a depth of 1,365 metres in the Kiruna mine.

4 Chute loading and haulage

The shaft discharges down into rail cars or trucks, which haul the ore to large crushers. Continuous development of automation for all its haulage systems has made LKAB a world leader in this area.

5 Discharging and crushing

The rail cars and trucks are emptied into discharging stations for feeding to the crushers, where the ore is crushed into pieces about 10 centimetres in size. In 2013 the track level at 1,365 metres in the Kiruna mine started running with Bombardier's train management system, a technology that was later introduced on European railways above ground.

6 Hoisting

Hoisting takes place via ore elevators, known as skips, which haul 40 tonnes of ore at 60 km/h. In the 1990s LKAB introduced the IP-21 control system with 42,000 real-time tags for operational management in mines, plants and at ports. A ventilation management system reduced energy consumption by more than 30 per cent. In 2024 hybrid lines were being developed with lower weight, increased strength and better service life.

Business opportunities through product processing

A key part of LKAB's strategy is to increase the value added to our iron ore products by processing, while also developing carbon-free processes. This strengthens our competitiveness and contributes to a more sustainable iron and steel industry.

LKAB is driving a major transformation to reduce carbon emissions and increase the share of fossil-free processes throughout the value chain. An important element of this is to transform pellet production, where tests and development work are in progress to replace fossil fuels with bio-oil. The tests have been successful and resulted in the world's first iron ore pellets produced with fossil-free fuel.

Our production of carbon-free sponge iron is part of LKAB's strategic transformation. Sponge iron is an umbrella term for direct reduced iron (DRI) and hot briquetted iron (HBI). Carbon-free sponge iron marks a change in how we work to strengthen our market position, increase the value added to our products by processing and reduce carbon emissions throughout the value chain. This production is based on technology that uses fossil-free hydrogen, made using electricity from Swedish sources.

Higher value and greater customisation

Carbon-free processes and the increased costs for carbon emissions, combined with the fact that demand for recycled steel in the form of scrap as raw material for electric arc furnaces is predicted to be limited, means that the value of our products – which can help reduce emissions – is expected to increase. The supply of high quality scrap

will not be sufficient. Primary iron raw material of high quality is required and here LKAB's products will be a necessary component in the process, enabling LKAB to meet customers' specific needs.

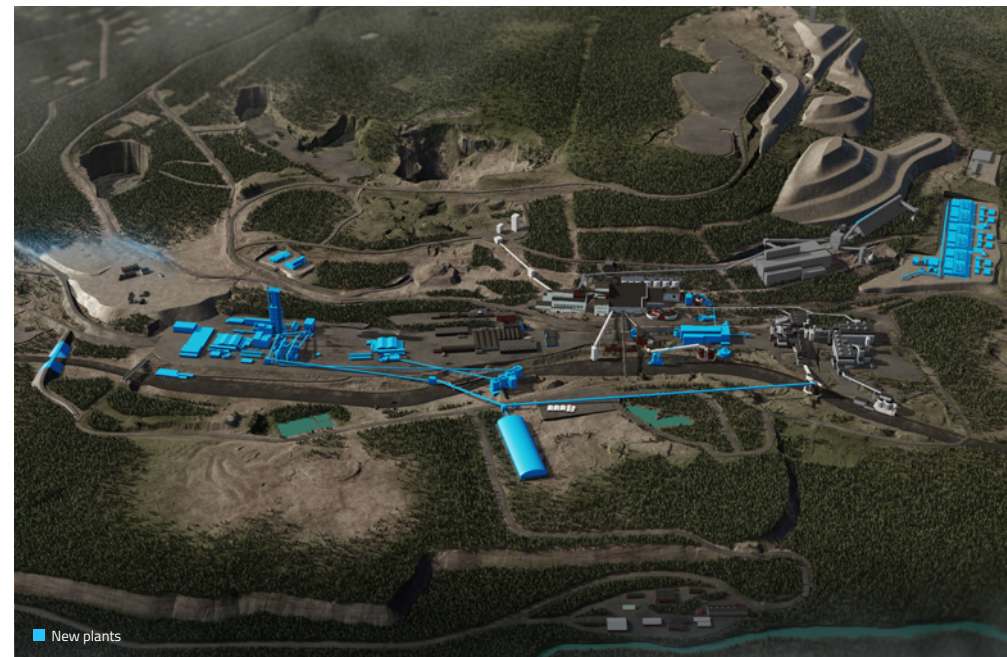
Research also shows that sponge iron produced from LKAB's iron ore using fossil-free hydrogen is of high quality. This confirms that our initiative is not only good for the climate but also leads to better industrial processes and products, creating competitive advantages in the global market.

A solution to the steel industry's emissions

The steel industry accounts for around 7 percent of the world's carbon dioxide emissions. Steel producers who use iron ore can reduce their emissions of carbon dioxide, among other things, by using more high-grade iron ore products, which LKAB can provide – our iron ore pellets being among the most climate-efficient in the world.¹⁾

By being able to transition production to carbon-free processes in the future, resulting in carbon-free products, we can take a step forward in the value chain and actively contribute to solving the problems that we have previously been part of. This solution not only reduces emissions from steel production, but also strengthens the development of fossil-free steel, which is expected to play an important role in modern society and become a significant part of the climate transition. It is expected to be widely used in products such as wind turbines, electric vehicles and sustainable building materials.

¹⁾As compiled by CRU



The visualisation above shows the planned demonstration plant for sponge iron production in Gällivare, a key part of LKAB's transformation to fossil-free production. The plant forms part of the early implementation of the hydrogen-based HYBRIT technology, acting as a research centre where the technology is tested ahead of full-scale production.

Left: Sponge iron, which is produced using processes that emits water rather than carbon dioxide.

Investments for greater self-sufficiency

In October 2024 we made an investment decision to establish a research and development centre and a demonstration plant for the processing of phosphorus and rare earth elements in Luleå. The decision forms part of our strategy for implementing our transformation and is an important milestone in our ambition to develop our business in critical minerals.

The iron ore that we mine today contains the mineral apatite. This is a phosphate mineral and an important source of phosphorus, which is used – among other things – for the production of mineral fertilisers, on which around half of the world’s food production depends. The EU has designated phosphate mineral as a critical mineral in view of the limited domestic production within the Union. The solution so far has been to import around 90 percent of the phosphorus requirement, a significant part of which came from Russia until the war in Ukraine. Since the start of the war, imports have been restricted and the shortage of mineral fertilisers has resulted in greatly increased costs for agriculture, contributing to the food price inflation experienced in recent years.

Significantly increased demand is expected

The apatite in the ore from the Malmberget mine in Gällivare has the advantage of containing very low levels of cadmium. This enables an almost cadmium-free mineral fertiliser without the risk of soil and crop contamination, compared to some other phosphorus products currently on the market. The apatite also contains rare earth elements (REE) that are not currently mined in Europe.

China dominates both mining and processing on the world market, while Europe has a great need for rare earth elements to produce the electric vehicles, wind turbines and other technology needed for society’s transition. Demand for rare earth elements is expected to increase more than fivefold by 2030, and they are also listed as critical minerals by the EU. In May 2024 the EU’s Critical Raw Materials Act (CRMA) came into force, aiming to ensure a sustainable supply of critical raw materials within the Union.

Establishment of new processing plants

We are already mining the apatite that exists in the ore in our mines. As such it constitutes an untapped resource. To take advantage of the business opportunity that apatite represents, we have included the establishment of an apatite plant as part of our application for continued and expanded operations in Gällivare. With such a plant we can start producing apatite concentrates from the by-products of sorting and concentrating – thereby increasing the utilisation of materials that are mined. The production capacity in Gällivare is expected to average around 450,000 tonnes of apatite concentrate per year. The apatite concentrate will then be refined further into phosphorus, rare earth elements and pure gypsum in the planned industrial park for critical minerals in Luleå. Before that, the process for further refinement will need to be verified in the demonstration plant that we have decided to build in Luleå. The demonstration plant will also function as a research and development centre, providing the opportunity to test and explore future

potential sources for the processing of minerals. This will be a key part of future work to provide a foundation and make the necessary decisions for the planned scale-up of production and the establishment of a full-scale industrial park.

Greater value and securing self-sufficiency

Development of our business in critical minerals provides an opportunity to exploit more of the value that exists in our deposits and will allow us to enter new markets for minerals. This will also be of great importance for both Sweden’s and the EU’s degree of self-sufficiency and security of supply. LKAB already plays an important role as the EU’s leading supplier of iron ore products, and in the future this role will also include critical minerals.

5×

expected increase in demand for critical minerals up to 2030

approx. 3 Mt

in situ REE oxides*

* In 2024 we were able to report a total of around 3 million tonnes of in situ REE oxides. This includes LKAB’s mines in Kiruna and Malmberget as well as the new deposit in Kiruna.



One of Europe’s largest deposits of earth elements

At the beginning of 2023 LKAB for the first time reported mineral resources for rare earth elements in an iron ore deposit in Kiruna. Following successful exploration in 2024, we were able to report around 2.2 million tonnes of in situ rare earth oxides (REE oxides), making this one of Europe’s largest deposits of rare earth elements.

Conditions for implementing the strategy

Four key conditions for implementing our strategy and creating value:

CAPACITY ON THE IRON ORE LINE

EFFICIENT PERMITTING PROCESSES

ACCESS TO FOSSIL-FREE ELECTRICITY

RIGHT SKILLS

LKAB operates in a capital-intensive industry with a planning horizon that extends forward several decades. Political action, efficient permitting processes, access to fossil-free electricity and sufficient power infrastructure, attractive communities in which to live and work in our operating locations, as well as reliable and adequate capacity on the Iron Ore Line are crucial if the investments that we and other actors are making in Norrbotten are to create value for the region and for Sweden.

Capacity on the Iron Ore Line

The Iron Ore Line enables us to deliver what we mine and produce in our mines and processing plants. It was the railway that made it possible to realise the value in the iron ore more than 130 years ago. Today, the capacity of the Iron Ore Line is crucial for how much we can deliver to customers. Efficient and safe logistics are a fundamental requirement for our business.

The Iron Ore Line is the only option that currently exists for transporting our iron ore products from the mines in northern Sweden to the ports of Luleå and Narvik. With the maintenance backlog on the railway growing over time and the number of operators on the line increasing, the result is that our production capacity is higher than our delivery capacity.

Lack of capacity on the railway

In the coming years the need for transport capacity is also expected to increase sharply, partly as a result of increased interest in using the Iron Ore Line from others in industry, the Norwegian fishing industry and the military. With additional traffic needs and based on previous capacity analysis by the Swedish Transport Administration and Bane NOR, the assessment is that any expansion beyond the current volumes is not possible. To enable growth at LKAB, higher capacity is required on the railway. The need for maintenance on the Iron Ore Line currently imposes limitations on LKAB. To create the conditions for continued investment and growth in the Swedish ore-fields, continued increased maintenance work and upgrading of the Iron Ore Line are crucial.

Multiple actions are necessary

It is of the utmost importance that capacity of the Iron Ore Line is increased. The Swedish Transport Administration and Bane NOR need to manage the entire Iron Ore Line as a coherent system and, together with us operators and maintenance contractors, to streamline the planning and implementation of maintenance and capacity-enhancing measures. The challenges are great, and operators and contractors need to be involved in the process.

In 2023 and 2024 LKAB has made major investments to increase the flexibility of the system. Among other things, we have invested in new cars and upgraded locomotives, we have invested in a new locomotive workshop and we have acquired a minority stake in Duroc Rail, specialists in the maintenance and repair of wheels for locomotives and railway cars.

The measures required to increase the capacity of a 500-kilometre long single-track railway that is already under very great strain are multiple and challenging, but initiatives for a solution are urgently required.

Among other things, LKAB is therefore working on the following:

- Prioritisation of measures that will enable an increase to 32.5 tonnes maximum axle load (STAX), in order to run even more heavily loaded trains on the line.
- As well as more passing places on the railway – which are already planned – double tracks or partial double tracks are needed to increase redundancy in the system.
- Improved timetable planning, digitalised planning processes, more efficient track maintenance and prioritisation of train types to increase capacity even with the railway in its existing state.



The ore's way out into the world

The railway that extends from Narvik in northern Norway to Kiruna ("the northern circuit") and on from Kiruna south to Luleå ("the southern circuit") is called the Iron Ore Line and was officially inaugurated in 1903. The Iron Ore Line actually has different names for the Swedish section and the Norwegian section; the Swedish section from Boden to Riksgränsen is called Malmbanan, while the Norwegian section is known as Ofotbanen. Often, however, the Swedish name Malmbanan – known in English as the Iron Ore Line – is used to refer to both sections. Svappavaara and Gällivare are also connected to the Iron Ore Line, which extends over 500 kilometres and is Sweden's most heavily trafficked railway. Nearly half of all rail freight in Sweden, calculated in tonnes, and more than half in Norway is transported on the Iron Ore Line's tracks.

The Iron Ore Line is the only railway in Sweden that allows an axle load of 30 tonnes, allowing us to run our 8,200 tonne, 750-metre-long trains on it. Transport by rail is essential for continued mining in the region; due to the capacity needed,

transport by truck, for example, is not a viable alternative.

In addition to freight, the line is also being used to a greater extent for passenger traffic, not least as a result of mountain tourism, as well as for transportation related to the Norwegian fishing industry. At the same time, its section between Narvik and Luleå – which enables transport from the Atlantic Coast to the Baltic Sea – means that the Iron Ore Line is also of great importance for security policy.

Being connected to routes across the sea via the ore ports in Narvik and Luleå is of great importance for industry in the Swedish county of Norrbotten as well as in Norway. From Narvik's ore port, LKAB delivers an average of 20 million tonnes of iron ore products annually out to the rest of the world. More than eight million tonnes of goods pass through the ore port in Luleå each year, which includes on average seven million tonnes of iron ore products from LKAB. Luleå has Sweden's third largest port and is also home to the country's state-owned icebreakers.

More efficient permitting processes strengthen the mining industry

Efficient and legally sound permitting processes are crucial for our operations and competitiveness. By permitting processes we mean the legal and environmental reviews required to start, conduct and develop mining operations, but also to develop our minerals business with critical minerals and the circular industrial park. Today's processes are often both inefficient and unpredictable, especially in terms of time.

The permitting processes pose a challenge not just for our strategic projects, but also for the competitiveness of the whole of Sweden. The fact that processes can take 10–15 years creates major risks for our business and our ability to exploit future opportunities. At the same time, long permitting processes threaten Europe's security of supply in strategically important areas, which is something that has become increasingly relevant in light of the changing security situation in the world around us, as well as our industry's transformation towards reduced climate impact and a fossil-free future.

More efficient permitting processes

The ongoing transformation creates a large workload for many of our stakeholders, not least the authorities that handle permitting matters. We are determined to be a constructive and cooperative partner, and make active efforts to improve our own ways of working. At the same time, we see a need for the public sector to be provided with resources in the system to streamline processes.

We endeavour to have early constructive and trans-

parent dialogue with the actors concerned, to create the conditions for more appropriate processes. Permitting issues are a challenge throughout the Swedish mining industry, and together with industry organisation Svermin we are working to highlight permitting matters and conducting active dialogue with relevant authorities. Internally, our focus is on initiating early dialogue with stakeholders and authorities in order to be able to deal with obstacles and ambiguities quickly.

Key initiatives

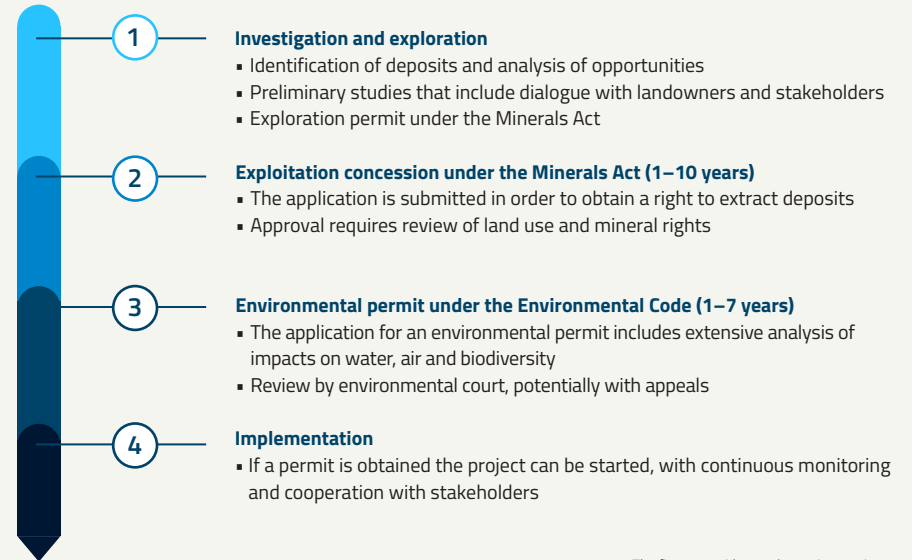
During the year amendments were made to Sweden's Minerals Act that could improve the permitting processes. An important change is that the assessment of Natura 2000 permits for mines now takes place within the framework of the Environmental Code, rather than in the concession assessment under the Minerals Act as previously. This means that it can take place when the planning of mining operations has normally gone considerably further, which may enable safer assessments of impacts, shorter overall processing times and better use of resources.

To further contribute to efficient permitting processes LKAB has carried out extensive internal work to identify, process, coordinate and manage permitting issues at an early stage for our continued transformation.

Another important development for our internal processes is that we have introduced thematic consultations as a working method, where relevant actors such as government officials, industry organisations and experts are brought together to review and discuss specific issues.

How the permitting processes work

The permitting processes follow a clear but complex structure, in which each step must be approved before a project can proceed further.



The figure provides a schematic overview.

By focusing on specific areas, such as land use and matters related to water, the consultations have improved the dialogue with both authorities and stakeholders. This has proved to streamline the assessment processes and created a clearer way forward in the permitting work.

Alongside this, new regulations have the potential to have a positive impact on permitting work. The EU Critical

Raw Minerals Act, introduced in 2024, marks an important step forward. Aiming to bring down permitting times for extraction-related strategic projects to a maximum of 27 months, the legislation opens up new opportunities to accelerate important mining projects and strengthen Europe's security of supply.

Access to fossil-free electricity

LKAB's transition to fossil-free electricity and hydrogen is crucial for maintaining our competitiveness. For this to become possible, the electricity grid must be expanded and electricity production increased to guarantee a competitive electricity supply.

A Swedish energy system that can meet the electricity needs of the future is essential for LKAB's continued competitiveness. This means that we need an electricity system that delivers fossil-free electricity at low prices around the clock, all year round, and that continues to create favourable conditions for electricity-intensive industry in Sweden. A critical part of such a system is the extension of the national grid to the Swedish orefields, which is one of the few places in Sweden where the national grid has not already been expanded or expansion has not yet begun.

Rate of expansion must be increased

LKAB supports the goal of significantly increasing electricity production in Sweden in order to underpin value creation and long-term sustainable operations in Sweden. An increase will contribute to preserving the favourable conditions that Sweden has historically had, and also needs to have in the future, in terms of access to cheap electricity. But action is also required in the short term.

Fossil-free and cheap electricity

A debate in which energy types are set against each other is of no benefit for development. When developing

the electricity production of the future, the focus should be on price and availability rather than the type of power used. Low electricity prices and high availability should be prioritised. LKAB is technology-neutral and supports Sweden's energy policy goal of fossil-free electricity production. Onshore wind power is currently the type of power that can be expanded fastest and at the lowest cost, but additional production capacity in the form of nuclear power can also contribute to stability and energy efficiency in the longer term.

In northern Sweden there is great potential for competitive electricity production thanks to the combination of existing hydropower, good wind conditions and large areas. LKAB is therefore evaluating various options and is working with both authorities and other actors to ensure that the energy system of the future meets the needs of industry and society. At the same time, it is important to take into consideration the fact that reindeer husbandry could be adversely affected by such initiatives, which calls for dialogue and consideration in the planning process.

The role of hydrogen in the transformation

Fossil-free hydrogen can play an important role in the future electricity system, including through flexible hydrogen production and storage that can help balance a system with a high proportion of weather-dependent electricity production. To enable this, however, we need clear legislation and regulations for hydrogen infrastructure that include guidelines for large-scale production, storage and distribution of hydrogen that do not exist at present.



LKAB's energy needs are increasing

LKAB's future expansion and transition to carbon-free processes require the energy system to be developed to meet the growing need for electricity. LKAB's energy needs are expected to increase gradually in line with investments in the mine and processing. The first sponge iron plant will entail an increase in electricity demand of

around 5 TWh annually. The electricity requirement for the future expansion, including transforming the entire operations in Gällivare to fossil-free sponge iron production, amounts to around 27 TWh per year. This will require extensive expansion of the electricity network, and particularly the national grid.

Competition for the right skills

The county of Norrbotten, and our operating locations, are currently characterised by the lowest unemployment rate in Sweden as well as various major industrial initiatives that are leading to great competition for skills. To achieve our business goals it is of the utmost importance that we succeed in maintaining and developing our employees, and at the same time recruit the right skills for current and future operations.

The new world standard for mining will create needs in multiple areas, and recruitment demand will increase as our strategic initiatives – such as the industrial park in Luleå – move from a demonstration phase into the industrial phase.

Our strategy for skills supply forms a basis for our priorities. The goal is a proactive and reliable skills supply, and to be an attractive employer for both existing and new employees. To professionalise our recruitment and to further increase awareness of LKAB, our skills needs and the career opportunities we offer, a central recruitment function has been established. The aim is to attract the right skills from both Sweden and the rest of the world.

We drive development in our operating locations

Our success depends on people wanting to stay living here and being prepared to take the step of moving to live and work in our operating locations. Success requires well-functioning communities, and we have a long history of caring for the locations where we operate.

Alongside challenging and stimulating work, our operating locations offer unique qualities such as fantastic nature and a wide range of clubs to join. To create communities with well-functioning infrastructure, good housing, schools, services and a rich cultural offering, LKAB works in partnership with municipalities, regions, other businesses and academic institutions. Building on participation and cooperation, our business contributes to creating long-term value for the communities concerned.

Many career and development opportunities

To retain employees and attract new skills, the corporate culture and each individual employee's opportunities to develop and make a career are absolutely crucial for us as an employer. We place great emphasis on developing leadership and skills among our employees. LKAB has been working for a long time to increase diversity in the Group, including through established Group targets linked to the percentage of women in the workforce as a whole and among management.



Local engagement

In the communities where we operate, LKAB contributes locally by sponsoring clubs and associations, offering grants and supporting cultural and sports activities for all ages. We foster engagement and well-being through

collaborations such as children's theatre with Norrbottensteatern and events such as Kiruna Festival and Dundret Runt. This strengthens our communities and makes our operating locations attractive to live and work in.

Some initiatives in the local community that LKAB supports

- More than 50 sports clubs with activities for children and young people.
- Annual cultural and entertainment events such as the Snow Festival, Haikjeften festival, Kiruna Festival, New Years on Ice and Luleå Pride.
- Various community projects such as free theatre for schools in the Swedish orefields via Norr-

bottensteatern, funding for school projects in technology and mathematics through the LKAB Academy and Sweden's northernmost science centre at Teknikens Hus in Luleå.

- LKAB funds and collaborates with academic institutions on research, education, grants and environmental initiatives.

Meet some of our employees



Hanna Anlér Blomberg, Head of Talent Acquisition

When Hanna and her husband both wanted to give their two children a good upbringing while also having the opportunity to pursue interesting jobs, they decided to move from Stockholm to Luleå.

Hanna joined LKAB in February 2021 as HR Business Partner and now leads a centrally located Talent Acquisition function that works to identify and match needs with the right skills among both internal and external candidates.

“Our function has an important task, which is to understand LKAB’s challenges and skills needs. Everyone in my team sees it as a great opportunity that we have been given a clear mandate to be proactive and develop ways of working that solve the task effectively.”

Yunus Hazar Akkan, Senior Mine Planning Engineer, Malmberget

With a bachelor’s degree in mining engineering and several years’ experience in underground coal and gold mining in Turkey, in 2020 Yunus decided to seize the opportunity to join LKAB on its journey towards a new world standard for mining.

Yunus, who was appointed as a Senior Mine Planning Engineer in 2024, has a leading role in various projects aimed at increasing both the efficiency and the safety of LKAB’s mining process below ground. His responsibilities include designing drill bits and ensuring the quality and safety of the production drilling and blasting processes. Increasing the level of automation is a key part of most of his projects.

One example is that his design drawings are now transferred digitally direct to automated drilling units. This enables much more precise placement of the blast, which saves time and overall results in a more efficient and safer process.

“When I got the opportunity to come and work for the leading mining company in Europe, naturally it was an opportunity I couldn’t resist. And since my family and I really enjoy winter sports and nature, Gällivare has proven to be the best and most peaceful corner of the world where we can combine challenging and inspiring jobs with a fantastic living environment.”



Strengths and competitive advantages



Market leader in Europe

After being concentrated, LKAB's iron ore is distinguished by its high and consistent quality and the fact that it has environmental advantages for further processing into pellets. We are the EU's leading producer of iron ore and account for 80 percent of the Union's total iron ore production. In 2024 we delivered 21.9 million tonnes of high-quality iron ore products. Our strategy is to have carbon-free processes and products by 2045, making us well positioned to meet the growing demand for sustainable, climate-efficient solutions.

Industry-leading innovation

Technological development and innovation together with partners such as Epiroc, ABB, Sandvik and Luleå University of Technology puts LKAB at the forefront of technological development in the mining industry. This strengthens our position and ensures a future role as an innovation leader.

Employees that make a difference

Our success is built upon our committed and knowledgeable employees. We use our strong corporate culture and innovative ways of working to secure skills and competitiveness for the future.

Competitive offering

With a product portfolio that includes blast furnace pellets and direct reduction pellets, LKAB offers the steel industry stable deliveries of iron ore products of consistent and high quality. Already today our products enable reduced carbon emissions and improved energy efficiency with lower production costs in steel production. Our products also provide customers with favourable conditions for the transition to fossil-free processes.

Focus on sustainability and security of supply

To help realise the business strategy, a sustainability strategy has been implemented that demonstrates LKAB's intent to increase ambitions in all areas of sustainability within a five-year period. New investments in extracting phosphorus and rare earth elements from materials we already mine will contribute both to increased circularity and to Europe's self-sufficiency in critical minerals.

Strong financial position

With operating profit of almost SEK 9 billion and a strong balance sheet, LKAB is continuing to invest in innovation and sustainability. In 2024 a total of SEK 5.4 billion was invested in assets to secure future growth, thereby also enabling long-term initiatives for leading the transformation of the industry to more sustainable production.

Group overview

Group performance in 2024

- Group
- Iron Ore business area
- Special Products business area
- Other segments
- Parent Company
- Sustainable development

Ten-year overview

Risk and financing

- Risks and risk management
- Climate-related financial risks and opportunities (TCFD)
- Financing

Group performance in 2024

Luossavaara-Kiirunavaara AB (publ), corporate identity number 556001-5835, with its registered office in Luleå, is a limited liability company wholly owned by the Swedish state. For management and follow-up, the operations are split into two business areas: the Iron Ore business area and the Special Products business area. Group-wide functions are monitored under "other segments".

Significant events during the year

The first half of the year was mainly marked by the extensive derailments on the Iron Ore Line in December 2023 and February 2024, which brought deliveries to Narvik to a standstill for a total of 76 days. In the second half of the year substantial efforts were made to remedy deficiencies and improve the quality of our production plants, which significantly limited production.

Within the urban transformations, dialogue began with Kiruna Municipality concerning replacement of critical infrastructure buildings outside the calculated impact area. In MalMBERGET, following several major seismic events, LKAB will work towards phase-out of the homes in eastern MalMBERGET.

Read more about significant events during the year on pages 11 and 38–39.

Group

Financial overview

Group summary

MSEK	2024	2023
Net sales	33,146	42,923
Operating profit/loss	8,722	16,230
Net financial income/expense	2,229	2,928
Profit/loss before tax	10,951	19,158
Profit/loss for the year	8,773	15,220

Analysis of change in operating profit

MSEK	
Operating profit 2023	16,230
Iron ore prices incl. hedging	-4,745
Currency effect, iron ore incl. hedging of accounts receivable	104
Volume and mix, iron ore	-4,272
Volume, price and currency, industrial minerals	-66
Costs for urban transformation provisions	87
Depreciation	-49
Other income and expenses	1,433
Operating profit 2024	8,722

Sales for the full year amounted to MSEK 33,146 (42,923). The lower sales figure is mainly due to lower iron ore prices and lower deliveries as a result of the stoppage on the Iron Ore Line at the start of the year. The average global spot price¹⁾ for iron ore products for full-year 2024 was USD 110 (120) per tonne. Premiums for highly upgraded products were nearly USD 2 per tonne lower than in the previous year.

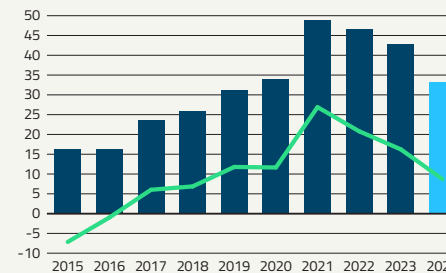
In addition to the lower sales, operating profit for the full year was also impacted by the lower production volume. Operating profit for the year amounted to MSEK 8,722 (16,230).

Net financial income/expense for 2024 was MSEK 2,229 (2,928). The return is primarily due to rising stock markets.

¹⁾ Platts IODEX 62% Fe CFR North China.

Net sales and operating profit

SEK bn



● Net sales ● Net sales 2024 — Operating profit

11%

Return on equity

MSEK 8,722

Operating profit/loss

Group

Financial position

Net financial indebtedness

MSEK	2024	2023
Loans payable	2,368	2,499
Provisions for pensions	765	1,170
Provisions, urban transformation	13,956	11,608
Provisions, remediation	1,734	1,701
Less:		
Cash and cash equivalents	-4,816	-4,572
Current investments	-25,823	-31,249
Financial investments	-424	-431
Net financial indebtedness	-12,240	-19,274

Net debt/equity ratio

MSEK	2024	2023
Net financial indebtedness	-12,240	-19,274
Equity	78,795	80,861
Net debt/equity ratio, %	-15.5	-23.8

Financing during the year

At year-end the net debt/equity ratio was -15.5 (-23.8) percent, mainly affected by a decrease in current investments.

LKAB has undrawn committed credit facilities of SEK 5 billion maturing in the third quarter of 2028.

Operating cash flow and investments

Operating cash flow

MSEK	2024	2023
Operating profit ¹	10,536	17,559
Expenditures, urban transformation	-1,743	-1,829
Change in working capital	-1,662	168
Capital expenditures (net)	-5,233	-5,171
Acquisition of subsidiaries	-	-3
Acquisition/divestment of financial assets	-158	-20
Operating cash flow	1,740	10,704

¹ Operating profit adjusted for non-cash flow items and before costs for urban transformation provisions.

Operating cash flow for the year amounted to MSEK 1,740 (10,704), mainly impacted by the lower profit as well as increased working capital tied up.

Capital expenditure, total and by business area

MSEK	2024	2023
Group	5,408	5,442
Iron Ore business area	4,404	5,036
Special Products business area	332	208
Other segments	672	198

Capital expenditure during the year

Capital expenditure for the year amounted to MSEK 5,408 (5,442), the majority of which relates to investments to secure future production capacity. The year's capital expenditure includes capital expenditure on environmental protection and dam facilities of approximately MSEK 530 (850) as well as capital expenditure on own properties in connection with the urban transformation amounting to MSEK 797 (895).

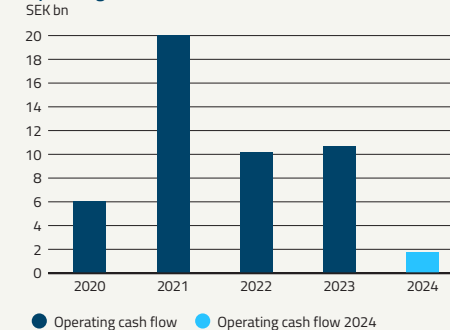
Outlook for 2025

Extensive efforts were made in 2024 to remedy deficiencies and improve the quality of our plants, which significantly limited production during the year. These efforts have yielded results and at the end of the year the affected plants were back in full production, with an expectation for 2025 of stable operation and a return to normal production capacity.

At the beginning of 2025 the price of iron ore was at a lower level than in recent years. Despite a weaker market, demand for LKAB's highly upgraded iron ore products has been stable, but the market is volatile and there is considerable uncertainty concerning global economic development and its impact on the iron ore industry.

LKAB is continuing its efforts to strengthen our competitiveness and be able to supply our customers with the raw materials for fossil-free steel. These efforts continue to involve various challenges such as permitting issues, energy supply, capacity on the Iron Ore Line and prevailing external conditions.

Operating cash flow



-15.5%
Net debt/equity ratio

MSEK 1,740
Operating cash flow

Iron Ore business area

The Iron Ore business area mines and processes iron ore products in Kiruna, Svappavaara and Gällivare. The business area produces blast furnace pellets and pellets for steelmaking via direct reduction (DR pellets), as well as fines. The upgraded iron ore products are transported via the Iron Ore Line to the ports of Narvik and Luleå for shipment to steelworks customers around the world.

Market developments in 2024

Growth in global industrial production was higher in 2024 than in 2023, driven by increased growth in emerging economies and stabilisation in some mature economies. Growth in China was higher, with good growth generally in manufacturing industry. Construction investment in China continued to develop weakly, with overcapacity remaining in the real estate market. The Indian economy developed strongly, while in the EU industrial production and construction investment fell. Development differed considerably between EU countries, with German industry performing particularly weakly. Industrial production in the USA was stable and construction investments increased.

Global demand for iron ore is estimated to have decreased somewhat in 2024, mainly due to lower crude steel production in blast furnaces in China. At the same time there was an increase in the supply of iron ore, particularly in Brazil, resulting in falling prices for fines. The premium for ore with a higher iron content increased in 2024 compared with the previous year, driven by a limited supply of high-grade ore and a strong supply of iron ore with a lower content.

Demand for steel has weakened in the major economies and crude steel production fell slightly compared to 2023. In Europe, crude steel production was slightly higher than in the previous year and production in blast furnaces increased, but capacity utilisation remained low.

The average global spot price for iron ore products was lower than in the previous year at USD 110 (120) per tonne. At the end of the year the price level was USD 100 (140) per tonne.

The average level of the blast furnace premium was USD 40 (45) per tonne and the premium for DR pellets averaged USD 58 (57) per tonne.

Production and delivery volumes

The production volume for the full year amounted to 22.7 (26.2) Mt, affected by several lengthy production shutdowns to remedy deficiencies in some of the plants.

Deliveries, which amounted to 21.9 (25.3) Mt, were affected by the major derailments on the Iron Ore Line at the beginning of the year.

Net sales and profit

Sales for 2024 amounted to MSEK 30,103 (39,556). The lower sales figure is mainly a result of lower iron ore prices combined with lower delivery volumes.

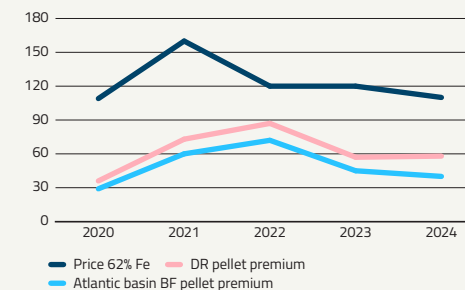
Operating profit amounted to MSEK 9,268 (16,484), mainly due to the lower sales and lower production. The profit includes insurance compensation of just over MSEK 500 for loss of revenue and damage to cars caused by the derailments on the Iron Ore Line.

Costs for urban transformation provisions totalled MSEK 313 (400).

MSEK	2024	2023
Net sales	30,103	39,556
Operating profit/loss	9,268	16,484
Costs for urban transformation provisions	-313	-400
Capital expenditure on property, plant and equipment	4,404	5,036
Depreciation	-2,610	-2,601
Deliveries of iron ore products, Mt	21.9	25.3
Proportion of pellets, %	87	84
Production of iron ore products, Mt	22.7	26.2

Development of iron ore price and pellet premium

(USD per tonne)



Facts: Iron Ore

The Iron Ore business area mines and processes iron ore products in Kiruna, Svappavaara and Gällivare.

In Kiruna, mining takes place in an underground mine with a current main haulage level 1,365 metres below ground. The ore is processed above ground in three concentrating and pelletising plants.

In Svappavaara ore is mined in the Leveäniemi open-pit mine. The ore is processed in a concentrating and pelletising plant in Svappavaara.

Gällivare's underground mine consists of around 20 orebodies, of which around 10 are currently mined. The ore is processed above ground in two concentrating and pelletising plants.

The Iron Ore business area produces various types of pellets as well as fines for steelmaking.

The iron ore products are transported on the Iron Ore Line to the ports of Narvik and Luleå for shipment to steelworks customers around the world.

Special Products business area

The Special Products business area develops products and services for markets involving industrial minerals, water-powered drilling technology, engineering services, and mining and construction contracts. The Special Products business area is also a strategic supplier within the LKAB Group.

Market developments in 2024

The market for industrial minerals is diversified, with many products and markets served in various geographies. There is therefore natural variation in sales, driven by shifts in demand over time as well as the impact of major projects being implemented.

Developments in the market for industrial minerals largely reflect changes in industrial activity and the construction sector in our key markets. The construction market in Europe, and specifically in the UK, had a negative impact on demand. Demand for the industrial mineral magnetite was lower, particularly for the off-

shore industry. Demand for GGBS (ground granulated blast furnace slag – a cement substitute) increased somewhat, but limited access to raw material limited sales. Despite this, the annual volume was better than in 2023.

Demand for rockwork and associated services was generally good during the year, but sales reduced with LKAB's decision to shut down the Konsuln mine in Kiruna.

In October it was announced that the Board had approved funds for establishing a research and development centre and a demonstration plant for the processing of phosphorus and rare earth elements in Luleå. The decision marks an important step in LKAB's ongoing transformation and initiative for the extraction of critical minerals.

Net sales and profit

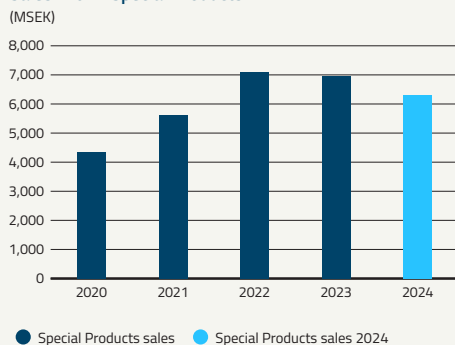
Operating profit for 2024 amounted to MSEK 6,303 (6,944), which is a decrease of 9 percent compared with the previous year. The main reason for the decrease is

lower sales volumes of magnetite for the offshore industry, but a limited supply of finely ground magnetite is also having an impact. Margins on industrial mineral sales increased during the year, however, which partly offset the decrease in volume.

Operating profit is MSEK 136 lower than the previous year, which was a record year, and amounted to MSEK 504 (640). Increased costs for development projects had a negative impact compared with the previous year.

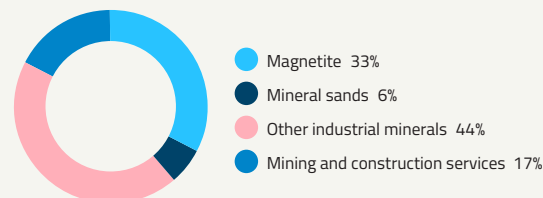
MSEK	2024	2023
Net sales	6,303	6,944
Operating profit/loss	504	640
Capital expenditure on property, plant and equipment	332	208
Depreciation	-304	-273

Sales within Special Products



Sales by product area and service area

Percentage of external sales (MSEK)
January–December 2024



Facts: Special Products

The Special Products business area covers LKAB Minerals, LKAB Wassara, LKAB Berg & Betong, LKAB Kimit, LKAB Mekaniska and Bergteamet.

LKAB Minerals is active in the industrial minerals market, with a leading position in areas such as construction, plastics, paint, agriculture and the chemicals industry. It offers a broad portfolio of products that includes minerals from its own deposits, such as magnetite; recycled products, e.g. from blast furnace slag and other industries; as well as other minerals that it sources and processes. The business has sales offices and production units in Europe, the US and Asia.

LKAB Wassara develops and manufactures water-powered precision drilling systems for mining facilities and exploration drilling, as well as dam building and geothermal energy. Customers are located throughout the world.

LKAB Berg & Betong and Bergteamet are leading providers of full service solutions for the mining and construction industries. LKAB Berg & Betong is also the world's largest producer of sprayed concrete.

LKAB Kimit supplies explosives to the mining and construction industries.

LKAB Mekaniska is a quality-conscious engineering company offering services throughout the supply chain, from planning and design to final inspection.

Other segments

Other segments includes Group functions such as HR, sustainability, communications, finance, strategic research and development, and digitalisation. Other segments also covers financial operations, including the transactions and results related to financial hedging for foreign currencies.

Results in 2024

The operating result for the year was MSEK -940 (-935), mainly impacted by currency hedging for outstanding trade receivables.

MSEK	2024	2023
Net sales excl. hedging	129	123
Net sales hedging	-125	111
Total net sales	4	234
Operating profit/loss	-940	-935
Capital expenditure on property, plant and equipment	672	198
Depreciation	-113	-103

Parent Company

The Parent Company LKAB consists of the Iron Ore business area and the group-wide functions reported under Other segments. The Parent Company includes the majority of LKAB's operating activities as well as the Group's financial activities.

Parent Company in summary

MSEK	2024	2023
Net sales	30,081	39,769
Operating profit/loss	8,064	15,294
Costs for urban transformation provisions	-313	-400
Capital expenditure on property, plant and equipment	4,806	5,067
Depreciation	-2,315	-2,324
Deliveries of iron ore, Mt	21.9	25.3
Production of iron ore, Mt	22.7	26.2



Sustainable development

LKAB's long-term strategic sustainability efforts have started to produce results in several areas. Nonetheless, the year's efforts are overshadowed by the tragic fatal accident that occurred in May, in which one of our employees died in a workplace accident connected with maintenance work. The accident confirms continued shortcomings in the work environment for employees and contractors.

Safe, healthy and stimulating workplace

In 2024 the systematic and long-term health, safety and environment (HSE) efforts were intensified, with a focus on improving procedures and strengthening safety awareness and the safety culture within the company. A third-party analysis was carried out to create a basis for further work, initially consisting of a safety questionnaire that was sent to all employees in the Group as well as to some major contractors. The analysis was then deepened with in-depth interviews and workshops attended by 350 of the Group's employees in Kiruna. Particular focus during the year was also given to critical controls and large-scale risks, mainly linked to disconnection and lockout, as well as the traffic situation at our workplaces.

In a short-term perspective the heightened HSE efforts have begun to have some effect. The accident rate developed positively in 2024, decreasing from 6.3 at the end of 2023 to 4.9 for the rolling 12 months. A lower number of reported lost-time accidents can be seen among both our own employees and suppliers. The severity of reported accidents was also lower than in the previous year. However, HSE efforts need to be stepped up at a faster pace in order to bring down the number of serious incidents. Systematic HSE efforts continue to be a high-priority area and in 2025 will focus

on safety-oriented leadership as well as new approaches to managing large-scale risks.

Greater diversity and inclusion pave the way for more innovation and contribute to increased job satisfaction. At the end of the full year the percentage of women in the workforce was 29 (27) percent and the percentage of women in management positions was 31 (29) percent, while the percentage of the workforce that was born outside Sweden has increased to 11 (10) percent.

Climate-efficient sustainable transformation

The Group's strategic climate work is continuing at the same fast pace. In 2024 energy consumption and carbon emissions were impacted by disruptions in production and lengthy production shutdowns. Energy consumption per tonne of finished product increased to 176 (165) kWh, with the increase attributable to higher consumption of coal, fuel oil and electricity per tonne produced.

Carbon emissions from LKAB's own operations (Scope 1 and 2) decreased during the year to 600 (644) Kt.

LKAB's long-term transformation plan for carbon-free processes and products by 2045 includes a number of areas for action that together cover the entire value chain. The interim target for 2030 is for LKAB's carbon emissions from its own operations to decrease by 25 percent compared to 2020. Examples of climate action include ongoing energy efficiency improvements and switching to alternative fossil-free fuels for production operations. The long-term transformation plan also includes changing the product mix to keep in step with the market, as well as the extraction of phosphorus and critical minerals to create the conditions for reduced emissions downstream in our value chain.

Progress towards targets

MSEK	Full year 2024	Full year 2023	Target for 2026	Target for 2030
Stable and efficient operations¹⁾				
Net debt/equity ratio, %	-15.5	-23.8	<60	<60
Return on equity, %	11.0	20.0	>9	>9
Dividend ²⁾ , %	50 ²⁾	50	40–60	40–60
Climate-efficient sustainable transformation				
Energy consumption, kWh/t FP	176	165	162	154
Carbon emissions, kt ³⁾	600 ³⁾	644	608	536
Biodiversity ⁴⁾	–	–	–	–
Safe, healthy and stimulating workplace				
Lost-time accidents ⁵⁾ , per million hrs	4.9	6.3	4.0	2.0
Long-term sickness absence, %	0.7	0.7	0.8	0.8
Women in the total workforce, %	29	27	30	– ⁶⁾
Women in management positions, %	31	29	30	– ⁶⁾

¹⁾ The current financial targets were established by the general meeting held in October 2021. ²⁾ The Board's proposal to the Annual General Meeting regarding dividend in relation to net profit for 2024. ³⁾ Carbon emissions have been updated since LKAB's full-year report for 2024 as a result of an audit conducted.

⁴⁾ For a description of the targets and their status see the section on Biodiversity below. ⁵⁾ Lost-time injuries per million hours worked for the Group, including suppliers. ⁶⁾ The target for 2030 is to achieve 60/40 gender balance in management teams.

Carbon emissions and energy consumption

The target for carbon dioxide is to reduce emissions in line with the Paris Agreement to well below 2°C. The target for 2030 is a 25 percent decrease in LKAB's carbon emissions (Scope 1–2) compared with 2020, with an interim target of a 15 percent decrease in emissions by 2026. The corresponding 2030 target for Scope 3 is a decrease in our customers' emissions by 2 million tonnes (Mt) of CO₂ equivalents.

The target for energy is to reduce energy consumption by 10 percent by 2030 and by 5 percent by 2026 compared with 2021. Energy intensity is calculated based on energy consumption for the entire Group in relation to iron ore products produced.

Biodiversity

The strategic goals for 2022–2030 include an objective to achieve a biodiversity net gain.

Biodiversity refers to the variety of nature, including plants, fungi and animals along with their different habitats, both on land and in water.

LKAB is following SveMin's biodiversity road map with the objective that by 2030 the Group will contribute to a biodiversity net gain in the regions where we operate. The interim goal for 2026 is for LKAB to have established a systematic approach to working for increased biodiversity.

Biodiversity

Mining operations involve the use of land, with an impact on biodiversity. The Group has set the goal for 2030 of a biodiversity net gain in the regions where we operate. In 2024 systematic efforts continued according to the model that LKAB has been involved in developing to enable measurement and monitoring of biodiversity, known as Climb (Changing Land Use Impact on Biodiversity). The focus was shifted from activity-based reporting to the implementation of specific plans and follow-up using defined measurement methods.

Overall target fulfilment in this area has been strengthened, although much work remains to be done before we reach the 2030 target. During the year work on developing biological action plans continued in most parts of the business. Several inventories were also taken and more are planned. Biodiversity efforts are based on the so-called mitigation hierarchy, where the first step is to avoid biodiversity loss, the second step is to minimise damage, then to restore and finally as a last resort, to compensate for biodiversity loss.

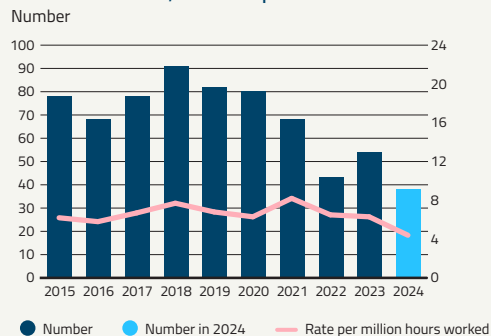
Focus in 2025

Sustainability challenges have increased over time, a trend that persists. This development is driven by increased external requirements as well as increased regulation at EU level. Responding to these developments requires us to continue integrating sustainable solutions into all parts of the business. In 2024 the business strategy was updated as regards sustainability and more areas were added to the overall strategic effort: legal responsibility, environmental impact and sustainable land use. The activity plans for 2030 were also specified in concrete terms within all the focus areas.

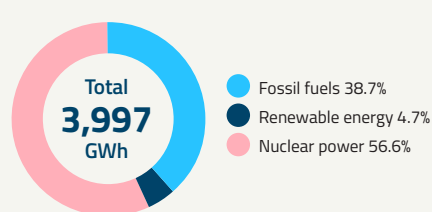
As part of preparations for the EU's enhanced reporting requirements under the Corporate Sustainability Reporting Directive (CSRD) and its European Sustainability Reporting Standards (ESRS), as incorporated into Swedish law, local stakeholder dialogues took place in Svappavaara, Malmberget and Kiruna. We also carried out a double materiality assessment that will lay the foundation for the Group's sustainability reporting in the coming years and become an important tool in the ongoing monitoring of our performance.



Lost-time accidents, LKAB Group



Energy consumption



Ten-year overview

MSEK	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Results, MSEK										
Net sales	33,146	42,923	46,543	48,812	33,914	31,260	25,892	23,367	16,343	16,200
Operating profit before impairment losses and provisions	9,035	16,630	21,344	27,270	13,050	13,229	8,975	7,148	1,621	1,548
Impairment of property, plant and equipment	–	–	–	–	–	–	–	-26	-1,192	-7,136
Costs for urban transformation provisions	-313	-400	-545	-372	-1,396	-1,441	-2,106	-1,147	-2,106	-1,568
Operating profit/loss	8,722	16,230	20,799	26,898	11,654	11,788	6,869	5,975	-1,677	-7,156
<i>Operating margin, %</i>	<i>26.3</i>	<i>37.8</i>	<i>44.7</i>	<i>55.1</i>	<i>34.4</i>	<i>37.7</i>	<i>26.5</i>	<i>25.6</i>	<i>-10.3</i>	<i>-44.2</i>
Net financial income/expense	2,229	2,928	-2,119	1,484	797	1,136	-185	290	613	-115
Profit/loss before tax	10,951	19,158	18,680	28,382	12,452	12,924	6,685	6,266	-1,063	-7,271
Tax	-2,178	-3,938	-3,600	-5,778	-2,695	-2,751	-1,411	-1,462	85	1,585
Profit/loss for the year	8,773	15,220	15,080	22,604	9,757	10,173	5,274	4,803	-978	-5,686
Depreciation according to plan – property, plant and equipment, MSEK	3,023	2,973	3,141	3,132	3,136	2,907	2,857	2,886	2,746	2,800
Production and deliveries										
Delivery volume, Mt	21.9	25.3	25.8	27.0	28.5	24.9	26.8	27.6	27.0	24.2
Deliveries of pellets, %	87	84	83	83	84	83	82	83	84	84
Production volume, Mt	22.7	26.2	25.0	26.7	27.1	27.2	26.9	27.2	26.9	24.5
Capital structure and return, MSEK										
Non-current assets	60,859	58,152	54,183	49,329	43,514	41,331	40,562	34,309	35,461	35,558
Current assets	46,001	48,796	43,441	45,316	31,755	33,350	28,399	25,990	22,165	20,470
Total assets	106,860	106,948	97,624	94,645	75,269	74,681	68,961	60,298	57,626	56,028
Liabilities and equity, MSEK										
Equity	78,795	80,861	71,320	67,565	48,412	45,528	38,573	36,348	30,551	32,116
Non-current liabilities	15,619	16,238	17,095	18,458	18,542	21,467	20,040	17,139	17,740	17,900
Current liabilities	12,446	9,849	9,209	8,622	8,315	7,685	10,347	6,811	9,335	6,011
Total equity and liabilities	106,860	106,948	97,624	94,645	75,269	74,681	68,961	60,298	57,626	56,028

Ten-year overview, continued

MSEK	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Return on equity, %	11.0	20.0	21.7	39.0	20.8	24.2	14.1	14.4	-3.1	-16.3
Operating assets, MSEK	70,202	61,693	59,850	52,090	49,095	49,032	46,833	38,836	42,567	40,820
Return on operating assets, %	13.2	26.7	37.2	53.2	23.8	24.6	16.0	14.8	-4.0	-16.6
Net financial indebtedness, MSEK	-12,240	-19,274	-12,178	-16,553	-1,470	-1,158	3,552	-2,382	6,329	3,203
Net debt/equity ratio, %	-15.5	-23.8	-17.1	-24.5	-3.0	-0.9	11.0	-3.9	23.1	10.8
Cash flow, MSEK										
Cash flow from operating activities	7,131	15,898	15,907	23,485	8,963	9,469	7,059	8,860	526	3,834
<i>of which expenditure for urban transformation</i>	<i>-1,743</i>	<i>-1,829</i>	<i>-2,216</i>	<i>-2,681</i>	<i>-4,191</i>	<i>-2,624</i>	<i>-1,871</i>	<i>-2,178</i>	<i>-1,035</i>	<i>-291</i>
Investing activities, net – operations	-5,391	-5,194	-5,751	-3,497	-2,925	-2,487	-3,673	-1,724	-3,288	-6,204
Operating cash flow	1,740	10,704	10,156	19,988	6,038	6,981	3,386	7,136	-2,762	-2,370
Investing activities – financial	6,330	-1,754	-504	-9,960	1,780	-2,476	-972	-6,770	-1,159	1,357
Cash flow after investing activities	8,070	8,950	9,652	9,670	7,817	4,506	2,414	366	-3,921	-1,013
Financing activities										
Borrowing/repayments	-243	-18	-352	-986	-600	-1,325	705	-937	2,114	108
Dividend	-7,607	-7,543	-12,432	-5,850	-6,104	-3,164	-2,882	-	-	-139
Cash flow for the year	220	1,389	-3,132	2,834	1,112	17	237	-571	-1,807	-1,044
Employees										
Average number of employees	4,707	4,640	4,513	4,469	4,535	4,348	4,188	4,118	4,224	4,463
Women in the workforce, %	29	27	26	25	25	24	22	21	21	20
Lost-time accidents per million hours worked ¹	4.9	6.3	6.5	8.2	6.3	6.8	7.7	6.8	5.8	6.2
Sickness absence, %	4.0	4.0	4.8	4.2	4.4	3.5	3.6	3.7	3.7	3.0

¹ Accident rate includes suppliers.

Definitions

Operating margin: operating profit as a percentage of net sales.

Return on equity: profit for the year according to the income statement as a percentage of average equity.

Return on operating assets: operating profit as a percentage of average operating assets.

Operating assets: intangible assets, property plant and equipment, inventories, accounts receivable, other receivables. Does not include financial assets, cash and cash equivalents or current investments.

Net financial indebtedness: interest-bearing assets minus interest-bearing liabilities.

Net debt/equity ratio: net financial indebtedness in relation to equity.

Risks and risk management

LKAB operates in a capital-intensive industry with a planning horizon that extends across several decades. We have to consider risks and opportunities that have a bearing on the business as it is today and also as it will be a decade or more from now.

The world around us is changing and we need to equip ourselves for a transformation. Competitiveness is essential for our ability to invest in the future. The global climate threat means that the iron and steel industry will need to change fundamentally, which brings both opportunities and risks.

LKAB has an active group-wide risk management process that creates transparency and awareness of the biggest risks, which helps provide a better basis for prioritising and decisions. Our work to identify and manage risks is coordinated with the strategy and business planning process and is decentralised in accordance with how the Group is governed. The risk management process is defined in the Group's risk management policy.

The risks are broken down into market and external risks, business risks and financial risks. On the following pages a summary of our main risk areas is presented, along with how these are managed at an overall level. In 2022 scenario analysis was performed in accordance with TCFD recommendations to increase understanding of the climate challenges, but also opportunities, that LKAB must manage. The results of the analysis have been incorporated into the risk management process. LKAB has been working since 2023 to prepare for the implementation of the Corporate Sustainability Reporting Directive (CSRD) and its European Sustainability Reporting

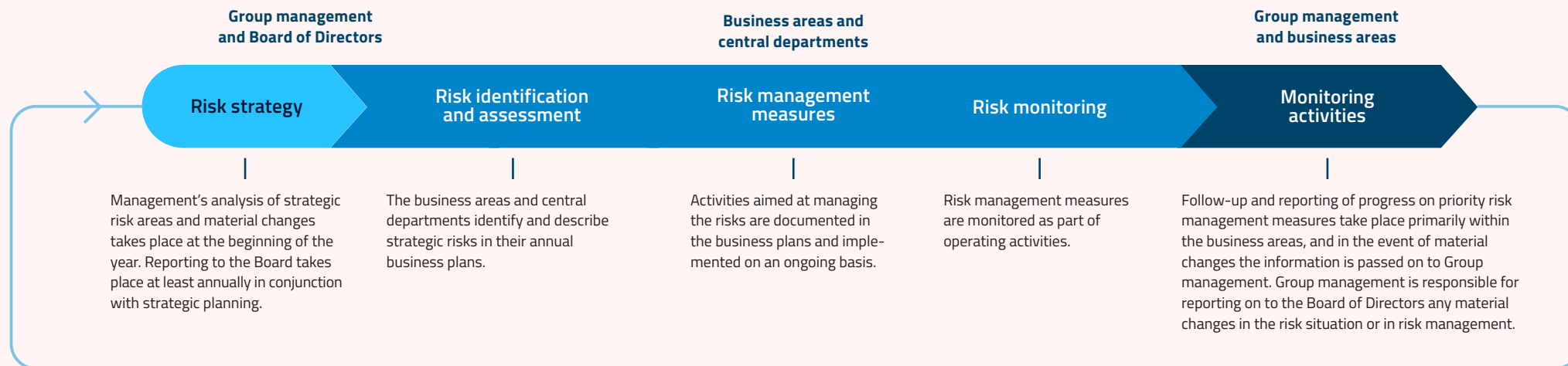


Standards (ESRS), as incorporated into Swedish law. In 2024 the focus was, among other things, on the double materiality assessment that will form the basis for how the reporting requirements affect LKAB. The assessment is expected to be completed in the first quarter of 2025.





Integrated risk management



Our risk management process is integrated with the strategy and business planning process. Risks are identified, assessed, managed and monitored as part of operating activities.

Market and external risks

LKAB's business is sensitive to economic fluctuations and is exposed to a number of external risks that are difficult to influence. We manage these through business intelligence and scenario analysis, by building long-term customer relationships and by having a flexible customer and product portfolio.

Risk area	Risk description	Risk management
Market risks	<p>One significant market risk consists of price fluctuation in the global iron ore market, which has a direct impact on LKAB's earnings and cash flow. LKAB's price is affected partly by the underlying market price of iron ore (IODEX 62% Fe CFR North China), but also by the quality premiums added on for high grade iron ore products. Future premiums for carbon-free products is a further significant risk associated with the financing of the planned transformation.</p> <p>Significant changes in iron ore supply and demand are a strategic market risk. One example of this is the transformation ahead of both the iron and the steel industries, which may have a material impact on the market. The changes required to create carbon-free processes and products must take place in a coordinated manner throughout the value chain. The transformation to green steel will require significant investments. Combined with the fact that profit margins within the European steel industry have been severely squeezed, this entails a risk that steel production will move outside Europe or that steelmakers will choose not to produce steel with iron ore. The global iron and steel market is characterised by having a small number of actors, making mutual dependence even greater than in many other sectors.</p> <p>The countries in which LKAB's customers operate have varying degrees of political and commercial stability. If regions and countries develop in such a way as to prevent LKAB from being able to sell, this is a strategic risk.</p> <p>The risk that production-critical raw materials, plant and equipment could increase significantly in price, or that the supply of these could be limited, could have significant effects on LKAB's operations. There are climate-related risks within the area, not least associated with the supply of and price of fossil fuels, which is a result of the world's imminent phasing out of fossil fuels. The supply of and price of fossil-free electricity is a highly critical issue for enabling the vision of carbon-free processes and products.</p>	<p>By securing flexibility in the product portfolio, customer portfolio and in production and logistics systems, LKAB is better prepared for sudden economic fluctuations. LKAB always strives to offer high, consistent product quality as well as reliable deliveries. In addition, the Group works in partnership with customers on technical matters, which adds value and strengthens its relationship with selected customers as well as its own long-term stability. The Special Products business area has a more diversified customer base that helps dampen economic fluctuations, since different geographical regions, segments and minerals have different economic cycles.</p> <p>Under the Group's Finance Policy LKAB does not normally hedge price risk, except in exceptional cases such as for binding contracts. However, cash flow is analysed on an ongoing basis and in conjunction with this sensitivity analysis is also performed based on changes in external factors such as prices. In periods with high expected cash outflows, longer hedging of the iron ore price may be considered.</p> <p>To date it has proved to be unlikely that the need for iron ore will be replaced by any other material. Re-use of scrap for steelmaking may replace iron ore to some extent, but so long as the industrialisation of the world continues and the world's population continues to grow the need for iron ore will remain. LKAB actively monitors customers' technological development to ensure that the products produced also accord with customers' future needs. By being a leading supplier of products that can be used to reduce carbon emissions, LKAB can be an enabler for keeping steel production in Europe. Reducing carbon emissions throughout the value chain is considered crucial for future competitiveness.</p> <p>The objective of achieving carbon-free processes and products is by extension also an important risk-mitigating factor since it reduces dependence on fossil fuels, where both supply and price are becoming increasingly unstable. LKAB's indirect emissions (Scope 3) are greater than its direct emissions (Scope 1) and those for purchased electricity (Scope 2). LKAB has not joined the Science Based Targets initiative but monitors Scope 1 and 2 emissions as well as Scope 3 emissions through clear requirements of suppliers that are linked to LKAB's own climate and sustainability goals.</p> <p>LKAB also actively monitors the outside world in order to analyse and manage political risk, and works in partnership with national and international industry organisations. Existing and potential customers are analysed based on political, geographical and commercial risk diversification. Potential customers that could be brought in should an existing customer be lost are continually monitored. Vulnerability within the supply chain is continually analysed in order to ensure that deliveries of critical raw materials and equipment can be secured.</p>
Risk of inefficient and unsound permitting processes	<p>LKAB's business depends in several ways on permits and other decisions by authorities. It is vital that processes for environmental permits, concessions and planning matters are efficient, predictable and legally sound in order to be able to plan and drive the business forward. This is particularly so at a time when extensive transformations need to take place within the near future in order to achieve climate goals set. Risk is a particularly important issue associated with the prerequisites for obtaining access to land, to enable both energy expansion in Sweden and expansion of the capacity on the Iron Ore Line, but also to expand and develop LKAB's own industrial areas and ensure good competitiveness in procurement as well as efficient management of the urban transformation in our operating locations.</p>	<p>Systematic ongoing stakeholder dialogue takes place with authorities and other stakeholders, focusing on the importance of what is required to secure the current operations and at the same time allow the transformation that is ahead of LKAB. Understanding among decision-makers – the government and parliament, national and local politicians, as well as authorities and courts – is key for reducing the risks within this area, but also to ensure good practice as regards the interpretation and application of laws and regulations in permitting matters. Internal strategies and processes have been established and will be developed further with a view to optimising ways of working that allow forward planning in investigative work, self-monitoring and dialogue with authorities.</p> <p>In 2024 the application process for an environmental permit for the operations in Gällivare continued, with supplements and oral preparatory negotiations. The permit is a prerequisite for being able to begin the planned transformation of the operations. In addition to continued mining and processing activities, the application includes the establishment of a first industrial-scale demonstration plant for producing fossil-free sponge iron using hydrogen as well as a new apatite plant for extracting phosphorus and rare earth elements. In December 2024 LKAB submitted an application to the Land and Environment Court for an environmental permit for a large-scale industrial plant for the processing of phosphorus and rare earth elements in Luleå.</p>

Business risks

Our business exposes us to risks relating to production facilities, environmental impact, employees etc. Risks associated with the ability to ensure safe, stable and resource-efficient production need to be managed in parallel with those associated with long-term competitiveness and the transition to carbon-free processes and products.

Risk area	Risk description	Risk management
Risk of insufficient mineral reserves/mineral resources	<p>Securing LKAB's mineral reserves requires continued exploration, technical investigations and profitability studies including permits in order to have access to mineable iron ore with around 20 years of advance planning, either in existing mines or in new deposits. Insufficient advance planning in the exploration work would have serious consequences for the company's future. There are also risks associated with being able to convert the mineral resources into mineral reserves.</p>	<p>LKAB conducts an exploration programme that focuses on exploration close to the existing mines. The supply risk associated with shortages of mineral resources and mineral reserves has reduced considerably in both Kiruna and Malmberget in recent years.</p> <p>To convert mineral resources into mineral reserves, appropriate evaluations and studies need to have been performed showing that mining and processing can take place in accordance with LKAB's profitability requirements and taking into account so-called modifying factors such as metallurgy, market, environment and economics. Within all these areas there are studies under way, in various phases, associated with all LKAB's deposits.</p>
Risk of negative environmental impact	<p>If the existing limits on emissions are not complied with, this could lead to negative effects on the opportunities for future environmental permits. Exceeding the permitted levels also has a negative impact on public confidence in LKAB. There is also a risk that environmental requirements will drive high transformation costs, which creates a competitive disadvantage.</p> <p>In legal terms, there is also a risk of degrading or endangering the ecological status of water as a result of how the regulations are designed and applied. This entails risks in future permitting processes, because it is not permissible to grant a permit for an activity that degrades the ecological status or jeopardises the administrative targets for water quality, regardless of whether the emissions have any negative effects on aquatic life.</p> <p>The energy issue – in terms of both the type of energy and energy efficiency – is strongly linked to the goal of carbon-free processes and products by the year 2045. Transformation of the business is an important strategic matter for the future, partly to reduce the risks of negative environmental impact but also to manage the climate risks arising from a continued dependence on fossil fuels (see also under market risks).</p> <p>The current system of emission allowances poses a risk in the event that the system is not designed in a way that allows all to compete on equal terms. Carbon emissions are up to 10 times higher when European steelworks sinter iron ore, i.e. lump together finely ground ore for their blast furnaces, compared with the use of LKAB's sintered iron ore pellets. The products' basic function in the blast furnaces is comparable, but the European Commission has nonetheless decided not to treat these equally when allocating emission allowances up to 2025. This means that the steel producers that have the highest carbon emissions are allocated more free emission allowances. LKAB, which has the lowest emissions, is instead penalised by being given a lower allocation. The lower allocation is thus a competitive disadvantage against competitors both within and outside of the EU Emissions Trading System.</p> <p>As with other mining companies, there is a risk that LKAB could suffer a dam failure. LKAB has dams constructed according to what is known as an inward method, which has demonstrated an increased risk of breach. A dam failure would have major negative consequences for the company's operations and for the environment, but also for neighbouring communities. It is also important that remediation is carried out for all discontinued operations in an ecologically sustainable way.</p>	<p>Various types of emission levels are measured systematically both by LKAB and in external audits to ensure that environmental impacts are within authorised levels. Research and development are also carried out with a view to reducing emission levels further, which is also important as preparation for potentially more stringent requirements in the future.</p> <p>As regards emissions to water, uranium has been raised recently as a possible permitting risk. Following investigations, however, LKAB is able to state that it is only certain forms of uranium (certain ions and complexes) that are bioavailable and thus harmful to aquatic organisms. These bioavailable forms occur only in low concentrations in the company's emissions. In the case of uranium, current regulations do not allow more sophisticated assessments to be made so that the limit value can be adjusted according to the actual risk of impact. Instead the limit applies regardless of the form in which the uranium occurs, and at a level that is lower than is often found as a natural background level in Sweden. Based on this, it is concluded that the current regulations are inappropriately designed in that they do not take into account locally prevailing physicochemical conditions. If the regulation is developed and adapted in accordance with the guidelines from the EU, the risk of admissibility problems in permit assessments is assessed to be significantly reduced.</p> <p>The switch to non-fossil fuels and a gradual transition to carbon-free processes and products is largely bound up with the issue of energy, since energy consumption and the type of energy decide the levels of carbon emissions. The transformation is a fundamental prerequisite for limiting the negative impact on the environment arising from current energy consumption.</p> <p>LKAB applied for annulment of the European Commission's allocation decision on emission allowances for the period 2021–2025. In July 2023, however, LKAB's appeal was rejected. The matter now lies with the European Court of Justice. In parallel with the judicial review of the current allocation period, work on establishing product benchmarks for the next period of 2026–2030 has been ongoing. The Commission has now taken the decision that LKAB's sintered iron ore pellets should be equated with other producers' sintered iron ore in a new benchmark for Agglomerated Iron Ore for the coming period 2026–2030. This means that the previous competitive disadvantage suffered by LKAB will be remedied. To strengthen incentives for emission reductions, the EU has introduced a Carbon Border Adjustment Mechanism (CBAM). Free allocations for the production of goods covered by CBAM will be gradually reduced from 2026 up to and including 2033. LKAB's need to purchase emission allowances will depend on a variety of factors, such as future market conditions, the extent of its own operations and how successful LKAB's transformation is in reducing emissions of carbon dioxide.</p> <p>LKAB works proactively and systematically on dam safety according to the industry's safety directive GruvRIDAS. LKAB also holds dam liability insurance for losses among third parties in the event of a dam failure. In 2020 a new international standard on dam safety was published: the Global Industry Standards on Tailings Management. In 2021 and 2023 a review of dam safety was carried out by an independent panel of international experts (TAB). Some nonconformances with the global standard – mainly related to organisation, governance and documentation – were identified, but generally LKAB's procedures and methods comply well with global dam safety requirements. A safety management system is being established. Future alternative depositing methods are also being investigated.</p> <p>For remediation of the industrial areas, an industry-wide road map has been produced focusing on biodiversity. Internal guidelines on land use have also been produced.</p>

Risk area	Risk description	Risk management
Risk of not being sufficiently competitive	<p>LKAB's production consists largely of continuous processes where unplanned stoppages can quickly have a big impact on the company's deliveries. Unplanned stoppages can also impact product quality and emissions to air and water. Changes in climate conditions may also have a direct impact on production, e.g. changes in water levels, heavy rain, avalanches or storms.</p> <p>There are high risks associated with the capacity of the Iron Ore Line and insufficient availability for existing flows, as well as with breakdowns and derailments, given its single-track nature combined with the status of the line. Increased demand from other users of the line could also have negative consequences. Overall, the capacity of the Iron Ore Line is a limiting factor on the volume that LKAB can transport, which has a direct impact on profitability.</p> <p>Important future issues and risks are associated with the planned transformation to carbon-free processes and products, and to more efficient and safer large-scale mining methods at increased depths. Within some of these areas LKAB is a pioneer, which increases the risk of high costs associated with development and industrialisation of new technology. There is a risk that LKAB's competitiveness could deteriorate vis-à-vis other producers as a result of competitors in other parts of the world benefiting from greater support for green transformation (such as financial state subsidies) than LKAB does.</p>	<p>Efficient, safe, uninterrupted production is based on being large-scale and on continuous efficiency improvements. Good maintenance planning and a clear division of responsibilities are important components in achieving this. Audits of the production facilities are carried out annually, but so-called interruption studies are also carried out to assess the risk of unplanned stoppages in production. Based on these processes, decisions are taken on how the risks are to be or should be managed. Preventive work within fire safety is given a high priority in view of previous events. In addition, there is insurance cover for the risks of damage to property and subsequent production losses.</p> <p>With regard to the Iron Ore Line, we are working intensively both ourselves and together with the Swedish Transport Administration, among others, on flow optimisation and various actions to find ways to move more traffic within the confines of the existing system, subject to the limitations of necessary maintenance measures in the years ahead. This work has had positive effects and there is a commitment from the parties concerned. At the same time, political discussions are taking place on the need for further capacity expansion on the Iron Ore Line. In its infrastructure bill the Government identified the Iron Ore Line, among other things, as an object of importance. Private funding for this will also be investigated. The capacity of the Iron Ore Line going forward is of the utmost importance both for existing operations and for future expansion.</p> <p>Identifying potential efficiency improvements in the mining is an important matter for LKAB's future. Various studies and development programmes are ongoing in this area. There has been ever greater focus on rock mechanics in mine planning and production management. Prioritised risk management work is in progress regarding the process for planning and optimising mining in existing mines, but also more long-term to secure future mining at increased depths. The focus is on creating geological models, mine design, stress management, mining plans and standardised ways of working as well as process control.</p>
Risk of accidents and poor health	<p>LKAB's employees and contractors are sometimes exposed to risky situations which may involve an increased risk of accident and/or illness. There is also the risk of negative effects arising as a result of an unhealthy working climate between people in the workplace, known as the organisational and social work environment. That LKAB is an employer with safe and healthy workplaces where employees are happy and feel secure is an important strategic issue for the Group.</p>	<p>This risk is managed primarily through the Group's systematic work environment efforts, which include risk analysis as well as reporting and follow-up of risks, near-miss incidents and accidents. It also involves strengthening the safety culture, systematising the risk management process and ensuring effective procedures in the area of health and safety.</p> <p>LKAB's approach within occupational health and safety sets a clear framework for how we should work on safety. Since 2022 the Group has had a common approach that is summarised in its "golden rules". The rules show clearly which behaviours encourage a safe and healthy work environment. In 2024 an external analysis of safety work was begun as a first step in implementing CCM (critical control management), focusing on the most serious risks.</p>
Risk of skills shortage	<p>The ability to attract and retain employees and to secure access to skills is a very important prerequisite for long-term competitiveness, particularly at a time when the pace of change is fast. Creating the conditions for continuous learning is a critical factor for success. Another important parameter for success is guaranteeing a work environment where employees feel secure and included and where diversity is seen as an asset. Attractive locations where we have good, stimulating partnerships with local actors and stakeholders and where the housing market and infrastructure are well developed are also necessities if we are to have access to the skills we need.</p> <p>The risk of skills shortages due to limitations in housing availability and functioning public services is a critical factor for the supply of skills in the Swedish orefields.</p>	<p>We have a strategy for skills supply with prioritised focus areas and activities aimed at attracting, recruiting and retaining expertise.</p> <p>We have increased awareness of LKAB as an employer and need to continue our focus on this area. We have centralised the recruitment function to professionalise the way we recruit and find critical skills, increase diversity and support managers in the process.</p> <p>LKAB is also implementing a method of working on skills planning in the short and long term as support for these strategic and operational efforts, with a clear link to the business goals.</p> <p>During the year a common framework, One LKAB, was developed. The framework guides our managers and employees in how we work and how we lead. Our culture is to be characterised by collaboration, delivery, development and treating our resources with respect.</p> <p>Attractive and well-functioning communities are important for securing the supply of skills. We have established a unit for community development that focuses on local and regional development efforts.</p>

Business risks, continued

Risk area	Risk description	Risk management
Risk of insufficient social and legal acceptance	Acting ethically and taking a long-term approach is crucial for creating trust in LKAB. Acceptance of the operations depends on maintaining a close ongoing dialogue with stakeholders and actors in various areas. Achieving good results in the work to minimise the operations' environmental and climate impact is important for maintaining stakeholders' confidence. Clear regulations and uniform application of these is essential for legal compliance and for mutual trust between the company, authorities and other stakeholders. Social acceptance creates the conditions for the development and transformation of the business.	Good credibility is ensured by, among other things, the Group's Code of Conduct and Sustainability Policy. The Code of Conduct covers not just employees, but also partners such as suppliers and consultants. Compliance is verified partly by internal and external audits, and partly by an effective management system and a whistleblower function. There is also ongoing dialogue with our stakeholders in order to identify needs and expectations and, based on this, to design actions that meet the expectations and needs. The collaboration model that has been developed together with the affected Sámi communities provides a framework for forums as well as working methods for sharing information, decision-making and ongoing consultation.
Risk of intrusion/damage by external parties	Digitalisation means that an ever increasing proportion of the activities in the Group, and also its contacts with various stakeholders, are dependent on networks and information systems. As a result of this, data security and cybersecurity risks are increasing. Threats and risks in the area of information technology range from less extensive risk at an individual level to well-planned and precisely targeted attacks on critical parts of the company's functions. In view of the situation in the world around us, the risk that a targeted attack – whether a cyber-attack or a physical attack – could knock out an industrial company's production system, involving significant costs for loss of production, is a reality that LKAB must address by taking various measures to prevent it from happening. The risks in this area are considered to have increased over the past three years as a result of changes in world around us.	Systematic data protection and cybersecurity work is conducted with a view to ensuring data security within the Group. The security work includes continual risk and vulnerability analysis, as well as careful monitoring of external developments in this area. In addition, there are activities to increase awareness among individual users of LKAB's IT systems and to improve their capabilities in order to reduce the risk associated with the "human factor". Cybersecurity work is an area that is continually reviewed, developed and revised as methods of attack change. In 2024 an internal audit of the Group's IT security efforts was carried out with a view to ensuring that these are fit for purpose. LKAB's industrial areas have appropriate perimeter protection to protect the facilities from various kinds of trespass and damage. Security efforts in connection with the risks of cyberattack as well as physical break-in and damage have intensified since 2022.

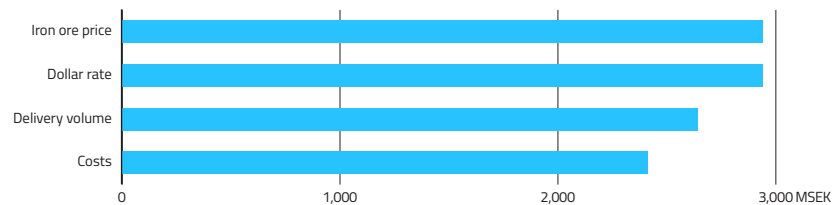
Financial risks

The financial risks are mainly associated with fluctuations in global iron ore prices and in the USD/SEK exchange rate. Together these factors could have a major impact on the company's income statement, balance sheet and cash flow.

Risk area	Risk description	Risk management
Financial risks	Financing risk is the risk that the LKAB Group cannot meet its commitments due to lack of liquidity or the inability to raise external loans for operating activities. This matter is of particular importance at a time when the Group is embarking on a transformation that requires extensive investments to be made. LKAB is exposed to various types of currency risk. The main exposure stems from sales of iron ore where market pricing is in USD, known as transaction exposure. Financial risks also include credit risks associated with accounts receivable, derivatives and short-term investments.	Management of the Group's financial risks is regulated by the Finance Policy decided on by the Board. Monitoring of compliance with the policy and analysis of external factors take place continuously, including in the ongoing reporting to the Finance and Audit Committee. LKAB maintains a buffer capital aimed at, among other things, securing future investments and urban transformation costs. The capital is managed with low risk according to guidelines from the Finance and Audit Committee. LKAB normally only hedges currency risk in accounts receivable. However, cash flow is analysed on an ongoing basis and, in conjunction with this, sensitivity analysis is also performed based on changes in external factors such as exchange rates. In periods where there are expected to be high outflows, longer currency hedging may be considered. The foreign companies within the Group mainly operate in their local currencies in order to reduce currency exposure. Translation exposure is not normally hedged. Credit assessment of new and existing customers, as well as a framework for other credit risks, are stipulated in the Finance Policy.

Sensitivity analysis

The sensitivity analysis below summarises LKAB's earnings sensitivity to a hypothetical 10-percent change in volumes, prices and currencies. Changes in the SEK/USD exchange rate and market prices have the greatest impact on earnings. Analysis of iron ore prices, the dollar exchange rate and delivery volumes relates to the Iron Ore business area, while costs relate to the Group.



Group	Change %	Exposure, 2024	Unit	Effect on operating profit, 2024 (MSEK)	Exposure, 2023	Unit	Effect on operating profit, 2023 (MSEK)
Iron ore price	10	31,259	MSEK	2,941	41,078	MSEK	3,883
Dollar rate	10	2,766	MUSD	2,940	3,668	MUSD	3,882
Delivery volume	10	21.9	Mt	2,639	25.3	Mt	3,534
Costs	10	24,111	MSEK	2,411	26,293	MSEK	2,629



Climate-related financial risks and opportunities (TCFD)

The Task Force on Climate-related Financial Disclosures (TCFD) is a market-driven initiative that has developed a framework of recommendations for voluntary and consistent reporting of climate-related financial risks and opportunities.

In 2022 scenario analysis in line with TCFD was performed and in 2024 LKAB continued its work to prepare for the implementation of the EU's new Corporate Sustainability Reporting Directive (CSRD) and its European Sustainability Reporting Standards (ESRS), as incorporated into Swedish law. Like TCFD, the new CSRD requires reporting of climate-related financial risks and opportunities.

Governance, strategy and risk management

Efforts to prevent climate change and reduce the world's carbon emissions through industrial transformation are the basis of LKAB's long-term strategy. The risks and opportunities that climate change presents to the operations are therefore already to a large extent integrated into our business processes. By developing our reporting of climate-related risks and opportunities, however, LKAB sees an opportunity to strengthen our position as a driving force for the transformation of our industry while also increasing transparency to our stakeholders.

In 2022 scenario analysis was undertaken to investigate and assess climate risks and opportunities for two different climate scenarios, with LKAB's strategy being evaluated in a low-emissions and a high-emissions scenario. Scenario analysis aims to assess future risks and opportunities in order to identify and assess the potential consequences of future events under condi-

tions of uncertainty. The scenarios are intended to shed light on key changes within the chosen future period and draw attention to key factors driving developments within the selected scenario. The analysis helps to future-proof the business and build resilience in the wake of ever increasing climate change.

The climate scenarios used are based on, among other things, the scenarios produced by the UN's Intergovernmental Panel on Climate Change (IPCC). One scenario describes a future in which we succeed in limiting global temperature rise to 1.5–2 °C above pre-industrial levels, in line with the Paris Agreement, and involves large-scale and immediate transformation. The second scenario describes a situation in which transformation has stalled and global temperature rise is limited to 3.5–5 °C above pre-industrial levels, and represents a more "business as usual" scenario. The risks analysed were physical risks, both acute and chronic; transformation risks in the form of regulatory, market, technological and brand risks; and liability risks. The opportunities from a resource, energy, product and market perspective were also analysed. Work is under way to manage the risks and opportunities identified during scenario analysis, some of which have been escalated to the strategic risk management process. Quantification of the effect on our financial key ratios for the different scenarios is also a possible next step.

Climate scenarios

Large-scale and rapid transformation (RCP 2.6)

Scenario that leads to low emissions in line with the temperature goal of the Paris Agreement (+1.5–2 °C)

- Major and ongoing investments in products and businesses that contribute to reducing greenhouse gas emissions.
- Strong regulatory pressure in the form of, among other things, emission reduction requirements and higher carbon price.
- Extensive electrification, with fossil-free electricity production that meets increased needs.
- Regulations that enable/encourage transformation to climate-efficient products and technologies.
- Increased demand for climate-efficient products and services.
- Moderate physical effects of climate changes.

Stalled transformation (RCP 8.5)

Scenario that leads to high emissions not in line with the goal of the Paris Agreement (+3.5–5 °C)

- Regulatory pressure on a par with that at present, with few or no further decisions/goals/actions to reduce emissions put in place.
- The price of carbon emissions rises marginally.
- Fossil energy remains the dominant type of energy.
- The need for electricity grows, but mainly within industry.
- The willingness to invest in climate-efficient technology, and the products produced, increase only to a limited extent.
- Severe climate effects and extreme weather are common.

Large-scale and rapid transformation

Risks

- Increased exposure to the electricity price and price volatility as a consequence of a rapid transformation and increasing need for electricity.
- Authorities apply the regulations in a way that is not consistent.
- Disproportionate incentives/support structures for technological transformation in which other actors/technologies are rewarded more than LKAB.
- That LKAB does not contribute sufficiently to transformation in the eyes of stakeholders.

Opportunities

- Fossil-free processing of critical minerals for transformation and resource efficiency through a circular approach.
- Transparent and efficient permitting processes.
- Rapid technological development of fossil-free hydrogen.
- Attractive employer.

Impact on LKAB

- Processing of critical minerals for the transformation such as iron ore, but also the extraction of critical minerals so that we use more of the material we are already mining to produce rare earth elements and phosphorus, promotes a circular working model and LKAB is able to contribute to Europe's growing requirements.
- Transparent and efficient permitting processes enable large-scale and efficient transformation, also positively impacting the necessary expansion of transmission grids and electricity production.
- A business centred on climate-efficient and fossil-free products that are deemed to be critical for society and for transformation secures resilience.
- Disproportionate incentives/support structures for technological transformation which risk impacting LKAB's competitiveness negatively if other choices of technology are rewarded.
- Should LKAB fail and not contribute sufficiently to transformation in the eyes of stakeholders, this negatively impacts social acceptance, access to sustainable capital and the ability to attract new talent.

Stalled transformation

Risks

- Insufficient electricity production combined with high and volatile electricity prices in the wake of fossil-free electricity production not being expanded at the rate demanded.
- Chronic climate effects and extreme weather that negatively impact customers and suppliers.
- Technological transformation does not take place in a coordinated manner throughout the value chain.
- Unpredictable and inefficient permitting processes remain.
- Insufficient political and market steering towards products with lower emissions.

Opportunities

- LKAB's business centres on critical minerals, which are important for society but also critical for transformation.
- Sustainable companies attract more skills and talent, LKAB leads the transformation of its industry and stands out positively among employers.

Impact on LKAB

- Operating a business centred on minerals that are in demand and are judged to be critical to society strengthens resilience and the opportunity to continue to run stable operations.
- By developing in a sustainable direction LKAB can attract the skills needed – both new and existing – to drive the transformation efforts.
- Slow and unpredictable permitting processes slow the pace of the transformation.
- Rising electricity prices and price volatility in the wake of insufficient expansion of fossil-free power production.
- Uncertain level of return for fossil-free technology if there is not a wider transformation in society.
- Physical climate risks in the form of extreme weather could have very great consequences to the extent that critical logistics chains and materials flows are impacted, for example electricity production and electricity supply, if these have not been adapted to reduce vulnerability to extreme weather.

Summary

It will be important for LKAB to monitor closely the political response to climate change, particularly in Sweden and the EU, regardless of which climate scenario becomes reality; to actively monitor our position and adapt the pace of development to changes in the key variables in order to maximise the financial benefit and limit the financial risks going forward. At an overall level a low-emissions scenario is assessed to be more favourable for LKAB's transformation and future business.

A high-emissions scenario, which is characterised by high electricity prices and a slower pace of expansion of fossil-free power production, may limit the plans for electrified hydrogen production and jeopardise the profitability of carbon-free sponge iron. High variation in electricity prices is at the same time an opportunity

that LKAB can exploit by adapting to the electricity price and exploiting the time arbitrage in the price volatility. The important thing, however, is that the electricity price over time is low and that the rate of expansion is high.

The majority of the risks and opportunities identified arise in both the scenarios. LKAB will continue to produce minerals that are critical for society and also crucial for transformation. This is an opportunity in both scenarios, albeit slightly greater in the low-emission scenario as demand for critical minerals for the transformation is expected to increase. The ambition to lead the transformation of our industry remains in both scenarios, something that is expected to be a decisive factor in attracting and retaining the right talent. Risks associated with the management of environmental permits, the electricity price level and expansion of new electricity production

exist in both scenarios but are assessed to be more likely in a high-emissions scenario.

The transformation requires the environmental permitting processes to function more smoothly and faster than at present because LKAB's pace of change will be high.

Exactly when each risk and opportunity is realised varies between the different scenarios. Some are expected to need to be managed on an ongoing basis, while others will become relevant in 20–30 years' time.

At the same time, the enormous task that lies ahead of LKAB in driving the climate transformation of the steel industry must not be diminished. It is likely that many new risks and opportunities will be discovered along the way, and an agile and analytical approach will be a factor in success.

TCFD Index

Governance	Strategy	Risk management	Indicators and goals
The Board's oversight of climate-related risks and opportunities, page 59.	Climate-related risks and opportunities the organisation has identified, pages 13 and 45.	The organisation's processes for identifying climate-related risks, pages 13 and 45.	The organisation's indicators for evaluating climate-related risks and opportunities, page 7.
Management's role in assessing and managing climate-related risks and opportunities, page 46.	Impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning, page 45.	The organisation's processes for managing climate-related risks, pages 13 and 45.	Scope 1, 2 and 3 emissions according to the Greenhouse Gas Protocol, page 83.
	Resilience of the organisation's strategy taking into consideration different climate-related scenarios, pages 13 and 45.	Integration of the above processes into the organisation's overall risk management, page 46.	Targets used by the organisation to manage climate-related risks and opportunities, page 7.



Financing

LKAB operates in a capital-intensive industry in a cyclical sector where changes in the global iron ore price and the dollar exchange rate have a significant impact on earnings and cash flow. LKAB has significant commitments relating to urban transformation, pensions and remediation, and also needs capital for the transformation to a fossil-free value chain for steel production. These fluctuations and commitments are secured through buffer capital and available credit facilities, which together comprise the company's financial contingency arrangements.

Finance Policy and management of financial assets

LKAB's Finance Policy provides a framework for financing activities and the management of financial risk. LKAB shall always have at least 18 months of

expected financing requirements secured. Financing requirements are defined as financial current assets and committed credit facilities plus expected cash flow from operating activities less expected dividends, investments and maturing loans. Where the Group holds surplus liquidity, financial current assets shall be divided into a liquidity portfolio and a capital portfolio. The capital portfolio is managed in accordance with investment guidelines approved by the Board's Finance and Audit Committee. In 2024 there was no deviation from the Finance Policy.

Managed financial capital at the beginning of the year amounted to SEK 36.5 billion and at year-end to SEK 33.1 billion.



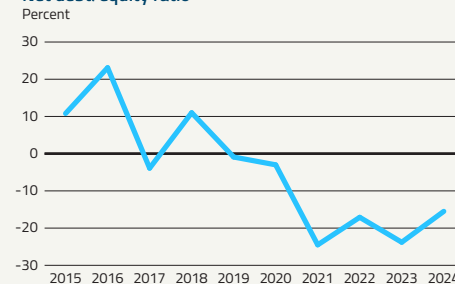
LKAB's green bonds

LKAB has outstanding green bonds totalling SEK 2 billion maturing in March 2025. Financing has been allocated to a total of 11 projects that are expected to have a long-term positive impact on the environment. Around SEK 0.8 billion of the allocated funding was invested in 2023 in initiatives to reduce carbon emissions, including the development projects for the production of carbon-free sponge iron. The remainder has been used to increase resource efficiency and contribute to a more circular economy, clean transport, renewable energy and green buildings. The bonds were issued under LKAB's MTN programme and the framework for green bonds, and are listed on Nasdaq Stockholm's Sustainable Bond List.

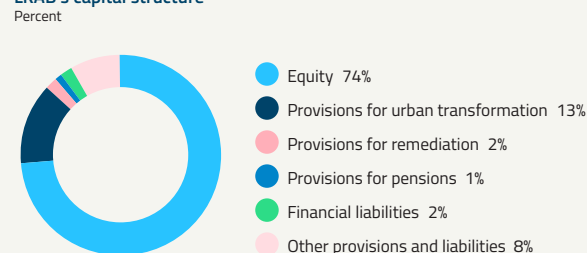
Further information:

LKAB's Green Bond Impact Report at lkab.com.

Net debt/equity ratio



LKAB's capital structure



A photograph of three people in a control room or office setting. A man in a yellow high-visibility jacket stands on the left, looking at a computer monitor. A man in a dark jacket with red and white stripes is seated at the desk, looking at the monitor. A woman in a blue polo shirt with 'LIMAB' on it stands behind him, also looking at the monitor. The room is dimly lit, with a textured wall on the left and several computer monitors on the desk. A 'Lenovo' logo is visible on one of the monitors.

Corporate governance

- [Comments by the Chairman of the Board](#)
- [Corporate governance report](#)
- [Board of Directors](#)
- [Group management](#)

Comments by the Chairman of the Board

2024 has been a challenging year for LKAB, with disruptions both in production and in freight transport on the Iron Ore Line. LKAB's underlying strength is good, however. The company has a strong balance sheet, large mineral resources and good opportunities to continue to develop sustainable and profitable mining production for the benefit of Norrbotten, Sweden and Europe in the future.

As I now come to the end of my first year as Chairman of LKAB's Board, I would like to take this opportunity to thank my predecessor Göran Persson, who together with CEO Jan Moström and other employees has strengthened the company's position. Not least by driving technological development and securing significant mineral resources with the potential to be converted into ore reserves for future mining at a time of major change. I am humbled to have taken on the role. My ambition and hope is that as Chairman of the Board, together with the Board and management, I will be able to create the best conditions for LKAB to achieve its strategic goals.

We are leaving behind a year that has been marked by significant challenges for LKAB. That a death occurred in LKAB's operations is deeply saddening and reinforces the need for our safety efforts. Disruptions on the Iron Ore Line and operational problems at the plants in Kiruna and Svappavaara also affected operations negatively.

Growing ore base important for future generations

The exploration in recent years has resulted in large mineral resources that the company can in time develop into mineral reserves. The identified mineral resources are estimated to exceed the volume of ore that LKAB has mined since its inception in the 1890s. This rather staggering insight puts our long-term potential into perspective. Our mineral resources have grown from one to around five billion tonnes, and exploration shows that we

have probably not yet reached the peak. This strengthens LKAB's role in the global supply of raw materials and creates unique opportunities to combine resource management with climate transition. However, this requires LKAB to have a strong balance sheet and high profitability that provides good cash flows capable of financing the very large investments the company needs to make. LKAB is dependent on how raw material prices and exchange rates develop, and is therefore a company that should have a very strong balance sheet.

LKAB has long played a crucial role for Norrbotten and Sweden, but also for Europe. It is difficult to imagine that world-leading Swedish companies in, for example, the automotive industry, engineering and mining technology would have seen the light of day without access to LKAB and the company's high-quality iron ore. LKAB's importance for Swedish exports is considerable.

LKAB is leading development in Europe

There is no doubt that LKAB is the player leading the transformation of the iron and steel industry in Europe. We are in a unique position. We are sitting on large parts of Europe's iron ore resources, are by far the largest iron ore producer and have a high level of technology. We have our own carbon emissions to manage – and these are not insignificant – but we can also make a significant contribution to our customers' ability to cope with the climate transition when blast furnaces are replaced by electric arc

furnaces. LKAB's competitive strength is based on being a pioneer, and here sustainability can be seen as both a guiding principle and a constraint on how LKAB runs its business. But the problems in the European steel industry, with squeezed margins and increased competition, are also affecting LKAB in terms of changing customer needs and uncertainty about investments. Each investment must also meet return requirements that secure the company's long-term financial position.

The increased demand for rare earth elements and phosphorus means that LKAB has a strategic opportunity to become a significant supplier. The development of the new deposit in Kiruna and other initiatives are strengthening LKAB's position as a key player in a more regional European supply of raw materials. Security policy interest in LKAB's mines increases with Sweden's accession to NATO. The Iron Ore Line, which forms the hub between the Atlantic coast and northern Finland, has thus taken on an increasingly important role.

At the same time, LKAB has a great responsibility in its local communities and must act with humility and stay grounded to ensure long-term acceptance and stability for the operations. Employee safety is a key element of LKAB's operations, and the company works systematically to minimise risks in a work environment characterised by heavy industrial processes and demanding mining conditions.

A new era for Swedish mining industry

The outlook for LKAB is good. To ensure stable and long-term development, however, investments in infrastructure and shorter permitting processes are crucial. In addition, a major expansion of the energy supply in Norrbotten and an increase in power transmission capacity are required for LKAB's potential to be fully realised. With a strong balance sheet and extensive mineral resources, LKAB is well positioned for the future. LKAB has existed for 134 years and I am firmly convinced that the company will continue with mining production well into the future.

I would like to express my heartfelt thanks to Jan Moström, his management and all employees.

Luleå, 27 March 2025



Anders Borg
Chairman of the Board

Corporate governance structure

LKAB's owner, the Swedish state, is ultimately responsible for making decisions on corporate governance. At the Annual General Meeting the owner (shareholder) appoints Board members, the Chairman of the Board and an auditor. The Board is responsible to the owner for the company's organisation and the administration of its affairs. The diagram below summarises how governance and control are organised at LKAB.

1. Annual General Meeting

The AGM is LKAB's highest decision-making body and the forum at which the shareholder formally exercises its influence. Among other things, the AGM resolves on adoption of the income statement and balance sheet, discharge from liability of the Board, the election of Board members and the auditor, financial targets, the remuneration of Board members and the auditor, and guidelines for the remuneration of senior executives.

2. Board nominations

LKAB does not have a nomination committee. The preparation of decisions on the nomination of Board members instead takes place through a Board nomination process in accordance with the State Ownership Policy. The work is coordinated by the department for state-owned enterprises at the Swedish Ministry of Finance. See deviations from Code rules on page 59.

3. Auditor

The auditor reports to the shareholder at the AGM and provides an audit report on the Annual Report and the Board's administration of the company. The auditors report regularly, verbally and in writing, to the Finance and Audit Committee on how the audit was conducted and on the auditor's assessment of internal control at the company. A summary of the annual audit is also submitted to the full Board.

4. Board of Directors

The Board of Directors is responsible for the company's organisation and manages the company's affairs on behalf of the owner. The work of the Board includes continuously monitoring the company's financial situation and ensuring that the company is organised so that its bookkeeping, asset management and other financial circumstances are controlled in a satisfactory manner. The Board also appoints the President.

5. Remuneration Committee

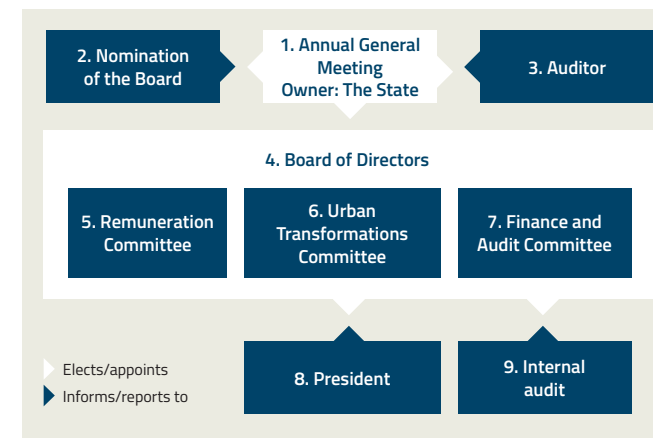
The committee produces proposals and prepares matters relating to remuneration and other terms of employment for the President and other members of Group management, as well as the Board's proposed guidelines for remuneration of senior executives and the company's remuneration report. The committee also monitors the company's process for succession planning and talent management, and evaluates the company's employee incentive programmes annually.

6. Urban Transformations Committee

The committee prepares and follows up matters relating to the company's long-term conditions for mining operations, and monitors that the company is managing the urban transformation efficiently and appropriately.

7. Finance and Audit Committee

This committee oversees the company's financial reporting and sustainability reporting by reviewing key accounting matters and other factors that could affect the quality of reporting content. The committee also monitors compliance with LKAB's Finance Policy, including the company's liquidity management, borrowing and hedging, and provides a review and quality assurance of costing assumptions associated with strategic investments. The committee also establishes investment guidelines for asset management and monitors compliance with these.



8. President

The President is appointed by the Board of Directors. The President is responsible for the ongoing administration of the company in accordance with the Board's guidelines and instructions, and for ensuring that the strategic direction and the Board's decisions are implemented and followed.

9. Internal audit

Internal audit is performed by an external party based on an annual plan decided by the Finance and Audit Committee. Internal audit complements the external audit and typically focuses on one area or a couple of areas each year. The conclusions are reported to the Board.

Governing documents, guidelines and regulations

Basic regulations

The basis for corporate governance at LKAB is Swedish legislation, the Swedish Corporate Governance Code (the Code), the State Ownership Policy and principles for state-owned enterprises ("State Ownership Policy") and internal governing documents. In the State Ownership Policy the government describes missions and objectives, applicable frameworks and its position on important matters of principle related to corporate governance in state-owned enterprises; see also www.government.se.

Code of Conduct

The Code of Conduct describes how we at LKAB are to conduct ourselves towards each other, towards our business partners and towards the community around us. It builds on LKAB's behaviours, international guidelines and our wish to set an example both in business and in the community. The Code of Conduct is to be complied with by all employees of LKAB, and also by our business partners such as suppliers and consultants. We want our suppliers to lead the field when it comes to ethics, the work environment, equality and diversity, and therefore we require that they comply with both our Basic Requirements and our Supplier Code of Conduct.

Policy documents

Sustainability Policy

LKAB's mission is to utilise iron ore and mineral resources in a responsible way and to secure lasting competitiveness and long-term 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 environmental impact and energy consumption.

Risk Management Policy

Through effective risk management work we create the best conditions for achieving our strategic goals. A systematic way of working creates an understanding of risks and makes us equipped to identify, prioritise, manage and monitor our risks.

Finance Policy

The Finance Policy is to ensure that all the Group's financial risks are identified and managed according to risk appetite, and that financing activities support the business plan adopted. The policy sets out the overall framework for financing activities as well as how responsibility for the activity is allocated and how good internal control is ensured.

Insider Policy

The Insider Policy aims to ensure that LKAB manages inside information correctly and that insider trading does not occur.

LKAB's behaviours and policies are described in more detail on our website lkab.com.

Deviations from the Code

In accordance with the State Ownership Policy, LKAB applies the Swedish Corporate Governance Code (the Code). LKAB's governance for the 2024 financial year deviates from the requirements stated in the Code on the following points



Code rule

Deviation and explanation/comment

Item 1.1

Publication of information on shareholder's right of initiative.

The purpose of this rule is to give shareholders the opportunity to prepare for the AGM in a timely manner and to have a matter included in the notice of the AGM. At wholly state-owned enterprises there is no reason to apply this rule and therefore no information is published concerning the shareholder's right of initiative.

Item 2

The company shall have a nomination committee that represents the company's shareholders.

Due to its ownership structure, LKAB does not have a nomination committee. The Board nomination process follows the principles outlined in the State Ownership Policy and is coordinated by the Swedish Ministry of Finance. Proposals for the election of the auditor and for auditor's fees are presented by the Board and adopted by the company, applying the EU Audit Regulation. Accordingly, the references to the nomination committee in items 1.2, 1.3, 4.6, 8.1 and 10.2 of the Code are also not applicable.

Item 10.2

The corporate governance report shall contain information that indicates whether Board members are independent of major shareholders.

This provision is aimed primarily at protecting minority shareholders in companies with dispersed ownership. At wholly state-owned enterprises there is no reason to apply this rule.

Shareholders and Annual General Meeting

Shareholders

LKAB is wholly owned by the Swedish state. The Government Offices of Sweden administers companies through the special organisation for administration of state-owned enterprises that is part of the Swedish Ministry of Finance.

To achieve active and professional company administration the owner has developed a corporate governance model that includes a number of tools and processes.

In the State Ownership Policy the government describes missions and objectives, applicable frameworks and important matters of principle related to corporate governance in state-owned enterprises. The State Ownership Policy also contains principles for external reporting as well as principles for remuneration and other terms of employment for senior executives.

Establishing and monitoring financial objectives is another important governance tool that the state has as owner. LKAB's financial goals were decided by the owner at an extraordinary general meeting held in 2021 and relate to profitability, capital structure and dividend; for the goals and how they are monitored see page 7.

Annual General Meeting 2024

LKAB's Annual General Meeting took place on 25 April 2024 at Vetenskapens Hus in Luleå. The owner was represented by Klara Palmberg Broryd of the Ministry of Finance. The meeting was chaired by the then Chairman of the Board Göran Persson. The Annual General Meeting was open to the public and directly after the meeting there was a panel discussion on future electricity supply and electricity needs in the north, with Jan Moström (President of LKAB), Anna Borg (CEO Vattenfall) and Birgitta Larsson (municipal councillor at Gällivare Municipality).

Resolutions passed at the Annual General Meeting included the following:

- A dividend of SEK 10,857 per share, corresponding to a total of SEK 7,600,000,000.
- Re-election of Board members Anders Borg, Catrin Fransson, Eva Hamilton, Bjarne Moltke Hansen, Kerstin Konradsson, Lotta Mellström, and Per-Olof Wedin, and election of Carina Andersson and Alrik Danielson as new Board members. Göran Persson and Gunilla Saltin left the Board.
- Election of Anders Borg as Chairman of the Board.

- Remuneration of SEK 750,000 to the Chairman of the Board and SEK 335,000 to the other Board members elected at the AGM. Remuneration is not paid any Board member who is employed at the Government Offices, nor to employee representatives.
- Re-election of the registered accounting firm KPMG AB as auditor for a period of one year.
- Resolution on unchanged guidelines for remuneration and other terms of employment for senior executives.

The minutes of the 2024 AGM and of other recent years' general meetings are available on LKAB's website at lkab.com.

Board nominations

The Government Offices of Sweden has made Board nominations in accordance with the process set out in the State Ownership Policy. The work is coordinated by the department for state-owned enterprises at the Swedish Ministry of Finance. LKAB's expertise requirements are analysed based on the company's operations, situation and future challenges. Diversity aspects such as ethnic and cultural background are among the factors considered. The government aims for gender balance both on individual company boards and at portfolio level. In order to be considered for a Board position, a person must have a high level of expertise relevant to current business operations, business development, industry expertise, financial matters, sustainable enterprise or in other relevant areas. They must also have a high level of integrity and the ability to act in the best interests of the company.

LKAB's Group management has adopted a Group guideline on HR matters stating that diversity and equal opportunity are important factors in recruitment. The recruitment process is to be conducted systematically using transparent selection criteria, with a high level of integrity and free from any kind of discrimination. The guideline is applied in all recruitment within the Group.

Auditor

On behalf of the owner, the auditor independently reviews the administration by the Board and President as well as the company's annual report and accounts. The auditor also performs a review of the company's interim report for the third quarter and of the company's sustainability report. The auditor is elected by the AGM. The work of the auditor is evaluated annually.

At the Annual General Meeting on 25 April 2024 KPMG AB was re-elected as auditor for a period of one year. Authorised public accountant Helena Arvidsson Älgne is the chief auditor. The remuneration paid to the auditor is specified in Note 8 on page 141 of the Annual Report.

Board of Directors

Composition and division of duties of the Board of Directors

LKAB's Articles of Association state that the company's Board of Directors shall consist of no fewer than six and no more than eleven AGM-elected members, excluding deputies. The Board consists of nine AGM-elected members: five women and four men. One of the AGM-elected members is employed at the Government Offices of Sweden. Employees are represented by three members and three deputies in accordance with the Board Representation (Private Sector Employees) Act. Board members have broad and extensive experience from trade and industry, and most maintain other duties as members of the boards of large companies. To avoid conflicts of interest the members of the Board report other assignments outside the company to the Chairman of the Board. The members of the Board are presented on pages 65–66. The Board annually establishes rules of procedure for the Board, instructions for the President and instructions for financial reporting. These documents define the basic division of responsibility and powers between the Board, the Board committees, the Chairman and the President.

Chairman of the Board

The duties of the Chairman are subject to the Swedish Companies Act, the Code and the State Ownership Policy. They are further specified in the Board's rules of procedure. The Chairman's duties include organising and leading the work of the Board, ensuring that the Board fulfils its duties and that its decisions are implemented effectively, and ensuring that the Board evaluates its own work annually. The Chairman is not a member of Group management.

Coordination responsibility is a special task incumbent on those who chair state-owned companies. This responsibility means that, through the Chairman, the Board is to coordinate its views in writing with representatives of the owner when the company faces important decisions such as substantial strategic changes in the company's operations, major acquisitions, mergers or disposals, or decisions which involve significant changes to the company's risk profile or balance sheet.

The work of the Board of Directors in 2024

In 2024 the Board held 11 meetings, including one extra Board meeting, one constituent Board meeting and one per capsulam meeting. The meetings were held in Luleå, Kiruna and Stockholm, as well as digitally. The meetings follow a set agenda to ensure the Board's information needs are met. The first meeting of the year is usually an annual accounts session attended by the auditor. At this meeting, the Board deliberates with the company's auditors without the President or other members of Group management being present. At the second Board meeting the Annual and Sustainability Report is discussed. The third to eighth meetings tend to be devoted to operational, strategic and personnel matters, among other things, and to market development. At the last Board meeting of the year decisions are made on the business plan and budget for the coming year. In March the Board held an extra Board meeting to discuss the consequences of the two train derailments on the Iron Ore Line in December 2023 and February 2024 respectively. The Board visited the KK2 pelletising plant and Kiruna's new city centre in conjunction with the Board meeting in August.

During the 2024 Board year the Board continued to focus on LKAB's gradual transformation for the future. The goal is that, together with Swedish industry, we will be at the forefront of the global transformation to sustainable development and reduced climate impact. The intention is to move a step forward in the value chain and replace pellets with sponge iron (DRI/HBI) produced using hydrogen. Competitive mining at greater depths is also crucial for the company's future. In the autumn the Board also made a decision to invest in a research and development centre and a demonstration plant for the processing of phosphorus and rare earth elements in Luleå. The approximately SEK 0.8 billion investment marks an important step in LKAB's ongoing transformation and initiative for the extraction of critical minerals. The application for an environmental permit for a large-scale industrial plant for the processing of phosphorus and rare earth elements was submitted to the Land and Environment Court in December 2024.

The tragic accident in May 2024, when a mechanic died in the Kiruna mine, has been meticulously followed up by the Board. The effort to strengthen the safety culture and lower the accident rate throughout the LKAB Group is a priority for the Board and it is unacceptable that fatal accidents occur.

The two train derailments on the Iron Ore Line in December 2023 and February 2024 respectively, and the major challenges on the Iron Ore Line generally in the form of inadequate maintenance and underdeveloped capacity,

were also important matters on the Board's agenda during the year. A high level of availability on the railway and at the ports in Luleå and Narvik are business-critical, both for the current operations and for LKAB's future initiatives.

Stable production and the company's maintenance strategy were a particular focus area in 2024. Other pressing matters included managing the company's investment affairs, ongoing urban transformation in Kiruna and Gällivare, good cost control, future power supply, as well as legally sound and efficient environmental permitting processes. The conclusions of the company's internal audit, which in 2024 focused on the Group's IT security, were reported back to the Board. The annual review of LKAB's governing documents was performed. Preparations were made for forthcoming sustainability reporting, focusing on the Corporate Sustainability Reporting Directive (CSRD) and its European Sustainability Reporting Standards (ESRS), as incorporated into Swedish law. During the year the Swedish National Audit Office initiated a review of the transformation of LKAB. The results of the review will be presented in a report scheduled for publication in April 2025.

Deputies to employee representatives also participate in Board meetings. The President is not a Board member, but participates in Board meetings along with the Chief Financial Officer. The company's Legal Counsel serves as secretary of the Board. Board member attendance at 2024 Board and committee meetings is shown in the table on page 63.

Committees

According to the State Ownership Policy, it is the Board's responsibility to assess the need for establishing special committees. LKAB's Board has established a Finance and Audit Committee, an Urban Transformations Committee and a Remuneration Committee. Committee work is of a preparatory and advisory nature. However, in special cases the Board may delegate decision-making powers to the committees. Committee members and chairs are appointed at the constituent Board meeting that follows the AGM each year.

Finance and Audit Committee

The Finance and Audit Committee has six members: Alrik Danielson (chair), Carina Andersson, Catrin Fransson, Kerstin Konradsson, Lotta Mellström and Stefan Tallfjärd. Its meetings are also attended by the Chief Financial Officer and, when needed, the company's auditor. The committee is tasked with quality assurance of LKAB's financial reporting and sustainability reporting, and with ensuring that the company has appropriate risk management, complies with

established principles for reporting and internal control, and that LKAB undergoes a qualified, effective and independent audit. As of 2024 the committee also has an expanded mandate to review and quality-assure costing assumptions associated with strategic investments. The committee further establishes investment guidelines for capital management and monitors compliance with these. The Finance and Audit Committee is additionally responsible for purchases of audit services and prepares a reasoned proposal for the election of an auditor that is put to the Board of Directors for approval, and also prepares the Board's proposal for the appropriation of earnings for the financial year. The committee's duties also include monitoring that the company's liquidity management, financing and hedging activities comply with the Finance Policy passed by the Board, and otherwise preparing financial matters that require Board approval. The Finance and Audit Committee is also responsible for planning the internal audit. In 2024 the internal audit focused on IT security. The audit was performed by an external party. In addition to this, during 2024 the Finance and Audit Committee addressed, among other things, the company's investment planning process and preparations for CSRD.

In the course of the year the Finance and Audit Committee held 10 meetings.

Urban Transformations Committee

The Urban Transformations Committee has five members: Anders Borg (chair), Eva Hamilton, Bjarne Moltke Hansen, Per-Olof Wedin and Anders Elenius. The meetings are also attended by the President and the Senior Vice President Community Development. The Urban Transformations Committee's tasks include monitoring the company's management of matters of particular strategic importance for mining, such as access to land as well as efficient and legally sound permitting processes. It also prepares matters relating to urban transformation and monitors the company's management in this area. Other items on the committee's agenda in 2024 were the preparation and follow-up of the update of the company's mineral reserves and mineral resources, future power supply and the need for maintenance and expansion of the Iron Ore Line. The committee held six meetings during the year.

Remuneration Committee

The Remuneration Committee has four members: Anders Borg (chair), Catrin Fransson, Lotta Mellström and Tomas Larsson. The meetings are also attended by the Senior Vice President HR and Communications.

The Remuneration Committee's duties include preparing and evaluating the remuneration and other terms of employment for the President and other members of the Group management team, preparing the Board's proposed guidelines for remuneration of senior executives and the company's remuneration report, monitoring the company's process for succession planning and talent management, and annually evaluating the company's employee incentive programmes.

The Remuneration Committee held eight meetings during the year.

Evaluation

Evaluation of the Board of Directors

The Board's work is evaluated once a year with questions on how the Board as a whole and the Board members individually fulfil their duties. This evaluation is used in the Board's internal work. The Chairman is responsible for processing the results so that they can form a basis for discussions and improvements. The evaluation in 2024 consisted of a web-based survey. The results and analysis of the evaluation were discussed by the full Board at its meeting in December 2024. The Chairman of the Board notifies the owner of relevant results of the evaluation ahead of work related to the election of new Board members.

Evaluation of the President

The evaluation of the President's performance is a fundamental task of the Board of Directors. The Board continually evaluates the President's work and has regular deliberations at Board meetings where Group management are not present. The evaluation in 2024 consisted of a web-based survey. The results and analysis of the evaluation were discussed by the full Board at its meeting in December 2024.

Remuneration principles

Guidelines

The 2024 AGM approved remuneration levels for Board members and auditors, and also adopted guidelines for remuneration of senior executives which accord with the government's principles for compensation and other employment terms for senior executives at state-owned enterprises dated 27 February 2020. The total remuneration is based on fixed remuneration, benefits and pension. No variable remuneration is paid to senior executives in Group management. The guidelines for 2024 passed by the AGM and reporting on the

remuneration paid to senior executives can be found in Note 7 on pages 139–141. LKAB has also published a separate remuneration report, which is available on its website at lkab.com.

The Board is proposing that the AGM on 24 April 2025 adopts unchanged guidelines for remuneration of senior executives, these being in accordance with the government's principles for compensation and other employment terms for senior executives at state-owned enterprises dated 27 February 2020. The Board's proposal is designed to ensure that LKAB can offer senior executives remuneration that is competitive, capped, reasonable and appropriate. The total remuneration package is to be moderate and well-balanced, and must contribute to good ethics and a good corporate culture. The guidelines cover both LKAB and all its subsidiaries.

Remuneration to the Board of Directors

Total fees to the Board members elected by the AGM amounted to SEK 3,562,000 in 2024. See Note 7 on pages 139–141.

Incentive programmes

LKAB's 2024 incentive programme is designed to stimulate involvement and reward important factors in the Group's success.

It provides added motivation for fulfilling targets and implementing the LKAB Group's strategy, of which sustainability is an integral part. Input parameters include monitoring performance against targets for delivery volume, HSE, carbon dioxide intensity and return on equity.

The programme is based on the principle of "One LKAB" and thus the same parameters apply to all employees regardless of where they work in the organisation. The maximum remuneration is SEK 60,000 per person and year. Payment is conditional upon the return on equity for the year exceeding the Group's requirement, which is a 9.0% return on equity. Senior executives are not included in the incentive programme.

LKAB's management

Group management and Group management structure

The President, who is also the Chief Executive Officer of the LKAB Group, is responsible for day-to-day management in accordance with the Swedish Companies Act. General responsibilities are stated in the President's instructions and the Board's rules of procedure.



The President has established a Group management team for steering the Group's overall direction. Group management holds monthly meetings at which matters of importance are discussed and matters to be raised with the Board are prepared. The CEO also has monthly operational follow-up meetings with each business area and Group function to discuss matters such as results, forecasts, investments, progress towards targets set, significant events and current challenges. The CEO also has a more in-depth follow-up meeting with the management team of each business area several times a year.

Information on the members of the Group management team can be found on page 67.

The work of the Board of Directors in 2024

Q1

February. Adoption of the year-end report. Review of 2023 audit. Review of the Group's governing documents.

March. Approval of Annual and Sustainability Report.

Q2

April. Adoption of interim report for Q1. Business intelligence. Annual General Meeting, including decision on dividend of SEK 7.6 billion. Constituent Board meeting.

June. Decisions on updated strategy.

Q3

August. Adoption of interim report for Q2. Visit to KK2 pelletising plant and Kiruna's new city centre in conjunction with Board meeting.

Q4

October. Adoption of interim report for Q3. Decision to establish a research and development centre and a demonstration plant for processing of phosphorus and rare earth elements in Luleå.

December. Decisions on business plan and budget for 2025. Review of evaluation of the Board of Directors and of the President for 2024.

Board meetings 2024

	12/2	15/3	27/3	25/4	Constit.	11/6	14/8	28/8	24/10	19/12
Göran Persson	■	■	■	■	■	■	■	■	■	■
Anders Borg	■	■	■	■	■	■	■	■	■	■
Carina Andersson	■	■	■	■	■	■	■	■	■	■
Alrik Danielson	■	■	■	■	■	■	■	■	■	■
Catrin Fransson	■	■	■	■	■	■	■	■	■	■
Eva Hamilton	■	■	■	■	■	■	■	■	■	■
Bjarne Moltke Hansen	■	—	■	■	■	■	■	■	■	■
Kerstin Konradsson	■	■	■	■	■	■	■	■	■	■
Tomas Larsson	■	■	■	■	■	■	■	■	■	■
Lotta Mellström	■	■	■	■	■	■	■	■	■	■
Gunilla Saltin	■	■	■	■	■	■	■	■	■	■
Stefan Tallfjärd	■	■	■	■	■	■	■	■	■	■
Per-Olof Wedin	■	■	■	■	■	■	■	■	■	■
Emil Lantto (deputy)	■	■	■	■	■	■	■	■	■	■
Peter Nordström (deputy)	■	■	■	■	■	■	■	■	■	■
Hans Thorneus (deputy)	■	■	■	■	■	■	■	■	■	■
Johan Ömlén (deputy)	■	■	■	■	■	■	■	■	■	■

Finance and Audit Committee 2024

	6/2	20/3	27/3	19/4	12/6	12/8	9/10	18/10	23/10	4/12
Alrik Danielson	■	■	■	■	■	■	■	■	■	■
Carina Andersson	■	■	■	■	■	■	■	■	■	■
Catrin Fransson	■	■	■	■	■	■	■	■	■	■
Kerstin Konradsson	■	■	■	■	—	■	■	■	■	■
Lotta Mellström	■	■	■	■	■	■	■	■	■	■
Per-Olof Wedin	■	■	■	■	■	■	■	■	■	■
Stefan Tallfjärd	■	■	■	■	■	■	■	■	■	■

Urban Transformations Committee 2024

	30/1	10/4	27/5	21/8	9/10	25/11
Göran Persson	■	■	■	■	■	■
Anders Borg	■	■	■	■	■	■
Eva Hamilton	■	■	■	■	■	■
Bjarne Moltke Hansen	■	■	■	■	■	■
Per-Olof Wedin	■	■	■	■	■	■
Anders Elenius	■	■	■	■	■	■

Remuneration Committee 2024

	12/3	28/5	17/6	22/8	21/10	4/12	16/12	18/12
Göran Persson	■	■	■	■	■	■	■	■
Anders Borg	■	■	■	■	■	■	■	■
Catrin Fransson	■	■	■	■	■	■	■	■
Lotta Mellström	■	■	■	■	■	■	■	■
Gunilla Saltin	■	■	■	■	■	■	■	■
Tomas Larsson	■	■	■	■	■	■	■	■

Internal control over financial reporting

The Board's responsibility for internal control over financial reporting is regulated by the Swedish Companies Act, Annual Accounts Act and Corporate Governance Code. The Board has overall responsibility for financial reporting, and its rules of procedure govern the internal division of duties between the Board and the Finance and Audit Committee. Work on internal control over financial reporting within LKAB is based on the five internal control components below.

Control environment

LKAB's internal control structure is based on a defined division of responsibilities between the Board, Board committees and the President. The internal control structure is also based on the Group's organisation and the way business is run, including well-defined roles and responsibilities, delegation of powers, governing documents such as policies, guidelines and instructions and clearly defined management processes. The Board and management review the Group's governing documents each year for the purpose of ensuring good internal governance and control and that the structure and content of the Group's governing documents are clear. The most important elements of the control environment for financial reporting are dealt with in the Group's governing documents for accounting, financial transactions and regulation of

the division of authority. Group instructions and systems for the presentation and consolidation of the Group's financial statements aim to ensure the accuracy of the financial reporting.

Risk assessment

Under LKAB's Risk Management Policy a comprehensive risk analysis is carried out annually for financial reporting at Group level and for each business area. Based on the comprehensive risk analysis, priority processes are identified and worked on in a structured way through process mapping, including documenting risks and controls. The purpose of this is to ensure ongoing management and monitoring of risks identified.

Control activities

In addition to the Board and its Finance and Audit Committee, the management teams in the Group are also general control bodies. The business processes are designed to ensure that any deviations in the financial reporting are prevented or detected and rectified by controls built into the processes. Control activities include everything from review of performance outcomes at management team meetings to specific account reconciliation and analysis at various levels in the day-to-day processes for financial reporting.

Information and communication

Information on steering documents such as policies, guidelines and instructions is available on LKAB's intranet. Changes to instructions for financial reporting are updated regularly and communicated to the functions and operations concerned. The Group's central accounts function is tasked with ensuring the application of Group-wide instructions for financial reporting and with identifying and communicating on weaknesses and areas for improvement in financial reporting processes.

Monitoring activities

Business processes that are judged to have a material impact on financial reporting are monitored continually, for example by performing risk analysis or based on previously identified weaknesses or deviations. In 2024 ongoing audits of standardised controls were carried out according to plan. The results of these reviews are fed back to the operations concerned and actions decided on are monitored on an ongoing basis.

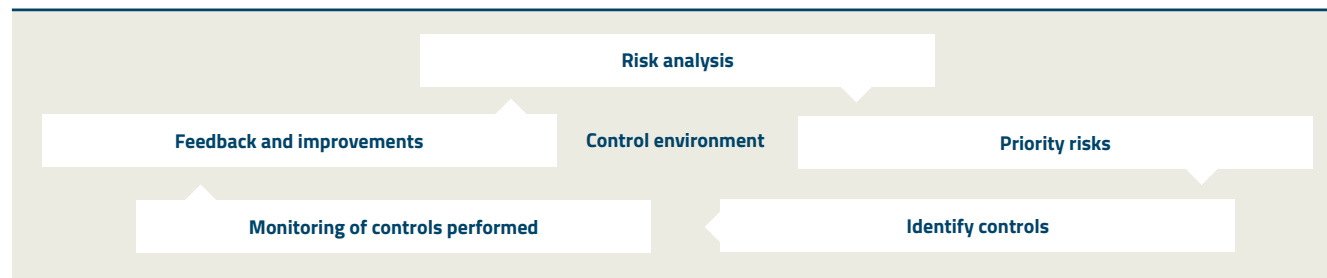
LKAB has an internal control function that is responsible for the framework for internal control over financial reporting. The function reports to the Chief Financial Officer and presents matters relating to internal governance and control at the meetings of the Finance and Audit Committee. The structure for monitoring internal control that currently exists at LKAB is deemed to meet the Board's requirements.

Luleå, 27 March 2025

The Board of Directors, through the Chairman

Anders Borg

Internal control over financial reporting



Board of Directors



1. ANDERS BORG

Born: 1968
Chairman of the Board since: 2024 (member since 2023)
Education: Studies in economics, economic history, political science and philosophy at Stockholm University and Uppsala University.
Background: Sweden's Finance Minister 2006–2014. Advisor to the Riksbank (Sweden's central bank) and expert advisor in the Prime Minister's Office. Former advisor and board member at various companies in the sectors of telecommunications, fintech and public administration. Has also worked for Citigroup, ABN AMRO and SEB, and has been an active member of the World Economic Forum for many years.
Other directorships: Chairman of the Board at Sehlhall Fastigheter and DanAds International. Board member at Stena International, Nederman and Rud Pedersen Public Affairs. Senior advisor to Kinnevik, Nordic Capital, East Capital and Amundi.

2. CARINA ANDERSSON

Born: 1964
Board member since: 2024
Education: Mining Engineering, KTH Royal Institute of Technology, Stockholm.
Background: Senior position at Sandvik Materials Technology, 2008–2011. Previous directorships at Beijer Alma AB (publ), 2011–2023, Sintercast AB (publ), 2014–2018, Gränges AB (publ), 2014–2022, BE Group AB (publ), 2018–2022, Detection Technology Oyj (publ), 2019–2024, Swedish Stirling AB (publ), 2020–2023. Chairman of the Board at Returpack AB, 2022–2024. CEO Ramnäs Bruk AB, 2004–2008, CEO Scana Ramnäs AB, 2002–2004.
Other directorships: Chairman of the Board at Carboxim AB. Board member at Systemair AB (publ) and Papershell AB.

3. ALRIK DANIELSON

Born: 1962
Board member since: 2024
Education: Bachelor of Economics at the Gothenburg School of Economics.
Background: President and CEO of SKF AB 2015–2021. President and CEO of Höganäs AB 2005–2014.
Other directorships: No further directorships.

4. CATRIN FRANSSON

Born: 1962
Board member since: 2021
Education: MBA, Luleå University of Technology, Senior Executive Programme, London Business School.
Background: CEO Svensk Exportkredit (Swedish Export Credit Corporation) 2014–2021. Swedbank 1997–2014, including in senior positions such as head of the Swedish Banking Division and Group Products Division.
Other directorships: Chairman of the Board at Swedfund International AB. Board member at insurance company PRI Pensionsgaranti.

5. EVA HAMILTON

Born: 1954
Board member since: 2015
Education: Dag Hammarskiöld College. Economics at Uppsala University. Journalism at Stockholm University.
Background: Chairman of the Board at Radiotjänst i Kiruna 2006–2015. Previous directorships at Fortum Oyj 2015–2021, Lindex 2015–2019 and Stockmann 2019–2021. CEO at SVT 2006–2014. Head of SVT Fiction 2004–2006. Head of SVT News and Sport 2000–2004. Journalist at Sydsvenska Dagbladet, Sundsvalls Tidning, Aftonbladet, SvD, Dagens Industri and Rapport/SVT. Brussels correspondent 1993–1996.
Other directorships: Chairman of the Board at Luleå University of Technology, the Swedish Film & TV Producers' Association and Nexiko Media AB. Board member at Bonnier News AB, Bonnier News Local AB, Expressen/Life Style AB and Yrkesnämnden för film och TV (Screen Skills Committee Sweden).

6. BJARNE MOLTKE HANSEN

Born: 1961
Board member since: 2016
Education: BSc Engineering, Akademiet for de Tekniske Videnskaber (Danish Academy of Technical Sciences).
Background: Group Executive Vice President (Koncern-direktør) FLSmith & Co. 2002–2017, President Aalborg Portland Holding A/S 2000–2002, President Cembrit Holding A/S 1995–2000, various managerial positions at Unicon A/S 1984–1995.
Other directorships: Chairman of the Board at Aalborg Portland Holding A/S, RMIG A/S, Pindstrup Mosebrug A/S, Randers Tegl A/S and Aasted ApS. Board member at PPC Ltd and Danish SGD Investment Fund, Investment Committee.

7. KERSTIN KONRADSSON

Born: 1967
Board member since: 2023
Education: MSc in Metallurgy, KTH Royal Institute of Technology.
Background: President and CEO, Erasteel 2023–2024. President, Boliden Smelters and CEO, Boliden Commercial AB 2012–2019. President, Åkers Cast Rolls Europe & Asia and CEO, Åkers Sweden AB 2007–2011. Vice President Metallurgy and other senior positions at SSAB Oxelösund AB 1995–2007. Board member at Höganäs AB 2016–2021.
Other directorships: Board member at Sibelco NV. Member of the Royal Swedish Academy of Engineering Sciences (IVA) and Deputy Chair of Division V Mining and Materials Engineering.

8. LOTTA MELLSTRÖM

Born: 1970
Board member since: 2018
Education: MBA, Lund University.
Position: Senior advisor and corporate administrator within the department for state-owned companies at the Ministry of Finance.
Background: At the Swedish Government Offices since 2001. Analyst within the department for state-owned companies at the Ministry of Enterprise and Innovation/Ministry of Finance 2001–2008, management consultant Resco AB 2000–2001, controller Sydskraft Försäkring AB 1998–2000, management trainee and controller positions within the ABB group 1993–1998.
Other directorships: Board member at Jernhusen AB and at the Swedish Space Corporation (SSC).

9. PER-OLOF WEDIN

Born: 1955
Board member since: 2018
Education: MSc in Engineering, KTH Royal Institute of Technology, Stockholm.
Background: President and CEO Sveaskog AB 2011–2019, CEO Svevia 2008–2011, head of Stora Enso's Uncoated Magazine Papers and Pulp division and its Transport and Distribution department 2001–2008, CEO Stora Enso Grycksbo AB 1998–2001. Senior positions within SCA and Modo 1982–1998.
Other directorships: Chairman of the Board at Skogs-sällskapet and Envigas AB. Board member at High Coast Distillery AB. Member of the Royal Swedish Academy of Engineering Sciences (IVA), Division VIII Forestry Engineering, and of the Royal Swedish Academy of Agriculture and Forestry, Forestry Division.



EMPLOYEE REPRESENTATIVES

10. ANDERS ELENIUS

Born: 1965
Board member since: 2018
Education: Upper secondary school.
Position: Production driller
Background: Employed by LKAB since 1990.
Other directorships: Chair of Gruv 12:an, the local trade union association for IF Metall Malmfälten.

11. TOMAS LARSSON

Born: 1983
Board member since: 2018
Education: Upper secondary school.
Position: Scaler
Background: Employed by LKAB since 2003.
Other directorships: Chair of Gruv 4:an, the local trade union association for IF Metall Malmfälten.

12. STEFAN TALLFJÄRD

Born: 1971
Board member since: 2023 (deputy member 2020–2023)
Education: Within building and construction.
Position: Section Leader
Background: Employed by LKAB since 1997.
Other directorships: Board member at Ledarna Malmberget/Luleå/Stockholm, board member at Ledarna Process Industry, representative at GRAMKO.

13. PETER NORDSTRÖM

Born: 1963
Deputy board member since: 2020
Education: Upper secondary school, trade union training.
Position: Rock Worker
Background: Employed by LKAB since 2010.
Other directorships: Chair of Klubb 135:an, the local trade union association for IF Metall Malmfälten; Chairman of the Board at Vittangi Alltjänst AB.

14. HANS THORNEUS

Born: 1975
Deputy board member since: 2023
Education: Economics, specialisation Controller, Växjö University (Linnaeus University).
Position: IT Architect
Background: Employed by LKAB since 1995.
Other directorships: Deputy Chair Unionen Kiruna/Svappavaara. Board member Unionen Region Norrbotten.

15. JOHAN ÖMLÉN

Born: 1983
Position: Maintenance Mechanic
Deputy board member since: 2024
Education: Upper secondary school, international welding specialist.
Background: Employed by LKAB since 2009.
Other directorships: Chair of the local trade union association IF Metall Klubb Svartöstad. Chief safety officer, IF Metall Klubb Svartöstad. Regional safety officer, IF Metall Norrbotten.

AUDITOR AND SECRETARY

Auditor
 KPMG
 Helena Arvidsson Älgne
 Authorised Public Accountant

Secretary
 Malin Sundvall
 General Counsel, LKAB
 Secretary of the Board since 2008

Group management



1. JAN MOSTRÖM¹

President and CEO

Education: Mining Engineer, Bergsskolan Filipstad 1983.

Year employed: 2015

Born: 1959

Other engagements: Chairman of SveMin (industry association of mining, mineral and metal producers) and Euro Mine, Deputy Chairman of GAF (the Association of Mining Employers), and board member Svenskt Näringsliv (Confederation of Swedish Enterprise).

Background: Boliden 2000–2015, Skellefteå Municipality 1998–2000, Boliden 1979–1998.

2. NIKLAS JOHANSSON

Senior Vice President

Public Affairs and External Relations

Education: MBA, Stockholm School of Economics 1998.

Year employed: 2020

Born: 1970

Background: Ministry for Foreign Affairs 2019, Ministry of Enterprise and Innovation 2016–2019, Opcon AB 2007–2016, Prime Minister's Office 2003–2006, Government Offices 1996 and 1997–2003, European Parliament 1994–1995.

3. PER LANDSTRÖM

Senior Vice President

Strategy and Business Development

Education: MBA, Umeå University, 2004.

Year employed: 2018

Born: 1980

Background: Boliden 2013–2018, Metso 2012–2013, LKAB 2005–2012.

4. PIA LINDSTRÖM

Senior Vice President

Environment and Sustainability

Education: Bachelor's degree in Environmental and Health Protection, Umeå University 1994, Executive Programme in Industrial Management, KTH Royal Institute of Technology, Stockholm 2017–2018 and supplementary studies in, among other things, in organic chemistry.

Year employed: 2022

Born: 1970

Background: Boliden 1998–2022, Norsjö Municipality 1996–1998.

5. PETER HANSSON

Acting Chief

Financial Officer

Education: MBA, Luleå University of Technology 2000.

Year employed: 2016

Born: 1970

Background: Boliden 2002–2015, Riksskatteverket (National Tax Board) 2000–2002, Skatteverket (Swedish Tax Agency) 1991–2000.

6. MICHAEL PALO

Senior Vice President

Iron Ore Business Area

Education: MSc in Engineering, Luleå University of Technology 2004.

Year employed: 2018

Born: 1977

Background: Boliden 2011–2018, Pon Equipment 2010–2011, LKAB 2005–2010.

7. ÅSE JUHLIN

Acting Senior Vice President

HR and Communications

Education: Graduated from Mid Sweden University in 1998 with a bachelor's degree specialising in psychology (human resources management), supplementary studies in commercial law and economics.

Year employed: 1998

Born: 1967

Background: LKAB 1998–

8. DARREN WILSON

Senior Vice President

Special Products Business Area

Education: Master of Business Administration (MBA), Open University.

Year employed: 2013

Born: 1969

Background: Saint-Gobain 1986–2013.

9. STEFAN HÄMÄLÄINEN

Senior Vice President

Community Development

Education: Officer, Swedish National Defence College 2002.

Year employed: 2013

Born: 1970

Background: Swedish Armed Forces 2013, LKAB 2013–

CHANGES TO GROUP MANAGEMENT

During the second quarter an organisational change took place in which the Communications unit was merged with HR to form the HR and Communications unit. In conjunction with this, Niklas Johansson took up the position of Senior Vice President Public Affairs and External Relations, while Stefan Hämäläinen became Senior Vice President Community Development.

At the beginning of December Åse Juhlin took up the position of Acting Senior Vice President HR and Communications, replacing Maria Reinholdsson who had left LKAB.

Peter Hansson took up the position of Acting Chief Financial Officer after the end of the year, replacing Stefan Lorén who left LKAB in February 2025.

REMUNERATION

For remuneration to Group Management in 2024 see Note 7 on pages 139–141.

¹ Neither the President and CEO nor any natural person or legal entity related to him has any significant shareholdings or partnerships in companies with which LKAB has significant business relationships.

Sustainability report

- General information
- Sustainability governance at LKAB
- Strategy, value chain and material topics
- Climate change
- Environmental impact
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Reporting according to the EU Taxonomy Regulation
- GRI Index
- Auditor's limited assurance report on the sustainability report

General information

LKAB publishes its sustainability report annually as an integral part of its annual report. The sustainability report covers the 2024 financial year unless otherwise stated.

Basis for preparation

Since 2008 LKAB has prepared its sustainability report in accordance with the framework for sustainability reporting issued by the Global Reporting Initiative (GRI). For 2024 the version applied is the GRI Universal Standards 2021. The Mining and Metals Sector Supplement (MM) is also applied. The sustainability report is published annually and covers the period 1 January 2024 to 31 December 2024, which is in line with LKAB's financial reporting. This sustainability report was published on 27 March 2025.

The sustainability topics and key indicators presented in this report are based on LKAB's materiality assessment carried out in 2022. More information about the materiality assessment and its results can be found on pages 78–80. Where the GRI framework calls for detailed descriptions of specific issues, LKAB has chosen to summarise such supplementary information and clarifications alongside the section concerned.

Sustainability information in the annual report encompasses the pages indicated in the GRI index on pages 114–116. The scope of the statutory sustainability report prepared in accordance with Chapter 6 Section 10 of the Swedish Annual Accounts Act (årsredovisningslagen, ÅRL) is defined in the Annual and Sustainability Report's table of contents on page 2.

The Annual and Sustainability Report also contains information about how LKAB is contributing to Agenda 2030 and the UN Sustainable Development Goals; see page 81.

Preparations for CSRD

With effect from the 2025 financial year LKAB will report in accordance with the EU's Corporate Sustainability Reporting Directive (CSRD) and its European Sustainability Reporting Standards (ESRS), as incorporated into Swedish law. The European Sustainability Reporting Standards (ESRS) have to some extent guided the structure of LKAB's sustainability reporting for 2024.

LKAB has been working since 2023 to prepare for the implementation of the CSRD and the ESRS standards, as incorporated into Swedish law. The focus of this in 2024 included continued work on a double materiality assessment as defined in ESRS, which will form the basis for how the reporting requirements affect LKAB. The double materiality assessment is expected to be completed in the first quarter of 2025. In addition, work is ongoing to implement processes to ensure that the disclosure requirements identified in the double materiality assessment can be reported reliably and with relevance.

Like the Task Force on Climate-related Financial Disclosures (TCFD), ESRS and ÅRL contain requirements concerning the reporting of climate-related financial risks and opportunities. The continued implementation of TCFD is linked to the implementation of ESRS/ÅRL.

The content structure of the sustainability report for 2024 is inspired by ESRS. LKAB's material topics, according to the materiality assessment from 2022, have been grouped under an ESRS standard. That the information in this report is structured as below does not mean that the information provided in this report has been prepared in accordance with ESRS principles.

Boundaries of the report

As in previous years, the report concentrates on the Nordic activities and focuses on the iron ore operations in Sweden and Norway. The Iron Ore business area makes up the bulk of operations, accounting for around 90 percent of the Group's turnover. Documentation from the Special Products business area is also included. Information concerning subsidiaries has been included in the report where deemed relevant. Which entities are covered by reported data is shown throughout.

The boundaries of the reporting on each material topic are described on page 78, where it is specified

whether the topic in question is material to the Group (internally) or for some point in the value chain (externally).

External assurance

LKAB's sustainability reporting is assured by an external party in accordance with the government's ownership policy for state-owned companies. The table of contents on page 2 specifies which pages are subject to external assurance. The external auditing firm KPMG is regarded as independent of LKAB's Board of Directors, which issues and signs the Annual and Sustainability Report as a whole.

Material topic	Addressed in the following sections of this report
<ul style="list-style-type: none"> Transformation for a sustainable climate Energy security 	<ul style="list-style-type: none"> Climate change, pages 83–86
<ul style="list-style-type: none"> Biodiversity 	<ul style="list-style-type: none"> Biodiversity and ecosystems, pages 90–92
<ul style="list-style-type: none"> Circularity and resource efficiency 	<ul style="list-style-type: none"> Resource use and circular economy, pages 93–94
<ul style="list-style-type: none"> Responsible and attractive employer 	<ul style="list-style-type: none"> Own workforce, pages 95–99
<ul style="list-style-type: none"> Sustainable value chains 	<ul style="list-style-type: none"> Workers in the value chain (social impact on workers in the value chain), pages 100–101 Business conduct (business ethics, corruption and bribery), pages 108–109
<ul style="list-style-type: none"> Dialogue with stakeholders Community engagement Financial strength 	<ul style="list-style-type: none"> Interests and views of stakeholders, pages 75–77 Affected communities, pages 102–107

Links to Agenda 2030

The UN Sustainable Development Goals make up the world's shared Agenda 2030. The goals are integrated and cover three dimensions of sustainable development: economic, social and environmental. As a supplier to global industries but also as a business partner, buyer, part of the community and significant employer, LKAB has both an opportunity and a duty to influence all these dimensions – both locally and globally.



Sustainability governance at LKAB

Overall approach

Goals

In 2021 LKAB adopted strategic goals for sustainable value creation for the period 2022–2030. The goals include targets for stable and resource-efficient operations; a safe, healthy and stimulating workplace; and climate-efficient sustainable transformation. The goals ensure that the business is run with a focus on sustainability, providing the conditions for and acceptance of its long-term operation. Read more on page 7.

Owner

LKAB's owner, the Swedish state, is ultimately responsible for making decisions on the company's governance. At the Annual General Meeting, the Board of Directors and auditor are appointed. In the State Ownership Policy the government describes missions and objectives, applicable frameworks and significant matters of principle that are of particular importance, of which sustainable business is one. As a state-owned company, LKAB has a responsibility to act in an exemplary manner in all its markets.

Board of Directors

The Board is responsible to the owner for the company's organisation and the administration of its affairs. Among the factors considered in the Government Offices of Sweden's board nomination process are diversity aspects such as ethnic and cultural background. The government also aims for gender balance. In order to be considered for a Board position, a person must have a high level of expertise relevant to current business

operations, business development, industry know-how, financial matters, sustainable enterprise or other relevant areas. LKAB's board members have experience in areas such as the steel industry, engineering industry and Swedish primary industry. The company's employees are represented on LKAB's Board of Directors by three members and three deputies, in accordance with the Board Representation (Private Sector Employees) Act.

Composition of the Board ¹⁾	2024	2023
Independent members, %	100	100
Executive Board members, number	0	0
Non-executive members, number	9	9
Gender distribution, %	56	56

¹⁾ Refers to members elected by the Annual General Meeting (not employee representatives)

Board committees

The Board has three committees: the Finance and Audit Committee, the Urban Transformations Committee and the Remuneration Committee. The Finance and Audit Committee monitors, among other things, the company's financial reporting and sustainability reporting. The Urban Transformations Committee prepares and follows up matters relating to the company's long-term conditions for mining, and monitors that the company is managing the urban transformation efficiently and appropriately. The Remuneration Committee prepares, among other things, matters related to the remuneration terms for

the President, the Board's proposed guidelines for remuneration of senior executives and the company's remuneration report. The committees are preparatory bodies, while responsibility for risks and opportunities rests with the Board as a whole.

Operational management of the business

The Group's business strategy for the period up to 2045 has been adopted by the Board and sets the framework for other governing documents. Executive management's sustainability strategy sets out in concrete terms how active sustainability efforts are to contribute to the realisation of the business strategy. There is also the Group's business plan. The most operational category of governing document consists of the business plans for the business areas and the central departments, which break down the Group's overall goals into targets and activities specific to their activities.

The sustainability perspective is integrated into LKAB's corporate governance. A number of governing documents provide a starting point for this, setting out LKAB's approach to material sustainability topics and how the business is to be run. Alongside the State Ownership Policy and the company's vision, mission, core values and Code of Conduct, there are a number of policies and Group guidelines that support LKAB's sustainability efforts. See below under Policies, guidelines and principles.

Operational responsibility lies with the President and CEO. The Senior Vice President of Environment and Sustainability, who is a member of the Group management team, is responsible for strategic management of the sustainability efforts. The Group's Environment and Sustainability unit is responsible for developing and supporting the Group's sustainability efforts and has expertise in the sustainability areas that are relevant to the company. Operational responsibility for the sustainability efforts lies with the central departments, the Senior Vice Presidents of the business areas, and with the organisation's

departments and subsidiaries. The central departments support the efforts and provide an internal control function.

Policies, guidelines and principles

The Board of Directors and Group management team have adopted a number of governing documents and guidelines that directed the operations during 2024.

Code of Conduct

To ensure ethical behaviour throughout the value chain LKAB has an internal Code of Conduct for employees and a Supplier Code of Conduct for external suppliers. The internal Code of Conduct describes how all employees of LKAB are to conduct themselves towards each other, towards business partners and towards the surrounding community. It is based on LKAB's core values, which include behavioural criteria for employees as well as leadership criteria, international guidelines and the company's wish to set an example both in business and in the community. Training in the Code of Conduct is mandatory for all employees and the Code must be complied with by everyone within the company.

The Codes of Conduct are based on recognised declarations and conventions such as the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, UNICEF's Children's Rights and Business Principles, and the Code to Prevent Corruption in Business (the Business Code).

Sustainability Policy

The Sustainability Policy covers focus areas within social, climate and environmental sustainability and is the overall document to which most of the guidelines relate. It includes occupational health and safety and how we can work to

minimise and eliminate risks in this area; the fact that by communicating openly and cooperating with stakeholders we can identify, prevent and remedy negative impacts on human rights; that we uphold good business ethics; that we improve our energy performance and minimise negative environmental and climate impacts; and that we take a long-term approach and use resources efficiently.

LKAB's Sustainability Policy defines our level of ambition and provides a long-term framework for how our material sustainability topics are to be managed to ensure long-term and sustainable value creation for us and our value chain.

Risk Management Policy

The Group's strategic risk areas are broken down into market and external risks, business risks and financial risks. As part of this work, climate-related risks and opportunities that have a bearing on the business today and a decade or more from now are taken into consideration, which means that the company needs to act to equip itself for transformation under changing conditions in the world around us. For further information about LKAB's management of climate-related financial risks and opportunities see the TCFD reporting on pages 52–54.

Human Rights Guideline

LKAB's Group guideline on human rights supports the efforts to effectively identify and manage risks associated with direct and indirect negative impacts on human rights. The guideline aims to ensure that actual, potential or perceived human rights violations or adverse impacts on human rights are identified within the Group, in its value chain and in relation to the company's stakeholders, and that LKAB has a well-functioning process for managing and remedying identified impacts. LKAB also collaborates closely with customers, suppliers and other stakeholders to actively promote good practices and viable solutions for the continued development of a responsible value chain. The Group's commitments include having processes in

place to prevent modern slavery and human trafficking in the supply chain, not purchasing materials containing conflict minerals that directly or indirectly benefit armed groups that contribute to significant human rights violations, and not purchasing materials that contribute to negative impacts on human rights.

Supplier Code of Conduct and Supplier Handbook

Suppliers that work within LKAB's operations must always comply with the most stringent requirements set out in relevant legislation, rules and regulations or with the requirements corresponding to the company's Supplier Code of Conduct. The Supplier Code of Conduct has two parts: basic requirements and enhanced requirements. The basic requirements are those for which there is a zero tolerance approach. These must be met by all suppliers from the first delivery of goods or services. The enhanced requirements specify these basic requirements in more detail. LKAB expects all suppliers to endeavour to fulfil the enhanced requirements within an agreed period and to pass on these requirements along their own value chains. The Supplier Handbook is primarily aimed at the supplier's operational management, which is required to implement systematic self-monitoring to ensure that the assignment is carried out in accordance with current laws and regulations.

Anti-corruption Guideline

The Group's anti-corruption guideline provides frameworks for preventive efforts to counter corruption and clarifies the division of responsibility for this work. The guideline also provides support and guidance on matters relating to conflict of interest and sponsorship, as well as on the use of corporate hospitality, gifts and other benefits. The guideline is based on the Swedish Anti-Corruption Institute's Code to Prevent Corruption in Business (the Business Code), the LKAB Group's inventory of corruption risks and the principles of the Global Compact.

Guidelines on Land Use

Mining operations utilise land through exploration, mining, processing and transportation. To minimise our impact on our surroundings – including people, the environment, the community and other livelihoods – continuous efforts are made with a focus on responsibility. The guideline clarifies LKAB's approach to land issues from various aspects, such as cooperation with other livelihoods, biodiversity and urban transformation in the communities affected by LKAB's operations. Setting out our commitment, it is used for overall governance of LKAB's projects and activities. LKAB's works according to what is known as the mitigation hierarchy; in the first instance avoiding, then minimising impacts, followed by restoration and compensation – for example, by adding and creating new value. The guidelines cover the whole of the Group's own operations, but not the upstream or downstream value chain. Permitting processes require remediation plans to be submitted that provide a general description of how LKAB intends to restore land used for industrial and mining activities. The company's guidelines also describe ecological remediation efforts aimed at accelerating the increase in the land's ecological value as well as its value for reindeer husbandry.

Principles for urban transformation

LKAB aims for development before phase-out, which means that new homes, commercial premises and important social functions are to be completed or under construction before previous built environments are phased out. LKAB and the municipalities agree schedules for the urban transformation. The municipality determines what form the communities will take, while under the Minerals Act it is LKAB that pays for the costs that arise when mining makes the transformation necessary. Property owners are offered an equivalent home or financial compensation equal to the market value plus

25 percent. For industrial and commercial properties LKAB again aims to find constructive solutions together with the property owners based on the same principles. For tenants in rented homes the company provides a new rental unit, compensates for relocation costs and offers staged rent increases for seven years, which means that the full market rent is reached in year nine of the new tenancy. Commercial tenants are compensated by being offered new premises, compensation for relocation costs, staged rent increases and compensation for any loss of earnings during the first five years in the new premises.

Those living in housing cooperatives are offered monetary compensation corresponding to the market value of a residential co-op unit in the area plus 25 percent. The market value is determined by the average market price over the preceding six months. As of June 2022 LKAB gives those living in apartments in one of the housing cooperatives that LKAB acquires the option to use their compensation to buy a new-build residential unit within a housing cooperative in the locality. This offer applies to those living in a housing cooperative within the impact area of the mining that, as at June 2022, LKAB had yet to acquire, and is not being applied retrospectively.

Guidelines on Water Management

LKAB's guidelines on water management set out that water is a resource that must be protected and managed. Water management is to optimise the utilisation of water resources while they are being used by LKAB and ensure that the water is subsequently of the quality required to be able to return it to the recipient. The guidelines describe how LKAB intends to work on risk assessment for water systems in the operations in respect of water quantity, water quality and facility risks. This includes identifying and initiating actions that will lead to improvements and sustainable water management.



Monitoring activities

LKAB's sustainability goals are regularly followed up by management, the Board of Directors and the owner. The Board also monitors LKAB's skills supply annually to identify any need to reinforce resources and develop skills.

Reporting to the Board takes place on a monthly and quarterly basis, and in conjunction with dialogue with the owner. Many key indicators are monitored continuously to ensure that LKAB is complying with permits and conditions. The results are also reported to the competent authorities for external monitoring.

Risk management and internal control

To ensure compliance with Swedish legislation, comply with LKAB's management system and similar requirements, and to systematically identify risk factors and meet future demands and expectations, LKAB's operations are certified to ISO 9001 Quality Management, ISO 14001 Environmental Management, ISO 45001 Occupational Health and Safety, ISO 50001 Energy Management and to SA 8000 Social Accountability (relates to the operations in China).

LKAB has drawn up principles for internal control of the company's sustainability reporting. The way in which these principles are implemented and applied is being developed.

Overview of governing documents for LKAB's sustainability efforts

Name	Adopted by	Responsibility includes	Objective
Code of Conduct	Board of Directors (12 Feb 2024)	The LKAB Group has responsibility for compliance with the Code of Conduct	The foundation for how we act towards each other, towards our business partners and towards the community around us.
Sustainability Policy	Board of Directors (12 Feb 2024)	LKAB Group as well as suppliers acting on behalf of LKAB	Defines our level of ambition and provides a long-term framework for how our material sustainability topics are to be managed to ensure long-term and sustainable value creation for us and our value chain.
Risk Management Policy	Board of Directors (12 Feb 2024)	LKAB Group	Determines how strategic risks are identified, prioritised, managed and monitored.
Supplier Code of Conduct	Supplier Team (15 Dec 2020)	All suppliers of goods and services that work with LKAB on a contractual basis, as well as their employees	Our requirements and expectations of suppliers in order for them to do business with the company.
Human Rights Guideline	President and CEO (25 Jan 2024)	All employees within the LKAB Group as well as cooperation with actors with which business relationships arise; applies throughout the value chain	To support efforts to effectively identify and manage risks associated with direct and indirect negative impacts on human rights.
Safety first Guideline	President and CEO (25 Jan 2024)	All employees within the LKAB Group as well as others who perform tasks for LKAB's operations	Priorities and goals within the Group's occupational health and safety efforts.
Anti-corruption Guideline	President and CEO (25 Jan 2024)	LKAB Group	Sets a framework for anti-corruption efforts as well as providing support and guidance in matters concerning conflict of interest and sponsorship, as well as permitted uses of corporate hospitality, gifts and other benefits.
Supplier Handbook	Supplier Team (28 Mar 2024)	Applies to work on LKAB's industrial sites in Kiruna, Svappavaara, Malmberget and Luleå Malmhamn	Sets rules for work within LKAB's industrial sites.
Purchasing Guideline	President and CEO (21 Nov 2024)	LKAB Group	Regulates, at an overall level, the rules that apply to purchasing within the Group.
Guidelines for Land Use	President and CEO (25 Jan 2024)	LKAB Group	Clarifies LKAB's approach to land matters from various aspects, such as cooperation with other livelihoods, biodiversity and urban transformation in the communities affected by LKAB's operations.
Guidelines on Water Management	President and CEO (25 Jan 2024)	LKAB Group	Clarifies the conditions required for working on sustainable water management.
Diversity Plan	President and CEO (2019)	LKAB Group	Sets frameworks and expectations for preventing and precluding discrimination and harassment and for promoting diversity, equality and inclusion.
Human Resources Guideline	President and CEO (25 Jan 2024)	LKAB Group	Describes how work is to be conducted in all parts of the employee lifecycle.
Modern Slavery Statement	Board of Directors (12 Feb 2024)	LKAB Group	Clarifies that LKAB does not tolerate any form of modern slavery in our operations and value chain, as well as the activities we have undertaken during the year and plan to carry out linked to human rights.

Strategy, value chain and material topics

LKAB's strategy

LKAB's strategy is based on three elements which together provide the foundation for the company's future development:

New world standard for mining: mining at greater depths through increased automation, electrification and digitalisation for increased volumes

LKAB is investing in developing the mining technology of the future, with a focus on automation, electrification and digitalisation. By combining automation and electrification LKAB can reduce environmental impacts, increase productivity in its mines and at the same time increase the safety of our workforce. This includes insights from increased exploration, which creates the conditions for increasing the company's production volumes through extraction of the new deposits that we have identified. LKAB is developing new technologies in collaboration with partners, all of whom aim to implement new solutions for innovative and responsible mining at great depths.

Carbon-free processes for increased product value and reduced climate impact

LKAB's goal is to develop the iron and steel industry by enabling the production of steel without coal. This will take place through hydrogen technology that is used to produce sponge iron, a process that drastically reduces carbon emissions. This innovation is not only crucial for our own operations but also for the company's customers in the steel industry, in their efforts to meet their climate targets.

Extraction of phosphorus and rare earth elements for greater self-sufficiency

LKAB is endeavouring to exploit our residual streams so as to extract phosphorus and rare earth elements – critical minerals that are crucial for society. These materials are central to the production of batteries, wind turbines and electric vehicles, among other things, and through the company's efforts LKAB can help to reduce

Europe's dependence on imported minerals and increase our self-sufficiency.

More in-depth information on LKAB's strategy can be found on pages 18–27.

LKAB's value chain

LKAB's operations form the basis of many long value chains with multiple stakeholders locally, nationally and globally. Through our ongoing transformation, we can influence the value chain in a sustainable direction with a focus on climate, reduced emissions to air, land and water, human rights, occupational health and safety, and increased utilisation of by-products. Responsible management of our material sustainability topics, in which communication and cooperation on the topics are crucial, enables long-term and sustainable value creation for us and our value chain.

LKAB is impacted by

- suppliers
- customers
- the local communities and reindeer husbandry in the region
- environmental permits and access to land
- decision-makers at international, national and local level

LKAB impacts

- the industries that use our products
- local, national and global climate transition
- the local communities and reindeer husbandry in the region
- the local environment and biodiversity
- the level of corporate social responsibility in the industry as a whole, by setting high standards in safety, human rights and ethics

Purchasing

LKAB is a significant purchaser around the world and therefore has an opportunity to influence developments. We work in partnership with strategic suppliers to increase sustainability, productivity and cost efficiency.

Exploration

Securing mineral resources and mineral reserves is the foundation of our business. It is based on these that we plan our mining. Resources are what can be mined commercially, while reserves are the proportion of these that can be extracted profitably. Exploration secures the supply of iron ore and other minerals in the long term.

Mining

Our iron ore is mined both above and below ground. The vast majority of the mining takes place hundreds of metres down in the ground, in the mines in Kiirunavaara (Kiruna) and Malmberget (Gällivare), which are the world's two largest underground mines for iron ore mining.

Processing

The iron ore we mine consists mainly of high-quality magnetite. This is naturally magnetic, which facilitates its concentration and means less external energy is required during pellet production. The iron content after concentration is over 70%. The crushed iron ore is processed above ground into iron ore pellets and fines.

Waste and resource recycling

The processing operations generate extraction waste in the form of barren rock and tailings. Barren rock is stockpiled and is to some extent used as construction material on our industrial sites.

Transportation

LKAB is one of Sweden's biggest freight companies; millions of tonnes of iron ore products are transported annually by rail to the ports of Narvik and Luleå. Approximately 60% of exports go to Narvik, the rest to Luleå. A total of 90,000 tonnes of ore is transported each day.

Customers

Our customers demand and have high requirements of reliable deliveries of climate-efficient iron ore products of a consistently high quality as inputs for their steelworks.

Metals and minerals in society

Our customers' steel products are sold and processed further into end products such as machinery, tools, cars, mobile phone masts, wind turbines, railways, bridges and buildings. Our core business is supplemented by a growing industrial minerals portfolio, where the focus is on extracting critical minerals.

Stakeholder dialogue

LKAB conducts ongoing dialogue with various stakeholders to ensure that sustainability topics that are relevant to them are addressed. This dialogue aims to ensure that the most relevant sustainability topics are prioritised and

that the business can meet both internal and external requirements. This cooperation is important for running a sustainable business and leading the transformation of the mining industry. In 2024 a local sustainability survey

was conducted as a basis for the double materiality assessment that will be presented in LKAB's sustainability report for the 2025 financial year. Below is a summary of the forms of dialogue, topics raised and LKAB's impacts:

Stakeholders and forms of dialogue	Topics raised	How LKAB impacts this group
<p>Customers</p> <p>Continuous dialogue in various forums, collaborations and development projects.</p>	<ul style="list-style-type: none"> ▪ Product development for more sustainable products and solutions ▪ Communication to create incentives that encourage active sustainability efforts, what we are doing within social sustainability and other areas of our environmental efforts, as well as the company's plans going forward ▪ Expand sustainability reporting, e.g. to include Scope 3 greenhouse gas emissions 	<p>Locally and globally: LKAB has long relationships with various customers that are well-established steel companies active in the global market. LKAB's customer offering, combined with joint long-term development projects, promotes sustainable development in the value chain by developing climate-efficient products and processes. In addition, LKAB has more than 700 customers in the industrial minerals division, throughout the world but with the majority in Europe. These customers are active in various industry segments. LKAB chooses which markets we prioritise for supply. Growing with customers is important for maintaining a position as a preferred supplier.</p>
<p>Employees</p> <p>Informal and formal dialogue in the form of workplace meetings, performance reviews, strategy days, health and safety officer meetings, union negotiations and employee surveys.</p>	<ul style="list-style-type: none"> ▪ Occupational health and safety, employeehip, leadership, skills supply, skills development, culture, Group information and production ▪ Cooperation with unions includes Group information and the opportunity to contribute and influence as representatives of the employees 	<p>Locally: Strategic work to secure the supply of skills, promote good and safe working conditions and an attractive culture, increased diversity and equality. The work is to contribute to employees' well-being and opportunities for development.</p> <p>Group-wide: Work according to the framework with a focus on culture, leadership and employeehip.</p>
<p>Suppliers and contractors</p> <p>Regular meetings with selected suppliers.</p> <p>LKAB conducts various kinds of dialogue meetings within safety culture and supplier collaborations.</p>	<ul style="list-style-type: none"> ▪ Increased and clear specification of requirements and evaluation process for sustainability topics during procurement (known as onboarding) ▪ Information about sustainability to increase awareness throughout the value chain ▪ Ensuring safe, healthy and stimulating workplaces ▪ Ongoing follow-ups with suppliers to work more preventively in the area of alcohol/drugs ▪ Labour conditions in the supply chain through checks on subcontractors and number of subcontractor stages ▪ Focus on collaborative solutions with various energy actors, as this is a strategically important area for securing the company's future energy needs 	<p>Locally: Contribute to jobs locally and regionally.</p> <p>Globally: To positively impact human rights, environmental and economic sustainability throughout the value chain LKAB sets requirements of our suppliers in accordance with the Supplier Code of Conduct. LKAB has also implemented a new risk process to incorporate due diligence into the supply chain through basic analysis and follow-up of suppliers in high-risk categories.</p>

Stakeholders and forms of dialogue	Topics raised	How LKAB impacts this group
<p>Communities – local residents and property owners</p> <p>Individual and public meetings, consultation, publication of newsletters, letters to local residents, communication via websites and social media, as well as via visitor activities. Ongoing collaborative projects, sponsorship and participation in various external forums and organisations.</p>	<ul style="list-style-type: none"> ▪ Including the community and the perspective of young people in processes and decisions ▪ Clear and frequent information, communication and cooperation ▪ Helping to make the Swedish orefields more attractive, housing options ▪ Minimising local environmental impact such as dust generation ▪ In dialogue with those affected, find replacement solutions for housing and commercial premises 	<p>Locally: The operations have varying degrees of social, environmental and economic impact on residents and other livelihoods in the local areas. Dialogue with stakeholders takes place at an early stage and is conducted continually in order to avoid, minimise and offset our impact.</p>
<p>Communities – reindeer husbandry</p> <p>Individual and public dialogue meetings and consultation. Dialogue in accordance with the existing cooperation agreements with Sámi communities directly affected by the operations in Gällivare/Malmberget, Svappavaara and Kiruna.</p>	<ul style="list-style-type: none"> ▪ Land management and utilisation of land ▪ Remediation of affected areas, restoring nature, wetlands, watercourses and post-treatment of old deposits ▪ Limit negative environmental impact, emissions to air, water and land ▪ Dialogue and consultation ▪ Rights of indigenous peoples, needs of and impact on reindeer husbandry 	<p>Locally: The operations have varying degrees of social, environmental and economic impact on indigenous peoples. Dialogue in various areas enables LKAB to understand its impact.</p>
<p>Authorities and legislators – municipalities</p> <p>Cooperation agreements with municipalities affected by our operations and regular dialogue meetings. In addition, there are public meetings and consultations with municipalities.</p>	<ul style="list-style-type: none"> ▪ Progress in urban transformation projects and matters related to the attractiveness of the operating locations 	<p>Locally: The operations have varying degrees of social, environmental and economic impact on residents and other livelihoods in the local areas. Dialogue with stakeholders takes place at an early stage and is conducted continually in order to avoid, minimise and offset LKAB's impact. Dialogue enables LKAB to understand the company's impact.</p>
<p>Authorities and legislators – courts, county administrative board</p> <p>Written communication in individual cases, statements on legislative proposals, participation in dialogue forums, individual meetings.</p>	<ul style="list-style-type: none"> ▪ Information and dialogue about current permitting processes ▪ Need for efficient, legally sound permitting procedures ▪ Good compliance with applicable permits and conditions ▪ Effective and transparent self-monitoring ▪ Improved environmental performance 	<p>Locally: Authorities and legislators set requirements of the operations in order to minimise negative impact and ensure that LKAB works to uphold permits.</p>
<p>Authorities and legislators – nationally and within the EU</p> <p>Individual and recurring contacts in current regulatory and/or political matters that are of great importance for LKAB's operations.</p>	<p>Mainly matters that are of great importance for LKAB's operations, and which may be relevant as a result of ongoing investigative or legislative efforts, or subject to policy initiatives</p> <ul style="list-style-type: none"> ▪ Efficient permitting processes ▪ Electricity supply at competitive prices ▪ Competition neutrality and equal market conditions ▪ Infrastructure 	<p>Globally: LKAB is impacted by regulation at national and EU level.</p>

Stakeholders and forms of dialogue	Topics raised	How LKAB impacts this group
<p>Interest groups – national and at EU level</p> <p>Sector cooperation via membership of organisations such as Euromines and Svemin.</p>	<ul style="list-style-type: none"> ▪ Legislation and political governance for, among other things, efficient permitting processes and electricity supply at competitive prices ▪ Communicating the breadth of the sustainability efforts and creating acceptance for mining operations 	<p>Globally: Increase understanding of the importance of the mining industry to society, including through industry organisations; what LKAB contributes and what challenges exist and how the company works to limit its impact on its surroundings.</p>
<p>Interest groups – local and regional</p> <p>Dialogue and consultation with interest groups and business organisations.</p>	<ul style="list-style-type: none"> ▪ Human rights, particularly the rights of children and indigenous peoples ▪ Circular economy, recycling and sustainable consumption ▪ Attractive workplaces to ensure skills supply 	<p>Locally: Dialogue with stakeholders takes place at an early stage and is conducted continually in order to avoid, minimise and offset our impact.</p> <p>Dialogue with e.g. different interest groups enables us to understand impacts.</p>
<p>Schools, colleges and universities</p> <p>Individual and public meetings and dialogues, collaborative projects, sponsorship and participation on boards and in working groups. Participation in relevant research and innovation projects.</p>	<ul style="list-style-type: none"> ▪ Skills supply and skills development ▪ Continuous engagement with upper secondary school programmes and university courses to ensure these meet current and future needs ▪ The importance of efficient, legally sound permitting processes ▪ Need to analyse required reforms ▪ Attractive workplaces with equal opportunities in heavy industry ▪ People-centred digitalisation 	<p>Locally and globally: Ongoing dialogue plus continuous and project-based collaboration with schools, colleges and universities increases knowledge and opportunities for continued operation and positive development. Adds knowledge of LKAB's operations and the company's challenges, and identifies issues that need to be illuminated.</p>
<p>Owner</p> <p>LKAB's owner, the Swedish state, is represented on the Board and at the Annual General Meeting. Dialogue and reporting take place continuously through owner dialogue, Board representation, owner analysis, visits and meetings.</p>	<ul style="list-style-type: none"> ▪ Safe and healthy work environment, good terms of employment ▪ Human rights ▪ Diversity and equal opportunity ▪ Reduced climate and environmental impact through sustainable use of resources ▪ Good business ethics and active anti-corruption efforts ▪ Achieving the strategic goals for sustainable value creation ▪ Contributing to achieving the Sustainable Development Goals 	<p>Locally and globally: We are owned by the state, which has high requirements that its portfolio of companies must set an example of sustainable enterprise. This results in increased focus on sustainability topics both in the company and in the value chain.</p>
<p>The silent stakeholder – the environment</p>	<ul style="list-style-type: none"> ▪ A healthy external environment ▪ Contributing to achieving the Sustainable Development Goals ▪ Introducing fundamental environmental and climate aspects into the company's priority actions ▪ Working actively on strategies that respond to and proactively address these aspects, as well as identifying challenges and opportunities ▪ Research and development 	<p>The silent stakeholder impacts or is impacted by the operations. All other stakeholders and operations are entirely dependent on having a healthy external environment and a good climate.</p>
<p>Media</p> <p>Press releases, news on the website, social media, individual dialogue and interviews.</p>	<ul style="list-style-type: none"> ▪ Financial reporting ▪ Sustainability reporting ▪ News from the company ▪ Current events in the operations, innovation and development 	<p>The media's view of LKAB is affected by the company's external reporting and communication as well as other stakeholders' views on LKAB.</p>

Material topics

LKAB is working to achieve a sustainable mining industry both nationally and internationally, including by setting requirements in the value chain for social, environmental and economic sustainability. Within each area a number of material topics have been identified. The materiality assessment forms a basis for strategic decisions and the objectives that the company has for sustainable development. It also provides a framework for the content of the sustainability report. LKAB's most recent materiality assessment was

conducted in 2022, with the aim of identifying stakeholders' expectations and priorities in relation to the company's transformation and strategic direction. Since 2023 work has been taking place on preparations for CSRD, including conducting the double materiality assessment on which LKAB's sustainability reporting for the 2025 financial year will be based. LKAB's work on these material topics is linked to the company's strategic risks, and impacts the various parts of the value chain as shown below.

Material topic	Suppliers	LKAB	Customers	Communities	Link to strategic risk
<p>Transformation for a sustainable climate</p> <p>LKAB's operations in Sweden account for 4 percent of Swedish industry's total carbon emissions. The company has therefore seen opportunities and taken on a major challenge: to transform to carbon-free processes and products by 2045. Entirely fossil-free production from mine to steel is the cornerstone of our development projects.</p> <p><i>Read more on page 83.</i></p>	■	■	■	■	<ul style="list-style-type: none"> Market risk Risk of inefficient and unsound permitting processes Risk of negative environmental impact Risk of not being sufficiently competitive
<p>Energy security</p> <p>LKAB's transformation means that we will need to use much more electricity. Fossil fuels will be phased out and replaced by more fossil-free electricity produced from wind, water, solar or nuclear power. To cover LKAB's increased energy needs a mix of different types of production will be needed, while at the same time the rate of expansion of the national and regional grid must be increased.</p> <p><i>Read more on page 83.</i></p>	■	■	■	■	<ul style="list-style-type: none"> Market risk Risk of inefficient and unsound permitting processes Risk of negative environmental impact
<p>Biodiversity</p> <p>LKAB's operations have a material impact on the environment, utilise land and impact the look of the landscape, biodiversity and the livelihoods of those nearby. One of our strategic goals is to be a net contributor to biodiversity, which means LKAB making a positive contribution to biodiversity in the regions and areas in which the company operates.</p> <p><i>Read more on page 90.</i></p>	■	■	■	■	<ul style="list-style-type: none"> Risk of insufficient social and legal acceptance Risk of inefficient and unsound permitting processes Risk of negative environmental impact
<p>Circularity and resource efficiency</p> <p>LKAB is working to minimise waste and to enable usage, and to create circular flows for the company's residual products. In 2024 work continued on developing technology to utilise mineralisations and rare earth elements and to be able to convert waste into valuable resources.</p> <p><i>Read more on page 93.</i></p>	■	■	■	■	<ul style="list-style-type: none"> Market risk Risk of inefficient and unsound permitting processes Risk of negative environmental impact Risk of insufficient social and legal acceptance

Material topic	Suppliers	LKAB	Customers	Communities	Link to strategic risk
<p>Responsible and attractive employer</p> <p>To stay attractive as an employer LKAB offers opportunities for continuing professional development, clear career paths and personal development. Skills supply is a key strategic issue for achieving the company's transformation. A stimulating and healthy organisational and social work environment with a focus on safety, diversity, equal opportunities and non-discrimination are essential for attracting and retaining both internal and external resources.</p> <p><i>Read more on page 95.</i></p>	■	■		■	<ul style="list-style-type: none"> ▪ Risk of accidents and ill health ▪ Risk of skills shortage ▪ Risk of insufficient social and legal acceptance ▪ Risk of intrusion/damage by external parties
<p>Dialogue with stakeholders</p> <p>To ensure long-term social acceptance for LKAB's operations and development we need those who live, work and have their livelihoods in our local communities to be kept informed of LKAB's development and be included in our transformation. LKAB maintains a continuous dialogue with its stakeholders. The company endeavours to minimise its negative impact and maximise the positive.</p> <p><i>Read more on page 75.</i></p>	■	■	■	■	<ul style="list-style-type: none"> ▪ Risk of insufficient social and legal acceptance ▪ Risk of inefficient and unsound permitting processes
<p>Community engagement</p> <p>As a significant employer and business operator, LKAB has a big impact on our local communities. Our ambition is development before phase-out. LKAB invests in affected operating locations and works in partnership with residents, municipalities and other actors to ensure well-functioning infrastructure and social services, including good housing, schools, services and culture.</p> <p><i>Read more on page 102.</i></p>	■	■		■	<ul style="list-style-type: none"> ▪ Risk of insufficient social and legal acceptance ▪ Risk of negative environmental impact
<p>Sustainable value chains</p> <p>LKAB's social responsibility extends throughout the value chain. The company will work preventively and systematically to combat corruption and maintain good business ethics. LKAB will give consideration to human rights and take responsibility for ensuring that these rights are respected, with a particular focus on our social impact from mining, on suppliers' operations in high-risk countries and on the rights of indigenous peoples.</p> <p><i>Read more on page 100.</i></p>	■	■	■	■	<ul style="list-style-type: none"> ▪ Market risk ▪ Risk of insufficient social and legal acceptance
<p>Financial strength</p> <p>By operating a profitable business we create jobs for employees and external stakeholders. LKAB has an economic impact and creates value through the dividend to the owner as well as through taxes, investments in research and development, infrastructure, the urban transformations, acquisitions and sponsorship. Our goal is to be a financially viable and sustainable company that remains competitive under varying economic conditions.</p> <p><i>Read more on page 55.</i></p>	■	■	■	■	<ul style="list-style-type: none"> ▪ Financial risk ▪ Risk of insufficient mineral reserves/mineral resources ▪ Market risk ▪ Risk of not being sufficiently competitive

Business intelligence

Sustainability topics that are important for stakeholder trust and for LKAB's ability to contribute to sustainable development have been identified through broad and continuous business intelligence that is based on:

- Identifying best practices for sustainable operations in general and for the industry specifically, including the development of guidelines aligned with the EU Taxonomy.
- Comparing with topics identified as material by competitors and industry colleagues, in Sweden and globally.
- Standards based on international initiatives such as the UN Sustainable Development Goals and management systems.
- Topics and areas highlighted in the media that are related to LKAB and the mining industry.

Stakeholder dialogue

LKAB identifies stakeholders based on impact in the value chain. We define stakeholders as groups of people that, directly or indirectly, may impact or be impacted by LKAB's operations and the decisions we take. Priority stakeholders are selected based on this definition and on mutual impact. Read more about LKAB's stakeholder dialogue on page 75.

Prioritisation of material topics

LKAB applies an external and an internal perspective when prioritising material topics, the external perspective being based on the topics that stakeholders highlight as priorities. The stakeholders' priorities then form a common basis for an internal assessment. The internal perspective is further based on the topics where LKAB has an opportunity and a responsibility to drive sustainability and create value within the frameworks of the company's business model and vision. An area with a major impact on sustainable development may be classified as less material if LKAB's procedures and governance are sufficient and the risks associated with the area are therefore assessed to be lower.

Validation of the materiality assessment

Dialogue takes place with internal and external stakeholders through, among other things, opinion polls and employee surveys. In addition, dialogue is conducted annually with Group management and the Board of Directors. All of this is included in the validation of the materiality assessment.

Permits

In most cases LKAB's operations require permits under the Environmental Code. These permits are crucial for allowing LKAB to maintain production as well as to make investments and environmental improvements. LKAB plans to transform the business by, among other things, making a shift from mainly producing iron ore pellets for blast furnaces using fossil fuels to producing fossil-free sponge iron made with hydrogen, but also by moving existing pellet production towards lower carbon emissions and by extracting phosphorus and critical minerals/metals from waste material that is currently deposited. Like the existing mining and processing activities, the operations required to implement the transformation require permits under the Environmental Code. During the year LKAB continued to work on permitting matters for the operations.

In May 2023 LKAB submitted an environmental permit application to begin the transformation in Gällivare. In addition to continued expanded mining and processing activities, the application includes the establishment of a first demonstration plant for producing fossil-free sponge iron using HYBRIT technology, intended for

deliveries to SSAB, and an apatite plant, which is the first step in extracting phosphorus and rare earth elements from current waste streams for further processing on the industrial park in Luleå. In the third quarter of 2024 the court published the environmental permit application for the planned industrial park in Luleå and presented a timetable for the continued processing of the case. The court's plan for processing the case indicates a decision at the end of 2025.

In June 2023 LKAB submitted an application for an exploitation concession for Per Geijer and during the year LKAB received a request for supplementary information. The Sámi community affected has requested consultation under the consultation arrangements for matters affecting the Sámi people, which Bergsstaten (the Mining Inspectorate of Sweden) has initiated.

The application for a new basic permit for the operations in Kiruna, which was planned to be submitted in 2025, has been deferred.

At the end of December LKAB submitted an environmental permit application for construction of the industrial park in Luleå.

Process to establish material topics

Business intelligence

Stakeholder engagement

Prioritisation of material sustainability topics

Validation of the materiality assessment

Our priority global goals for Agenda 2030

The UN Sustainable Development Goals make up the world's shared Agenda 2030. As a supplier to global industries but also as a business partner, buyer, part of the community and significant employer, LKAB has both an opportunity and a duty to influence all these dimensions – both locally and globally.



Affordable and Clean Energy

LKAB's magnetite ore means lower energy consumption than our competitors' hematite ore. In our transformation to the production of sponge iron, the processes are based on renewable energy for a fossil-free value chain for steel production. We are also working to phase out fossil fuels in our existing plants, for example by switching to biofuels. Using the surplus heat from pellet production for district heating in Kiruna has enabled the city's need for fossil fuels for heating to be reduced. *Read more on page 83.*



Decent Work and Economic Growth

Safety has the highest priority and we work to develop a culture characterised by participation, in which employees take responsibility for the safety of themselves as well as others. As a global actor we encounter risks related to human rights, forced and indebted labour, health, safety and working conditions. We endeavour to be a role model for ethical action, anti-corruption, respect for human rights and non-discrimination, and we also set high standards for our suppliers in this area. *Read more on page 95.*



Responsible Production and Consumption

Through our suppliers, opportunities are created to influence development in the value chain. We encourage cooperation with suppliers on various sustainability initiatives, including a focus on developing the work environment and safety culture, reducing risks, reducing the climate footprint and increasing circularity. Within the Special Products business area we are running development projects for the extraction of critical minerals from mine waste. We are also endeavouring to reduce waste volumes and to largely reuse the material extracted. *Read more on page 93.*



Climate Action

LKAB will deliver the carbon-free iron that is needed to build the cars, wind turbines and electric motors that will enable a global transformation to a carbon-free future. The ambition is a fossil-free value chain for steel production, with hydrogen used in the process instead of coal. *Read more on page 83.*



Gender Equality

To be an attractive employer and retain skills we must offer a secure and inclusive workplace. We have therefore formulated targets for safe and healthy workplaces and for increasing the percentage of women and of women managers in our operations. We are striving to broaden our recruitment base and increase diversity by recruiting more women, senior expertise and employees with international backgrounds. *Read more on page 95.*



Industry, Innovation and Infrastructure

Mining operations create employment and are a strong driver of economic growth and development. Our development projects provide examples of how we collaborate in order to seize opportunities that promote the development of a sustainable industry. *Read more on page 83.*



Clean Water and Sanitation

Water is a fundamental resource for production and future development that needs to be available in the right place and the right amount at any given time, and to be of the right quality for the application. LKAB has established a water management team tasked with ensuring that the conditions are in place for sustainable water management through self-monitoring, process flow measurements and water quality measurements. *Read more on page 87.*



Sustainable Cities and Communities

Efforts to enhance our local communities and to develop the region into an innovation hub for the global mining and minerals industry enhance our competitiveness. "Development before phase-out" is a basic principle of our work on the urban transformations. To minimise the mining's negative impacts on the Sámi communities and reindeer herding, LKAB has established various forms of cooperation with the three Sámi communities that are directly affected. *Read more on page 100.*



Life on Land

Our operations utilise land, some of which is in areas specially designated for protection. Biodiversity has long been a priority and in recent years we have raised our ambition to create added ecological value and, in the longer term, achieve a biodiversity net gain. *Read more on page 90.*



Partnerships for the Goals

Working in partnership with external competencies nationally and internationally creates synergies within sustainable development while also enhancing our own competitiveness. Among other things, we collaborate with other companies in our development projects as well as with SveMin on the Swedish mining and minerals industry's road map for biodiversity net gain. We are also part of the UN's Leadership Group for Industry Transition and a member of the UN Global Compact, Transparency International, CSR Sweden and other organisations. *Read more on page 83.*

Membership of associations

CSR Sweden: Network for working on and driving sustainability efforts

Euromines: The European association for the mining industry

UN Global Compact: Initiative to promote sustainability topics

Swedish Anti-Corruption Institute (IMM):

Trade organisation that works to disseminate information and knowledge concerning what corruption is and how it can be prevented

Jernkontoret: Industry association of the Swedish steel sector

Svemin: The industry association of the mining, minerals and metals sector in Sweden

Swedish Wind Energy Association (SWEA):

Trade association for companies working with wind power and renewable energy

Swedish Safety Culture Network (SÄKU):

Network for safety culture

Transparency International Sweden:

Anti-corruption network

Jämställd industri: Declaration of intent to promote a more equal transformation of society

Combient: Network for large companies in the Nordic region with a focus on digitalisation

Through its membership of industry organisation Svemin, LKAB has made the following commitments in respect of indigenous peoples:

- To strive towards compliance with the FPIC principle as per Svemin's interpretation
- To respect Sámi culture and the special rights of the Sámi people to land and water
- To contribute to knowledge building in relation to the impact that mining has on reindeer husbandry and potential measures to counteract negative consequences
- To develop and improve impact assessments for reindeer husbandry in projects where such assessments are required
- To contribute to knowledge building within wider society regarding reindeer husbandry and mining
- To contribute towards the development of the procedure for consultation processes

Svemin also has a road map for biodiversity net gain which means that the Swedish mining and minerals industry, which has been working for a long time to minimise its impact and also to contribute added value, has a common goal for biodiversity and a road map, Mining with Nature. The goal is to contribute a biodiversity net gain by 2030 in all regions where mining and minerals operations and exploration are taking place. This means that LKAB and the industry as a whole are investing in developing innovative solutions for sustainable land use.

External charters, principles and initiatives

Agenda 2030: LKAB works actively to contribute to Agenda 2030 and the UN Sustainable Development Goals. Read more on page 81.

EcoVadis: LKAB Minerals' sustainability efforts are assessed annually by EcoVadis based on criteria relating to the environment, occupational health and safety, human rights, ethics and sustainable procurement. EcoVadis has reviewed more than 60,000 companies globally and in 2024 LKAB's industrial minerals operations received a rating of gold, representing the 98th percentile – thereby surpassing over 95 percent of companies rated by EcoVadis.

UN Global Compact: LKAB's membership of the Global Compact is a way of showing that we accept our responsibilities as regards human rights, labour, the environment and anti-corruption in accordance with the Ten Principles of the Global Compact. These are based on the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. These principles form the basis of the Group's Code of Conduct and Supplier Code of Conduct.

UN Guiding Principles on Business and Human Rights: LKAB aims to act in accordance with UN Guiding Principles on Business and Human Rights, which is reflected in our Code of Conduct, Sustainability Policy, Human Rights Guidelines and the Supplier Code of Conduct.

Global Reporting Initiative (GRI): Since the 2008 reporting year LKAB has applied the GRI's guidelines on sustainability reporting, in accordance with the State Ownership Policy. Since 2022 the GRI Universal Standards 2021 have been applied, including the Mining and Metals Sector Supplement.

OECD Guidelines for Multinational Enterprises: LKAB aims to comply with these international guidelines and this is reflected in the Group's Code of Conduct and Supplier Code of Conduct.

REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals): LKAB is covered by the EU regulation on chemical substances. The majority of the chemically modified products that are produced and sold are registered, while other products are naturally occurring minerals that are exempt from registration under REACH.

UNICEF Children's Rights and Business Principles: LKAB's commitment to these principles on children's rights is reflected in the Group's Code of Conduct and Supplier Code of Conduct.

Climate change

Material sustainability topics

- Transformation for a sustainable climate
- Energy security

Mining and processing iron ore is energy-intensive and the industry gives rise to significant carbon emissions each year. Although LKAB's mining and processing is among the most climate-efficient in the world, the company accounts for a significant part of total carbon emissions from industry in Sweden. This means that climate and energy are material topics for LKAB to address.

* Source: Statistics Sweden and the Swedish Environmental Protection Agency



Through our work on the material topic *Transformation for a sustainable climate* we are contributing to achieving UN Sustainable Development Goals 9, 13 and 17.



Through our work on the material topic *Energy security* we are contributing to achieving UN Sustainable Development Goals 7 and 9.

Link to strategic risk

- Market risk
- Risk of inefficient and unsound permitting processes
- Risk of negative environmental impact
- Risk of not being sufficiently competitive

Read more about LKAB's risk management on pages 45–54.

Governance

The management of LKAB's impact on climate change is governed by the Sustainability Policy. Responsibility for strategic management relating to climate and energy lies with the Senior Vice President of Environment and Sustainability, while operational responsibility is delegated to the Senior Vice Presidents of the business areas and from there to the organisation's departments and subsidiaries. Central departments support the efforts and provide an internal control function. Governance and reported energy consumption are reviewed by external parties annually. LKAB's energy management system is certified to ISO 50001.

The energy management team works to ensure that the energy management system meets the requirements, that continual improvements are made and that action plans to improve energy performance are established.

For general information on governance, policies and guidelines, see page 59.

Areas and actions

To reduce greenhouse gas emissions, LKAB has set long-term and short-term climate goals. The transformation plan describes our path to achieving the goals and will be implemented gradually over several decades, in step with the market and external conditions.

Climate goal for 2045

LKAB's long-term goal is to transform to carbon-free processes and products by the year 2045. The goal is to have completely fossil-free production from mine to steel. The transformation plan is made up of a number of separate shifts, one element of which will be a gradual change in LKAB's product mix as customers move to producing steel in electric arc furnaces from carbon-free sponge iron.

In addition to this, LKAB plans to be able to extract critical minerals from what is currently mining waste. This applies both to rare earth elements that are crucial for enabling the transformation and also to phosphorus for mineral fertilisers that are necessary for food production. Large amounts of gypsum are also a residual product from these extraction processes.

Together, these shifts will enable LKAB to reduce emissions in its own operations while creating the conditions for significant emission reductions downstream in the value chain within steelmaking and food manufacturing.

Climate goal for 2030

Along the path to carbon-free products and processes by 2045, LKAB has defined interim targets for 2030. The target for Scope 1 and 2 greenhouse gas emissions is to reduce emissions by 25 percent by 2030 compared to a 2020 baseline. This target has been calculated according to the IPCC 2C scenario (WB2C) and applies to the whole Group.

The target has previously only included carbon emissions, but from 2024 onwards N₂O (nitrous oxide) and CH₄ (methane) are also included in the calculation. This change is not expected to have a material impact on emission levels and the target for 2030 remains. The corresponding target for Scope 3 is a decrease in our customers' emissions by 2 million tonnes (Mt) of CO₂ equivalents.

Energy goal

LKAB's goal is to reduce energy consumption per tonne of finished product by 10 percent by 2030 compared with a 2021 baseline (from 171 to 154 kWh per tonne of finished product). The target covers energy consumption for the whole Group.

Group goals – overview

2045

- Transform to carbon-free processes and products by 2045

2030

- Scope 1–2: -25 percent CO₂ emissions compared to 2020 (own operations), in accordance with the Paris Agreement goal of well below 2 degrees
- Scope 3: -2 Mt of CO₂ among our customers
- Reduce energy consumption per tonne of finished product by 10 percent by 2030, from a 2021 baseline

Targets for 2026:

- Scope 1–2: -15 percent CO₂ emissions compared to 2020 (own operations)
- Reduce energy consumption by 5 percent (kWh per tonne of finished product) compared with 2021

The energy target is to be achieved through continuous energy efficiency improvements in mines and processing plants, such as increased heat recovery and continuous replacement of equipment.

Prerequisites and challenges

LKAB's long-term transformation plan involves major shifts and forms the basis of its business strategy and financial planning. Like the steel industry, the mining industry is capital-intensive and big changes associated with the product offering must take place in consensus with the market. Realisation of the plan thus depends on how customer demand develops. Political instruments

as well as efficient and predictable permitting processes are other crucial prerequisites for the transformation plan. Moreover, the company is dependent on competitive energy prices and adequate access to fossil-free electricity. For LKAB, these external prerequisites may mean that greenhouse gas emissions cannot be reduced at the desired rate.

Read more about LKAB's prerequisites and challenges linked to the transformation to a sustainable climate and energy supply on pages 13–17 (external factors and market), 30 (efficient permitting processes) and 31 (access to fossil-free energy).



Greenhouse gas emissions 2024

Carbon emissions (ktCO ₂ eq)	Iron Ore business area	Special Products business area	Total
Scope 1 ¹⁾	568	16	584
Scope 2, market-based	1	15	16
Scope 2, location-based	19	11	30
Scope 3 ²⁾	26,299	275	26,574

¹⁾ Includes only fossil emissions, 94% of total is included in emissions trading

²⁾ Relates to material categories

Total emissions at Group level	Location-based	Market-based
Total emissions Scope 1–3, (ktCO ₂ eq)	27,188	27,174
Emission intensity (tCO ₂ eq/MSEK)	820.2	819.8

Scope 3, 2024

Emissions by material category, total Group	(tCO ₂ eq)
3.1 Purchased goods and services	707,466
3.2 Capital goods	112,345
3.3 Fuel and energy-related activities	92,231
3.4 Upstream transportation and distribution	147,065
3.9 Downstream transportation and distribution	440,148
3.10 Processing of sold products	23,408,675
3.15 Investments	1,665,648
Total Scope 3 emissions	26,573,912

Scope 3, base year 2023

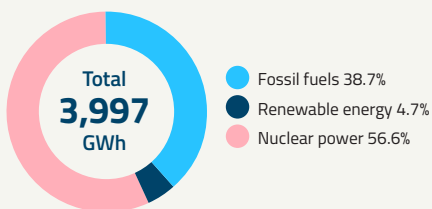
Emissions by category, total Group	(tCO ₂ eq)
3.1 Purchased goods and services	863,395
3.2 Capital goods	125,949
3.3 Fuel and energy-related activities	99,024
3.4 Upstream transportation and distribution	165,468
3.5 Waste generated in operations	13,773
3.6 Business travel	1,616
3.7 Employee commuting	1,846
3.8 Upstream leased assets	13
3.9 Downstream transportation and distribution	581,547
3.10 Processing of sold products	26,316,240
3.11 Use of sold products	858
3.12 End-of-life treatment of sold products	3,673
3.13 Downstream leased assets	n/a
3.14 Franchises	n/a
3.15 Investments	1,642,952
Total Scope 3 emissions	29,816,352

Climate action

LKAB's transformation plan consists of a number of action areas that together cover the entire value chain. The direct carbon emissions in our own operations are mainly caused by the fact that energy used in current processes comes from fossil fuels such as coal, fuel oil and diesel. Emissions in the value chain primarily consist of emissions at the steelworks where LKAB's iron ore pellets and fines are processed, as well as emissions from the production of inputs used in LKAB's own operations. LKAB's main action areas for reducing emissions are:

- Fuel changes in production operations.
- Ongoing energy efficiency improvements.
- Product mix changes.
- Establishing new production plants with a low carbon footprint.
- Collaboration with suppliers and customers to reduce our emissions in the value chain.

Energy consumption Percent



Energy consumption in kWh per tonne of finished product (energy intensity) increased during the year to 176 (165), mainly as a result of unstable production.

Selected examples of ongoing or completed activities in some of these action areas are given below.

Electrification and replacement of fossil fuels

In line with LKAB's transformation plan, the electrification of machinery and vehicle fleets has begun within the Group. The measures play an important role in reducing LKAB's climate footprint through the low carbon impact of electricity use compared to use of fossil fuels. For example, measures involving electrification of the machinery and vehicle fleet in Malmberget during the year are expected to contribute to emission reductions of approximately 4,000 tCO₂ equivalents in the period up to 2027.

At one of LKAB's pelletising plants in Malmberget, fuel oil has been replaced by the biofuel tall pitch oil, which helped LKAB avoid emissions of 43 kt of fossil carbon dioxide during the year. To reduce emissions intensity further in the current production system it is necessary to replace fossil fuels in the upgrading processes with other alternatives.

Energy efficiency improvements

Energy efficiency is another example of proactive climate action that forms part of the transformation plan. In 2024 heat recovery began in the mine ventilation in Malmberget, which is currently heated using fossil fuels. These actions, when fully implemented, are expected to contribute further reductions in the Group's carbon emissions of approximately 5,600 tCO₂ equivalents per year from and including 2026.

Reporting principles

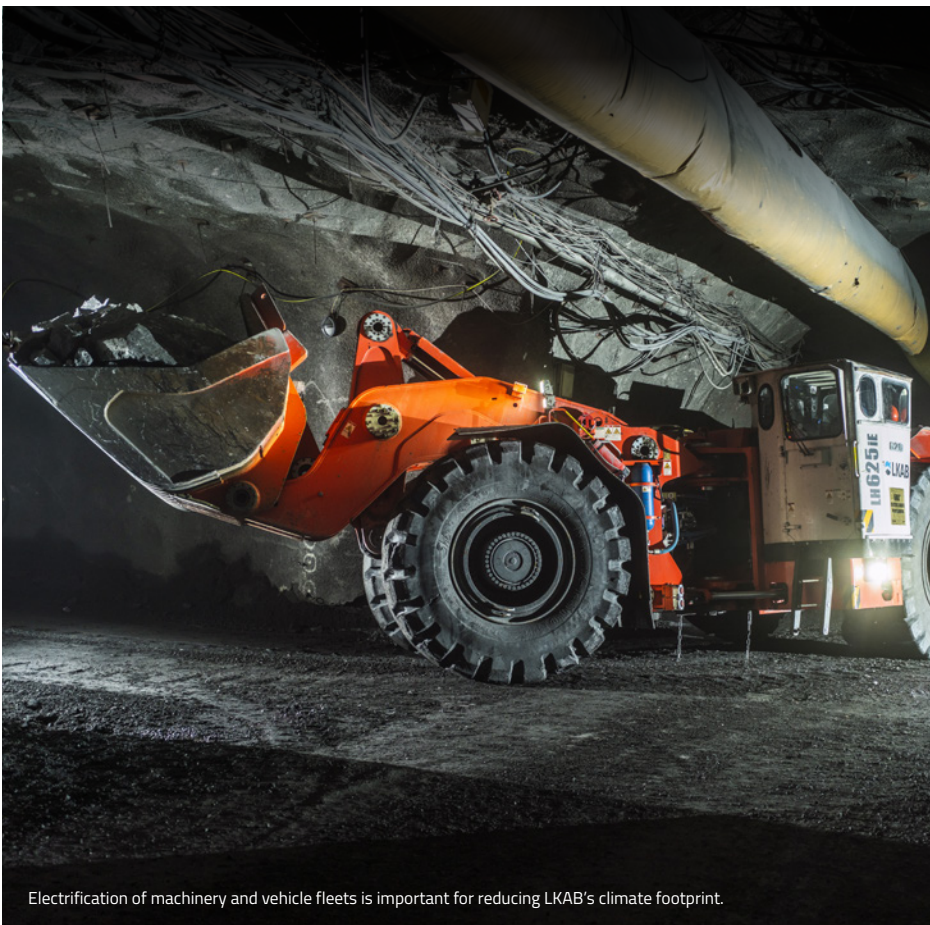
The Group's total energy consumption consists of fossil, non-fossil and renewable energy sources. Most of the fossil energy consumption and biofuels are monitored in line with the EU-ETS authorised monitoring method. Energy consumption within the framework of EU-ETS is audited by an accredited verifier.

	Iron Ore business area [MWh]	Special Products business area [MWh]	Group [MWh]
Energy consumption and mix			
Energy consumption from fossil sources			
Coal	830,060	0	830,060
Fuel oil, diesel and other oil fuels	631,221	18,939	650,160
Natural gas	48,514	48,385	96,899
Purchased electricity or heat	0	28,699	28,699
Other fossil sources ¹⁾	-69,738	10,479	-59,259
Total fossil energy consumption	1,440,057	106,502	1,546,559
Share of fossil sources in total energy consumption, %	37%	72%	38.7%
Energy consumption for renewable sources			
Biofuels	153,441	3,225	156,666
Electricity, heat, steam, cooling	15,738	15,217	30,955
Total renewable energy consumption	169,179	18,442	187,621
Share of renewable sources in total energy consumption, %	4%	12%	4.7%
Energy consumption from nuclear sources			
Total energy consumption from nuclear sources	2,240,083	23,101	2,263,184
Share of consumption from nuclear sources in total energy consumption, %	58%	16%	56.6%
Total energy consumption	3,849,319	148,045	3,997,364
Energy intensity [kWh/tonneFP]	170	n/a	176
Energy consumption per net revenue associated with activities in high climate impact sectors, MWh/MSEK			121

¹⁾ Negative value is due to waste heat sold.

A small proportion of the fossil energy and electricity is not covered by EU-ETS and is not verified by a third party. Activity data is collected through direct metering and invoiced quantities.

Energy intensity is calculated by dividing total energy consumption by net revenue. The calculation has not been reviewed by a third party.



Electrification of machinery and vehicle fleets is important for reducing LKAB's climate footprint.

Reporting principles

Direct carbon emissions, Scope 1

The emission sources covered by trading in emission allowances are calculated according to authorised monitoring methods, and are based on actual materials and energy consumed. Other emission sources are calculated in accordance with the Greenhouse Gas Protocol.

Emission factors for carbon dioxide as well as the added greenhouse gases methane and nitrous oxide, which are not calculated by direct analysis, are obtained from the Swedish Environmental Protection Agency.

Direct carbon emissions, Scope 2

Electricity consumption is mainly determined via invoiced quantities from the supplier.

Emissions from electricity consumption are calculated according to two methods: market-based and location-based. The location-based method involves calculation using the average national electricity mix. The market-based approach uses market-based certificates (origin guarantees) combined with the residual mix for remaining volumes that are not covered by market-based certificates.

Purchased district heating is based on invoiced quantities, with emission factors obtained from Swedenergy.

Direct carbon emissions, Scope 3

Greenhouse gas emissions upstream in the value chain (mainly purchased goods, services and transportation) are calculated using a combination of datapoints and methods. The activity data is a combination of the value of purchased volumes (in SEK) for categories 3.1–3.4 as well as physical activity data (tonnes/m³/kilometre).

The majority of the emission factors are secondary data (generic data) taken from various sources and databases. Some emission factors are primary data (specific emission factors from the supplier).

Emissions from business travel and waste are calculated by the supplier.

Downstream emissions for sold pellets and fines are calculated based on deliveries to the respective steelworks combined with the steelworks' specific emission factor.

Carbon intensity

Carbon intensity is calculated according to the location-based method, by dividing total location-based Scope 2 emissions by net revenue according to the financial reporting for the reporting year. Data is not externally verified.

The calculation according to the market-based method divides total market-based Scope 2 emissions by net revenue according to the financial reporting for the reporting year.

No further verification of the data has taken place.

Environmental impact

Material sustainability topics

- Emissions to the environment and surroundings, water consumption

LKAB impacts the environment and surroundings through emissions to air and water, as well as through water and land use. Proactive and risk-based environmental efforts help minimise impacts from current and future operations. The Group's environmental efforts go further than the legislation requires, through the company's own environmental goals, the environmental management system implemented and development work. Compliance with permit levels is ensured through regular follow-up based on self-monitoring programmes.



Through our work on the material topic *Emissions to the environment and surroundings* and *Water consumption* we are contributing to achieving UN Sustainable Development Goals 6 and 9.

Link to strategic risk

- Risk of insufficient social and legal acceptance
- Risk of inefficient and unsound permitting processes
- Risk of negative environmental impact

Read more about LKAB's risk management on pages 45–54.

Governance

LKAB's impact on the environment, surroundings and water is governed by applicable legislation and conditions, the Sustainability Policy and Guidelines on Water Management. LKAB's environmental management system is certified to ISO 14001, which means, among other things, that risk assessment applies the precautionary principle to prevent adverse environmental impacts. Detailed plans and activities for managing environmental impacts are drawn up on an operational basis linked to environmental conditions, self-monitoring and an environmental aspects register. Descriptions of action plans and activities for specific sites and operations can be found in environmental reports. For information on governance, policies and guidelines, see page 59.

For information on impacts on biodiversity and ecosystems, see pages 90–92.

Areas and actions

Emissions to air

LKAB's operations cause various types of emissions to air. The burning of fuel in the production of pellets involves emissions of primarily sulphur dioxide (SO₂), nitrogen oxides (NO_x) and carbon dioxide (CO₂). These emissions can have a regional impact on sulphur and nitrogen balances, and by extension have a global impact on the greenhouse effect.

To minimise emissions to air from processes around the mines there are flue gas cleaning systems that capture impurities in both gaseous and particulate form. Emissions to air are monitored continuously via measurements as well as random sampling. In Kiruna the condition for sulphur dioxide was exceeded in 2024 due to problems with breakdowns and startups in the pelletising plants, which had a negative effect on the flue gas treatment. In Svappavaara an accident in the pelletising plant resulted in a lengthy shutdown, resulting in non-compliance for emissions to air. Work is under way within the Group to improve process-related functions and to be able to reduce the number of shutdowns and startups going forward.

Impact of dust fallout

Environmental impact is also caused by diffuse dust fallout from the company's industrial sites. Precipitated particulates are measured using the NILU (Norwegian Institute for Air Research) method at a number of measuring points in the vicinity. In simple terms, the method involves precipitated dust being captured in a container on a stand. The sample is dried and weighed, and the amount of dust per 100 m² is extrapolated. LKAB works actively to reduce dust fallout and particulate precipitation.

Examples of actions taken at LKAB's operating locations are:

- Irrigation, sweeping and salting of roads.
- Greening, i.e. planting of trees and vegetation to bind more of the dust.
- Relocation and enclosure of facilities that generate dust.
- Installation of dust extraction systems.

Emissions to water and water consumption

The mining operations involve large quantities of water, mainly consisting of groundwater pumped out of the mines. Despite a high degree of water recirculation in processing, a large surplus of water is generated that is discharged into nearby lakes and watercourses. The water, in the form of wet tailings, is fed into dam systems where sedimentation takes place before it is discharged into the surroundings. Various kinds of nitrogen, salts (known as major elements) and metals occur in increased concentrations. The recipients are monitored as regards water chemistry and biology as well as water flows. In 2024 the conditions for suspended solids and ammoniacal nitrogen were exceeded in Malmberget. In Narvik the conditions for suspended solids and the pH value of water were exceeded. A new treatment plant is planned in Narvik.

Activities for improvement measures

Various activities are under way to address water issues and bring about improvements. Below are some examples of activities:

- In Svappavaara improvements have been made by directing and adapting the discharge of water to the natural flows in the recipient. The goal is a more controlled outflow of excess water, more consistent water quality over the year and improved conditions out in our recipients. These measures are planned to be implemented in more operating locations.

- Development of surface and groundwater models for describing LKAB's impact on surroundings and downstream lakes and watercourses. Models have been produced for Kiruna, Gällivare and Svappavaara.
- An investigation into the possibility of introducing passive nitrogen removal technology via naturally occurring bacteria has been ongoing since 2017. This primarily concerns the removal of nitrogen from, for example, water from barren rock piles. The results show that nitrogen can be removed to some extent using passive systems. The technology is also being investigated for future barren rock piles.
- Studies into water treatment of mine effluents are ongoing, with a focus on nitrogen removal through biological treatment, which requires the addition of phosphorus to achieve a good treatment result. However, this results in increased discharge of phosphorus into the recipient, which could cause eutrophication. Some practical attempts to reduce phosphorus using tailings is in progress.
- Stormwater investigations including mapping of stormwater within our industrial sites. Stormwater plans have been produced to improve the collection and management of stormwater, thereby reducing impact on the recipient.

Environmental incidents and significant spills

In the event of environmental incidents, appropriate measures are taken and an environmental incident report is prepared. Depending on the scope and nature of the non-compliance, a notification is made to the supervisory authority. In 2024 continued remediation was carried out in respect of an extensive oil spill that took place in 2022. Work was carried out during the year for more long-term solutions, follow-up and to minimise the risk of spreading. This will need to be managed for many years to come.

Environmental complaints and damage reports

No corporate fines were imposed on LKAB in 2024.



Water samples are taken on an ongoing basis from watercourses in the vicinity of our operations.

Emissions to air and water	2024 ¹⁾	2023
Emissions to air from product manufacturing²⁾		
Particulates (t) ³⁾	670	968
Sulphur dioxide (t)	542	487
Hydrogen fluoride (t)	55	29
Hydrogen chloride (t)	85	86
Dioxins (g)	0.36	n/a
Ammonia (t)	16	n/a
Nitrogen oxide (t)	3,286	3,760
Emissions of trace metals (to air)		
Mercury (kg) ⁴⁾	11.1	–
Zinc (kg) ⁴⁾	285	–
Emissions to water⁵⁾		
Nitrogen (t)	465	460
Fluorine (t)	23	n/a
Phosphorus (kg)	n/a	336
Trace metals (kg)	84	150
Emissions of trace metals⁵⁾		
Chromium (kg)	n/a	2.1
Cadmium (kg)	n/a	0.4
Copper (kg)	n/a	23.2
Nickel (kg)	73.4	85.1
Lead (kg)	n/a	0.1
Zinc (kg)	n/a	24.7
Arsenic (kg)	10.3	14.8
Total trace metals (kg)	84	150

¹⁾ Reported values for 2024 are added up for those operations that exceed the threshold values; n/a indicates that the value was not exceeded. See reporting principles, page 89.

²⁾ Refers to total emissions in Kiruna, Svappavaara and Gällivare.

³⁾ Refers to total emissions from pelletising plants, central boiler systems as well as operating and maintenance facilities in Kiruna, Svappavaara, Gällivare, Luleå and Narvik.

⁴⁾ The values were not included in the report for 2023.

⁵⁾ The quantities are based on overflow water from ponds in Kiruna, Svappavaara and Gällivare.

Reporting principles

Reporting on emissions to air and to water focuses on direct emissions from the Group's own activities in relation to the threshold values for pollutants set out in Annex II to Regulation (EC) No 166/2006 of the European Parliament and of the Council. Values that exceed the thresholds for each reporting activity are consolidated at Group level.

Reporting of water use aims to provide an understanding of the LKAB Group's water consumption and water intensity.

LKAB follows standardised methods for its analysis and measurements; calculation methods have been verified. The list of emissions data is based on sampling as regulated in self-monitoring programmes and, where applicable, on calculations based, for example, on quantities of fuel consumed and emission factors, or mass balance calculations. Mass balance calculations are made for, among other things, emissions of sulphur dioxide,

fluorine and hydrogen chloride from the pelletising process. The emissions are monitored continuously via measurements and random sampling.

For direct water intake via the water system in the vicinity of the mining areas, measurements are made via flow meters and in cases where municipal water is used, data is retrieved from the relevant water company. Reported values are obtained from either direct measurement, sampling and extrapolation or using assumptions/standard values. Discharge of water, such as overflow water, to a recipient is measured by flow meters, sampling or calculations. Data for measurement points is collected and reported in a digital system for the selected time period by the responsible entity, site or operation.

More information on measurement points and measurement techniques can be found in LKAB's annual environmental reports and in the self-monitoring programmes submitted to supervisory authorities.

Water consumption	Unit	2024
Total water consumption	m ³	1,034,413
Water intake		
Total water intake	m ³	22,259,283
based on assumptions/standard values	%	7.3
based on direct measurement	%	92.7
based on sampling and extrapolation	%	0
Water discharges		
Total water discharges	m ³	21,225,242
based on assumptions/standard values	%	11.7
based on direct measurement	%	88.3
based on sampling and extrapolation	%	0
Water consumption		
Total water consumption per net revenue	m ³ /MSEK	31.2
Total water consumption per product produced	m ³ /tonne	0.043

Significant spills in 2024

	Kiruna	Gällivare	Svappavaara	Narvik	Luleå	Special Products
Significant spills with financial impact, number	0	0	0	2	0	0
Spills reported to authority, number	91	37	34	2	3	0
Volume, litres	31,500	5,800	968	510	10	0
Description of spills reported to authority (mainly oil, diesel and glycol)	LKAB considers all spills to be material. Spills that could not be immediately dealt with/cleaned up have varying levels of impact on the environment/surroundings; this must be assessed individually as the quantity, location and substance differ in each case.	LKAB assesses that the spills that occurred did not result in any significant nuisance to human health or the environment. All reported spills have been included, as we consider all spills to be of importance.	LKAB assesses that the spills that occurred did not result in any significant nuisance to human health or the environment.	LKAB assesses that the spills that occurred did not result in any significant nuisance to human health or the environment. The assessment was made that all spills are to be reported as material.	Oil spillage. All were fairly small, with limited environmental impact.	

Biodiversity and ecosystems

Material sustainability topics

- Biodiversity

LKAB conducts operations at three sites close to protected areas or areas of high ecological value. Operations that are affected are Kiruna, Svappavaara and Gällivare. Biodiversity has therefore long been a priority at LKAB. One of LKAB's strategic goals is a biodiversity net gain, which means making a positive contribution to biodiversity in the regions and areas where the company operates.



Through our work on the material topic **Biodiversity** we are contributing to achieving UN Sustainable Development Goal 15.

Biodiversity means the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems. (Definition as per the UN Convention on Biological Diversity).

Link to strategic risk

- Risk of insufficient social and legal acceptance
- Risk of inefficient and unsound permitting processes
- Risk of negative environmental impact

Read more about LKAB's risk management on pages 45–54.

Governance

LKAB's efforts relating to biodiversity are governed by the company's Sustainability Policy, guidelines for land use and water management and the industry-wide roadmap for biodiversity developed in collaboration with Svemin. Standardised methods are used for ecological surveys, along with tools such as CLIMB and Defra to quantify and evaluate biodiversity and ecosystems. LKAB also has internal guidance to provide support for its biodiversity efforts.

Read more about LKAB's governance, policies and guidelines on page 59.

Areas and actions

LKAB's operations and transformation impact the surrounding natural world, including biodiversity. A long-term and systematic approach, as well as efforts to avoid and minimise impacts, restore and offset are essential for increasing biodiversity.

LKAB's sustainability efforts go further than the legislation requires, through the company's own environmental goals, the environmental management system implemented and development work. When land is utilised by LKAB's operations, it affects the environment, the look of the landscape and biodiversity, as well as the livelihoods of those around it.

LKAB's goal is that by 2030 the operations will contribute to a biodiversity net gain in the regions where LKAB operates, with a focus on the quality of the landscape and habitats. This approach requires great knowledge of types of habitats and species, as well as well-documented ecological surveys of both land and water, even at the planning stage. The work involves dialogue with affected stakeholders. The interim goal for 2026 is to have a systematic approach in place for quantifying biodiversity.

LKAB conducts long-term work to minimise losses and improve the ecological status over time in the areas close to our operations. In 2024 work towards the set goals continued, but the task of reversing the overall negative trend of biodiversity loss remains.

Biodiversity plans

LKAB's work on biodiversity plans is based on the consideration hierarchy, with the aim of designing and applying local biodiversity plans. In these, the effects of development work and measures are evaluated on the basis of the current situation and reference values for the base year of 2021.

LKAB's biodiversity plans for the operations that impact biodiversity focus on the first three steps in the consideration hierarchy: avoid, minimise and restore. The plan describes how LKAB's operating locations can be developed to enable increased biodiversity during the operational phase. When developing the plan various aspects are taken into consideration, including ecological surveys that assess and document the current status of biodiversity in the area. Subsequent steps identify actions to be taken in the short and long term which, together with offsetting, aim to achieve the goal of a biodiversity net gain. Actions for remediation of the operational area when activities end are also identified.

Training and systematic mapping of biodiversity impacts have been carried out for both the Swedish operations and the majority of the operations abroad. This mapping has clarified responsibilities and, to some extent, the securing of resources. LKAB has a complete biodiversity plan for the operations in Gällivare and has started on biodiversity plans for six of its ten operating sites, with five sites having had their ecological value calculated according to CLIMB or equivalent based on ecological surveys carried out.

Biodiversity net gain

A group-wide goal to achieve a biodiversity net gain in the regions where LKAB operates by 2030 was adopted in 2021. LKAB's impacts and contributions are to be quantified by 2026.

Ongoing activities to conserve and create added ecological value

Examples of ongoing activities and methods being tested for conserving and creating added ecological value are listed below. Some of the activities will be implemented in the current year, while others will continue over a number of years to come.

- Projects are being conducted at our operating locations involving plant establishment and studies of access to materials for establishing vegetation.
- Within the framework of the Re:moss research project, which aims to establish moss, local mosses are picked out and then comminuted and mixed into a slurry that is sprayed over an area to be vegetated. The special moss mixture is being tested at LKAB's industrial site in Svappavaara. The project is funded by LKAB and Vinnova, among others.
- For greening with improved conditions for insects, gravelly soil is spread and sown with meadow seed mixtures instead of industrial seed where this is appropriate.
- In MalMBERGET protected orchids were moved from the industrial site in 2024.
- A research project is being conducted in collaboration with the Swedish University of Agricultural Sciences (SLU) to investigate how LKAB's diffuse dust emissions affect vegetation and ecosystems. The project is studying, among other things, impacts around Svappa-vaara's operations.
- Within the framework of the ongoing research project Waste2Place, geomorphic reclamation is being tested on surfaces that create the conditions for increased biodiversity through reduced erosion, leaching of pollutants and better conditions for natural water runoff and plant establishment.

- To visualise how the company's mining areas will look when operations cease, "visions for ecological landscape design" is an important tool. Kiruna's vision was presented in 2020 and is being used actively in projects and in the creation of new natural environments. Visions for operations in MalMBERGET and Svappa-vaara are being developed and are expected to be completed in 2025. Dialogue with residents in the area, interest groups and other stakeholders provides valuable input to this work.
- Two birdwatching towers have been erected at lakes close to Kiruna on the initiative of Norrbotten's ornithological association. One of the towers is now open to the public.

Peatland restoration

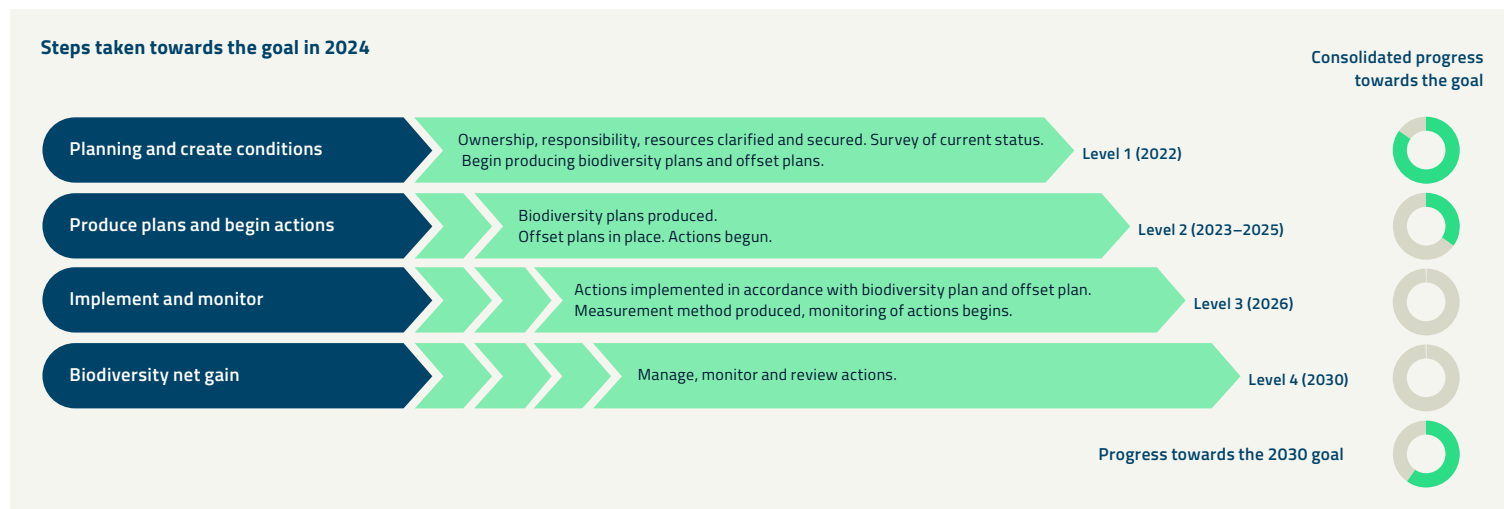
Norrbotten County has the highest proportion of peatland mires in Sweden, but much of it bears traces of human impact. During the last century or so, much peatland was drained – for example, to drain forest wetlands and to create more agricultural land for Sweden's growing population. The restoration involves rewetting mires by filling in ditches with peat from the site; this causes the water level to rise to its natural level and the mire regains its water retention function. In the longer term, the mire will also regain its water-purifying function, preventing nutrients and metals from spreading into nearby water-courses.

Within the framework of the Mire Restoration in Norrbotten project (Myrrestaurering i Norrbotten or MyreN), which is a collaborative project between the County Administrative Board of Norrbotten and LKAB,

more than 1,000 hectares of peatland will be restored. This makes the project one of the largest of its kind in Sweden. The project started in autumn 2024 and will continue for three years. It receives funding from the Swedish Agency for Economic and Regional Growth under its Regional Development Fund for Upper Norrland 2021–2027.

Offset plans

For operations where we start using new land and have a significant impact on biodiversity, offset plans will be drawn up. Work is under way to investigate suitable objects for ecological offset. At present we see 6 out of 10 locations as needing an offset plan, and work to investigate suitable objects is taking place in five of these. For one area there is currently an active offset area where offset measures are in progress.



In the Kuosajänkkä area just outside Svappavaara a long-term initiative is under way to enhance biodiversity and offset the impact of mining activities. The site is located around 3 kilometres north of the Mertainen mountain and has a total area of around 2,600 hectares. Efforts include placement of dead wood, mire haymaking and controlled burning for nature conservation. Around 800 logs have been placed out that will become homes for a variety of fungi, mosses, lichens and insects during their decomposition. Although the wood has been there barely 10 years, it has already been colonised – including by several different bracket fungi that are rare in today’s forest landscape. There are also large wetland areas where mire haymaking was carried out until the mid-20th century. This cultural tradition has been revived and new haymaking sheds have been built. Haymaking prevents plants such as wetland sedge from outcompeting other species, instead allowing orchids and rarer mosses space to grow. LKAB has signed a 50-year agreement with the landowner, with regular surveys being carried out to monitor development of the natural environments during this time. We use a model to calculate the loss of and impacts on ecological value at Mertainen and to calculate the ecological value created and protected in the offset area. This is an established method within the Forest Trends’ Business & Biodiversity Offsets Programme (BBOP).

Closure plan

The table shows the company’s active mining areas and describes which of these have a plan for closure of the operations. The total provision for closure is based on the cost estimates in the conceptual remediation plans. This includes, for example, investigation and remediation of contaminated areas, demolition of buildings, capping of extractive waste facilities and follow-up environmental checks (including corrective actions).

Biodiversity and ecosystems	Unit	2024
Actions and resources related to biodiversity and ecosystems		
Direct and indirect costs of ecological offset	MSEK	2.3
Impact metrics related to biodiversity and ecosystems change		
Total use of land	ha	7,541
Total sealed area	ha	3,202
Total nature-oriented area on site	ha	299
Total nature-oriented area off site	ha	2,677
Protected areas and areas classified as key biotopes		
Total area where the site is located within or close to protected areas or areas classified as key biotopes and adversely affected by LKAB	ha	7,362
Is the site located within or near protected areas or areas classified as key biotopes and adversely affected by LKAB?	Yes/No	Yes
Number of sites located within or close to protected areas or areas classified as key biotopes and adversely affected by LKAB	Number	3

Closure plan	Unit	
Malmberget, Svappavaara, Masugnsbyn, Kiruna, Turkey and Mertainen		
1. The company’s operations that have a closure plan		
2. Total number of operations	Number	6
3. Number of operations that have a closure plan	Number	6
4. Percentage of the company’s operations that have a closure plan	%	100
5. Total provisions for closure	SEK	1,035,651,142

Reporting principles

CLIMB

Launched in 2023, CLIMB (changing land use impact on biodiversity) is a Swedish measurement and calculation method for biodiversity efforts, similar to the UK’s Defra methodology. CLIMB can be used to support informed land-use decisions in line with the goals set by the EU and globally for biodiversity and new financial and reporting frameworks. The model was developed in collaboration between LKAB, industry organisation Svemin, consulting firm Ecogain and others, with support from Swedish Mining Innovation.

Ecological survey method

Ecological surveys are carried out according to the standardised method SS 199000:2023 using ecological value classes 1 to 4 and other value classes 5, 6 and 7. In general, for mining areas, ecological surveys are carried out in the field. For reporting land areas for biodiversity, GIS maps are used to estimate the size of ecologically surveyed areas; while for standalone sites, the areas found in lease agreements, for example, are used in combination with estimates of the total sealed area.

Resource use and circular economy

Material sustainability topics

- Circularity and resource efficiency

Efficient use of resources and the development and creation of new products from side streams strengthen profitability and generate business opportunities that contribute to a sustainable supply of raw materials. This requires a holistic view of flows of materials, water and energy as well as work to prevent, streamline and circulate. LKAB takes responsibility for reducing its impact on the climate, the environment and local communities through the sustainable use of resources and through waste management. Circularity and resource efficiency are drivers for reducing environmental and climate impact throughout the value chain.



Through our work on the material topic *Circularity and resource efficiency* we are contributing to achieving UN Sustainable Development Goals 12 and 13.

Link to strategic risk

- Market risk
- Risk of inefficient and unsound permitting processes
- Risk of negative environmental impact
- Risk of insufficient social acceptance

Read more about LKAB's risk management on pages 45–54.

Governance

LKAB's work on resource use and circular economy is guided by our Sustainability Policy and our strategic goals involving the extraction of phosphorus and rare earth elements. We will do this by exploiting our residual streams to extract phosphorus and rare earth elements.

For information on governance, policies and guidelines see page 59.

Areas and actions

Focus on safe and resource-efficient production

LKAB's operations purchase and use various inputs and products such as machine parts, fuels, explosives and concrete as well as raw materials such as bentonite, limestone and olivine. In the operations, crude ore, huntite and dolomite are mined. LKAB's manufactured products include iron ore products and industrial minerals, as well as products for the mining and construction industries.

Of the quantity of industrial mineral products, around a third contains residual materials. The processing operations generate extraction waste in the form of barren rock and tailings. These constitute the main waste generated in LKAB's production processes, together with waste lime that arises from the use of burnt lime in the flue gas cleaning systems at the processing plants.

Developing circular flows and business models

Using residual materials or secondary raw materials in order to work in a more resource-efficient way and with greater circularity is an ever greater element of our operations. Internal development work is carried out in a chain that runs from laboratory scale through pilots to full-scale trials, with a focus on maximising product yield and minimising the volume of residual products and emissions both at LKAB and among customers. Successful development involves collaboration between different categories of personnel, often including not only LKAB but also customers and suppliers. The development work is based on a fundamental understanding of the function of the products in our customers' processes in order to meet quality requirements.

Strategic extraction of phosphorus and rare earth elements

During the year the Special Products business area continued strategic technological development to improve utilisation of mineralisations. The iron ore currently mined contains a mineral called apatite – an untapped resource that can be processed into both phosphorus and rare earth elements. At present this resource is waste that is deposited in existing dam facilities, but the intention is that in the future it will be utilised. Phosphorus is used to produce mineral fertilisers for food production. Rare earth elements have a key role in the production of mobile phones, electric vehicles and wind turbines.

By exploiting unused resources from the mining of iron ore, LKAB contributes to a more circular and sustainable value chain while reducing the amount of waste that is deposited. The company also has the opportunity to become an important part of the solution for industrial transformation and a more independent Europe. Read more about LKAB's business within critical minerals on page 27.

Ongoing initiatives focusing on circularity

Within LKAB several initiatives are under way in various areas such as waste, water and energy in order to enhance resource efficiency. Residual heat from the pelletising plants has long been used to produce district heating. LKAB has started a collaboration with Gällivare Energi AB to investigate the conditions for better resource utilisation of the low- and high-grade residual heat that will be generated in future sponge iron production.

LKAB also uses barren rock within concrete production and as a construction material, for example in road construction, the expansion of dam facilities and the backfilling of voids for remediation purposes. The company is testing geomorphological deposition in which piles of barren rock are shaped to appear more natural in the landscape. LKAB further processes and uses GGBS (Ground Granulated Blast-furnace Slag), which reduces the need for virgin cement. In addition, development work is in progress to find potential ways of disposing of waste lime from the operations instead of depositing it. The Group is also investigating ways to reduce the volume of wet waste through thickening.

Waste management

The waste streams consist mainly of extractive waste and operational waste. The extractive waste consists mainly of barren rock, tailings and waste lime. Operational waste – such as scrap iron and scrap metal, waste electrical and electronic equipment, and oils and paints – consists of both non-hazardous and hazardous waste.

Extractive waste is managed according to the waste hierarchy, which means prevention, preparation for reuse, materials recycling, other recycling (e.g. energy recovery) and finally disposal. This is described in the Group's waste management plans. The waste hierarchy, or waste ladder, is an order of priority for the preventive management of waste. It is set out in the EU Waste Framework Directive and has two main purposes:

- Minimise the negative effects of waste production and waste management
- Improve resource efficiency



Mined amounts, inputs, residual products and emissions

	2024	2023
Crude ore, magnetite and hematite (Mt)	43.3	46.6
Huntite (kt)	20.5	21.1
Dolomite (kt)	163.5	76.3
Finished products (Mt)	22.7	26.2
Inputs		
Explosives (kt)	19.8	20.5
Concrete produced (10 ³ m ³)	138	170
Additives (kt)	735	848

Waste

	2024
Total waste generated (Mt)	28.6
Total waste diverted from disposal (Mt)	8.8
Total waste for disposal (Mt)	19.7
Hazardous waste	
Total volume of hazardous waste (kt)	2.6
Hazardous waste diverted from disposal (kt)	2.3
Hazardous waste for disposal (kt)	0.3
Non-hazardous waste	
Total volume of non-hazardous waste (Mt)	28.6
Non-hazardous waste diverted from disposal (Mt)	8.8
Non-hazardous waste for disposal (Mt)	19.7
Non-recycled waste	
Percentage of non-recycled waste (%)	69.1

Reporting principles

Reported waste refers to waste from own operations, divided into hazardous waste and non-hazardous waste, and listed by waste management type according to the waste hierarchy.

Information concerning operational waste is collected and weighed by waste processors and external contractors that transport the waste for further sorting and disposal. A report is then compiled on the waste based on sorting and further disposal routes. Information about extractive waste is collected by weighing in, for example via vehicle scales, and is then sent for further treatment depending on the purpose.

Own workforce

Material sustainability topics

- Responsible and attractive employer

To stay attractive as an employer LKAB offers opportunities for continuing professional development, clear career paths and personal development. Skills supply is a key strategic issue for achieving our transformation. It is essential to offer a healthy organisational and social work environment that enables people to develop and is characterised by equal opportunity, diversity and inclusion.



Through our work on the material topic *Responsible and attractive employer* we are contributing to achieving UN Sustainable Development Goals 5 and 8.

Link to strategic risk

- Risk of accidents and ill health
- Risk of skills shortage
- Risk of insufficient social and legal acceptance
- Risk of intrusion/damage by external parties

Read more about LKAB's risk management on pages 45–54.

Governance

The work is governed by national regulations and legislation on occupational health and safety, goals in this area and the occupational health and safety management system, the Code of Conduct, policies, guidelines and procedures. LKAB and its subsidiaries are certified to ISO 45001, which sets requirements regarding systematic occupational health and safety efforts. LKAB's diversity plan and framework for culture, leadership and employeeship clarify desired employee behaviours and the Group's leadership criteria. The Group has goals for inclusion, and measures perceived inclusion annually.

LKAB's corporate culture is key to ensuring a business that drives improvement, development, efficiency and innovation. The "One LKAB" framework describes how we work and how we lead in order to realise the strategy. All employees are expected to take responsibility for their performance and for their own and others' work environment and safety. All employees are to be given opportunity to develop in an inclusive work environment where we achieve our goals together.

Read more about LKAB's governance, Code of Conduct, policies and guidelines on page 59.

Areas and actions

A safe and healthy work environment

Safe and healthy work environments are crucial for a sustainable LKAB. Ongoing work is carried out to improve the physical work environment as well as the organisational and social work environment.

LKAB's operations are associated with health and safety risks for employees, contractors and suppliers, which means that LKAB has a great responsibility as regards health, safety and the work environment as well as working conditions. Work to prevent and eliminate occupational health and safety risks, to create safe and healthy workplaces and to manage work-related injuries and unsafe situations is based on cooperation between employer, employees, trade unions, health and safety officers, support organisations, clients and suppliers. Anyone wishing to enter the industrial sites and mines must complete safety training, whether they are employed by LKAB or are an external contractor. Plans and organisation for managing various types of crises and emergencies are in place, and training activities are carried out regularly.

Tragically, a fatal workplace accident occurred in 2024, which calls for reflection on how we work to ensure a healthy and safe work environment. Based on this and other identified needs for improvement in occupational health and safety performance, work is in progress to create more structured occupational health and safety efforts and to improve the safety culture in the long term. These efforts have also been intensified by, among other things, evaluating the current risk profile jointly with a third party with the aim of developing an action plan to reduce the number of serious injuries and prevent deaths entirely. The strategically important areas identified are: a systematic approach to occupational health and safety, safety leadership, supplier/contractor safety, critical risks as well as health (which includes occupa-

tional hygiene exposure as well as organisational and social issues).

There is a further focus on safety within the framework of the development work to achieve a new world standard for mining. Greater automation and digitalisation are changing how we work and communicate, making possible many activities to promote greater safety.

The organisational and social work environment is just as important as the physical environment when it comes to promoting employees' health and well-being. LKAB's perspective on the work environment therefore includes the following areas: safety, health, inclusion and well-being. LKAB's internal targets for these areas are combined in a group-wide work environment index. Monitoring progress each quarter creates a basis for preventive efforts in respect of occupational health and safety. Leadership and collaboration form an important starting point for these efforts, and all managers have a key role in upholding the safety culture. Actively working to create an environment where everyone feels involved and has control over their work situation is also central. Within the Iron Ore business area, all managers are trained in coaching leadership.

An attractive employer

Competition for labour in the north of Sweden has increased. To attract the right skills, LKAB works continuously to clarify what the company can offer as an employer.

Staying attractive as an employer means providing a stimulating and healthy organisational and social work environment, which involves important parameters such as equality, diversity, inclusion, non-discrimination and the opportunity to develop. All the operations work on diversity and on the organisational and social work environment in order to develop the culture.

LKAB's skills supply strategy focuses on five areas: attract and recruit, develop and retain, leadership and employeeship, diversity and inclusion, and attractive operating locations. The goal is to be a competitive and attractive employer for both existing and new employees. To professionalise the recruitment process and to further increase awareness of LKAB, the company's skills needs and the career opportunities that exist, a central recruitment function has been established. The function applies a proactive and structured approach to its main task of recruitment, but also engages in outreach campaigns and strategic partnerships aimed at attracting and retaining the right skills from both Sweden and the rest of the world.

Expectations of a modern workplace are changing, and flexibility has become an increasingly important factor for people when choosing where they want to work. LKAB makes efforts to find new solutions for hybrid working while also offering attractive terms and benefits.

Awareness of LKAB has increased. According to a survey conducted by Novus on behalf of LKAB, 90 percent have some awareness of LKAB and 44 percent – an increase of 8 percentage points – have a positive image of LKAB. LKAB was ranked 7th in Kantar Public's list of Sweden's 50 most reputable companies. LKAB also featured in Academic Work's ranking of Sweden's 100 most attractive employers for young people (in 59th place) and won a Magnet Award for awareness campaigns implemented.

Equal opportunities, diversity and inclusion

To ensure that the company is innovative and can access the skills it needs, it is crucial that LKAB's workplaces are characterised by equal opportunities, diversity and inclusion. The diversity perspective is to be integrated into every recruitment, with the goal of recruiting more women, employees with an international background and senior expertise. Within the framework of the ongoing leadership programmes efforts are made to achieve both diversity and gender balance.

For example, LKAB partners with Female Technical Engineer – a programme that links up female engineering students with Swedish industry – with the aim of reaching more female engineers and attracting them to tech-heavy positions within LKAB.

In 2023 LKAB signed a letter of intent regarding gender equality in industry that was developed on the initiative of the County Administrative Boards in Norrbotten and Västerbotten. This means a commitment to, among other things, engaging in management-led and conscious gender equality efforts and to actively work to influence structures that limit development for both women and men. A strategic plan for equality, diversity and inclusion is being revised for the period 2026–2030.

Skills development

LKAB strives for a culture where learning is seen as a natural part of day-to-day work. LKAB takes a systematic approach to skills and career development, both for developing existing employees and for attracting the right skills from outside of the company.

In 2024 a comprehensive skills development programme was implemented, which includes several important initiatives such as a pilot course launched to explore and establish forms of hydrogen expertise among internal personnel. The year saw the start of two structured lines of training with clear training modules, specifically aimed at the positions of mechanics and

operators. In addition, a skills development programme for automation electricians was established.

In parallel with these efforts, work began to develop a validation process for the position of rock worker. This initiative aims to enable LKAB to become an accredited test centre for internal personnel, thereby further strengthening the company's expertise and quality assurance.

Within the career path framework for white-collar employees more than 100 employees advanced in their positions in 2024.

Collective bargaining agreements, benefits and salaries

All employees in Sweden and Norway are covered by collective bargaining agreements, with the exception of Group management. Collective bargaining agreements establish working conditions such as pay, working hours and other working conditions. When renegotiating collective bargaining agreements the company cooperates with trade union parties, with both parties being given opportunity to influence the content.

Hybrid working is an opportunity for greater flexibility that has been introduced for white-collar employees. In striving to be an attractive employer, benefits packages are offered that include, for example, wellness activities, dental care, a cycle-to-work scheme and incentive programmes.

LKAB's Swedish operations carry out annual pay analysis to compare the organisation's salaries with those in the rest of the world. This creates the opportunity to attract and retain talent. In addition to pay analysis, wage mapping takes place in accordance with legislative requirements in cooperation with trade unions. The wage mapping is carried out to detect, rectify and prevent unfair pay differentials between women and men. A pay guideline for white-collar employees has been developed that describes LKAB's approach to salary setting and clarifies guiding principles and procedures when setting salaries.

Safety first

LKAB's approach to the work environment sets clear frameworks for how we are to work on safety, ensure that guidelines are complied with and achieve our goals. The updated version produced in 2022 established our Golden Rules, clearly setting out the behaviours that promote a safe and healthy work environment.

The Golden Rules

To strengthen the safety culture and reduce the number of accidents, there is a clear framework for LKAB's work in the area of occupational health and safety. Contractors are also included in safety efforts.



Recognise and praise good behaviour



Lead by example



Let's talk



Always challenge acts that could cause harm



Stop and think – what could go wrong?



Never bypass a system designed to prevent harm

Attractive operating locations

LKAB's initiatives depend on more people being prepared to move to and remain living in Norrbotten. Attractive and well-functioning communities are therefore key to securing the supply of skills and expertise. The development of the region not only creates jobs within the industry; people will also be needed to work in important functions in society, such as schools and health care. Here LKAB works in partnership with municipalities and other actors to achieve well-functioning infrastructure and social services, including good housing, schools and services, and to offer a wealth of cultural activities. In the Swedish orefields LKAB has built housing specifically aimed at recruitment, and the construction of new homes continues. Summer jobs and internships are a significant platform for recruitment, and LKAB's ambition is to offer students temporary accommodation while they work for the company.

Collaboration with academic institutions and schools

To ensure that future engineers have the right skills, LKAB works closely with selected universities and colleges. In a collaboration with Luleå University of Technology (LTU) and others, LKAB has worked with industry partners to produce an international BSc in Sustainable Minerals Extraction that started in autumn 2024.

The LKAB Academy Foundation helps to strengthen preschools, elementary schools and upper secondary schools in the Swedish orefields and Narvik, with the aim of increasing interest in science, technology and mathematics among children and young people. The upper secondary schools in Kiruna and Gällivare offer searchable places on programmes oriented towards LKAB. To spark young people's interest in technology at an early age, LKAB and other industry players organised a technology fair for children and young people during the autumn school break in 2024, with a focus on new technology and innovation.

Dialogue with trade union organisations

As an employer, LKAB has a continuous dialogue with representatives of relevant trade unions. Freedom of association within LKAB is regulated by the Human Resources Policy, collective bargaining agreements and national legislation. LKAB provides established forums with trade union representatives, from a group works council to local forums for cooperation. There are also forums for occupational health and safety matters, known as work environment committees and safety committees. The trade unions IF Metall, Unionen and Ledarna are represented on LKAB's Board of Directors.

Employee survey

Employee surveys are conducted regularly and LKAB follows up the results. The latest group-wide employee survey was carried out at the end of 2023. The survey included questions within the following areas: my own workplace, myself as an employee, leadership, and LKAB as an employer. The results indicated improvements in most areas, but that LKAB still needs to invest in areas such as employee development.

Performance reviews

Performance reviews are an opportunity for employees to evaluate performance, express thoughts and ideas, get feedback from managers, set goals for the year ahead and plan development initiatives. This plays an important role in how we can together achieve set goals and contribute to the strategy.

Channels and procedures for raising concerns

Views and concerns can be reported in the line organisation, to HR or to the employee's trade union organisation, and also to the safety officer. All employees and external stakeholders can also make anonymous reports using LKAB's whistleblowing channel SpeakUp; see page 108. LKAB provides information on the possible reporting

channels in the company's Code of Conduct, among other places. A person who, in good faith, has reported an instance of suspected serious irregularity or wrongdoing in the public interest is protected against reprisals under Sweden's Whistleblowing Act. Reports of non-compliance relating to occupational health and safety, such as risks, near-miss incidents (also known as close calls), accidents and work-related sickness absence are investigated and remedial measures taken to avoid injury and ill health for employees.

Any employee who is exposed to victimisation, harassment or bullying can report this under the procedure. The incident(s) are assessed and investigated, and any remedial measures are taken to ensure good health and a good work environment.

Accidents

The target for 2022 onwards is to lower the accident rate to no more than four by 2026 and no more than two by 2030.

The accident rate has levelled off in recent years and therefore strategic work is under way to reduce the number of lost-time accidents. The accident rate for the Group, including LKAB's suppliers, decreased in 2024 to 4.9 (6.3) lost-time accidents per million hours worked. Accidents relate mainly to slipping/tripping and falls on the same level, with sprains and strains being the most common consequences.

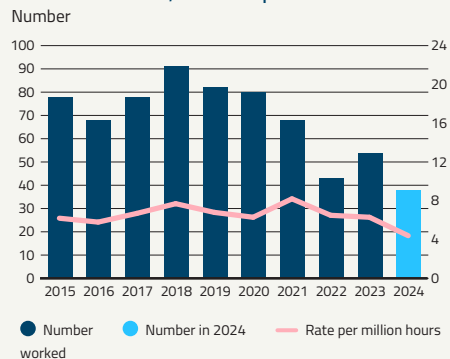
Accidents	2024	Comments
Number of lost-time accidents, employees	38	
Number of lost-time accidents for women and men respectively	–	The information is no longer stored in the same way as before to protect the injured party's anonymity, and therefore the figures are not available for reporting.
Number of lost-time accidents, Sweden/Norway	37	
Number of lost-time accidents, other countries	1	
Number of lost-time accidents, contractors ¹⁾	32	
Fatalities due to accidents, employees	1	Tragically, a fatal workplace accident occurred in Kiruna in May 2024. This is a major failure. The accident was investigated and resulted in various activities to prevent such a thing happening again.
Fatalities due to accidents, contractors	0	
Accident rate, calculated as number of lost-time accidents per million hours worked ²⁾	4.9	The 2026 target is maximum 4 accidents per million hours worked. Effective from 2017 contractors' accidents are also included in monitoring.
Most common type of injury	Sprains/strains	Among lost-time accidents the category "Tripping or falls on the same level" was the commonest cause. The commonest injury is sprains/strains.
Number of working days lost due to accidents ³⁾	413	

¹⁾ In Sweden

²⁾ Group-wide, including contractors

³⁾ Group-wide, excluding LKAB Minerals

Lost-time accidents, LKAB Group



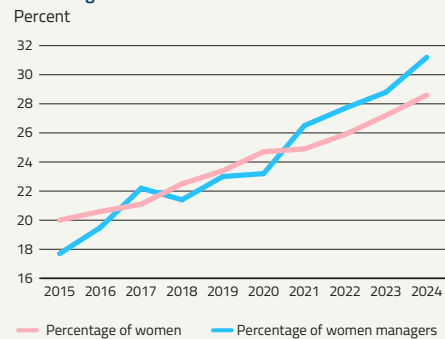
The number of lost-time accidents and serious incidents decreased during the year, but this development was overshadowed by the fatal accident in Kiruna. Group-wide initiatives in respect of the safety culture, aimed at increasing awareness among managers, employees and suppliers, continue to take place to avoid serious incidents and accidents and to ensure safe and healthy workplaces.

Measurement methods, definitions and validation

All employees are covered by the Group's occupational health and safety management system in the form of the Sustainability Policy and the group-wide guideline called Safety first. Outcomes are validated by third-party audits according to ISO 45001 (RISE) as well as third-party auditing of the Annual and Sustainability Report.

Percentage of employees covered by management systems in the form of ISO-certified activities within LKAB: LKAB, LKAB Berg & Betong AB, LKAB Mekaniska AB, LKAB Kimit AB, LKAB Malmtrafik AB, LKAB

Percentage of women at LKAB



Women make up an increasing percentage of LKAB's employees. At the end of the year the number of permanent employees was 5,222 (5,188), made up of 29 (27) percent women and 71 (73) percent men. The target for 2030 is 60/40 gender balance in management teams, with an interim target that women make up 30 percent of our workforce and managers by 2026.

Malmtrafik AS, LKAB Norge AS, LKAB Wassara AB, LKAB Minerals AB, LKAB Minerals Ltd, LKAB Minerals BV, LKAB Minerals Oy, LKAB Minerals Asia Pacific and Likya Minerals.

Percentage of women in the workforce and in management positions

The target for 2030 is 60/40 gender balance in management teams, with an interim target that women make up 30 percent of our workforce and managers by 2026.

	Part-time employees	Full-time employees	2024	2023
Number of employees				
Asia, total number of employees	1	16	17	18
Asia, men	0	7	7	7
Asia, women	1	9	10	11
UK, total number of employees	8	221	229	233
UK, men	2	172	174	186
UK, women	6	49	55	47
Finland, total number of employees	3	3	6	4
Finland, men	1	1	2	2
Finland, women	2	2	4	2
Netherlands, total number of employees	5	13	18	18
Netherlands, men	1	12	13	14
Netherlands, women	4	1	5	4
Norway, total number of employees	0	221	221	208
Norway, men	0	185	185	180
Norway, women	0	36	36	28
Slovakia, total number of employees	0	1	1	1
Slovakia, men	0	1	1	0
Slovakia, women	0	0	0	1
Sweden, total number of employees	24	4,932	4,956	4,913
Sweden, men	17	3,444	3,461	3,472
Sweden, women	7	1,488	1,495	1,441
Turkey, total number of employees	0	50	50	48
Turkey, men	0	46	46	45
Turkey, women	0	4	4	3
Germany, total number of employees	3	8	11	11
Germany, men	0	5	5	6
Germany, women	3	3	6	5
Spain, total number of employees	0	1	1	1
Spain, men	0	1	1	1
Spain, women	0	0	0	0
Greece, total number of employees	0	1	1	1
Greece, men	0	1	1	1
Greece, women	0	0	0	0
USA, total number of employees	0	6	6	5
USA, men	0	1	1	1
USA, women	0	5	5	4

Women make up an increasing share of LKAB's workforce. At the end of the year the number of permanent employees was 5,222 (5,188), made up of 29 (27) percent women and 71 (73) percent men. The percentage of women in management positions increased during the year to 31 (29) percent.

Read more about targets and outcomes on page 7.

Long-term sickness absence

Sickness absence amounted to 4.1 (4.0) percent, with long-term sickness absence being unchanged at 0.7 (0.7) percent.

Characteristics of the undertaking's employees

The average number of employees in 2024 was 4,707 (4,640). The number of permanent employees was 5,222 (5,188) at year-end. Of the permanent employees, 44 were part-time employees, made up of 23 women and 21 men. The number of fixed-term employees is 295 (273), made up of 129 (135) women and 166 (138) men.

The number of white-collar employees was 2,206 (2,096) individuals, while 3,016 (3,092) individuals were employed under collective agreements.

Measurement methods and definitions

Employee data has been taken from current and previous HR systems where values could not be otherwise obtained. The closing date is 31 December unless otherwise stated.

The average number of employees is based on the actual number of hours worked in relation to each individual's standard working time and is taken from the payroll system. Foreign entities report data manually, the number for each month being added together before being divided by 12 and rounded up to the nearest whole number.

Comparative figures for employee turnover have been obtained by comparing the outcome with the number of employees on the closing date last year.

Permanent employees in Sweden¹⁾

Age	2024	2023
<30	872	771
30–50	2,452	2,187
>50	1,662	1,495

¹⁾ Breakdown based on average values for the year.

Gender breakdown and average age

	2024	2023
Percentage of women in LKAB's management team	22	38
Percentage of men in LKAB's management team	78	62
Percentage of women on LKAB's Board of Directors	55	42
Percentage of men on LKAB's Board of Directors	45	58
Percentage of women in LKAB's workforce	29	27
Percentage of men in LKAB's workforce	71	73
Average age, LKAB's management team	53	55
Average age, LKAB's Board of Directors	59	59

The information is compiled from access systems, payroll systems and HR systems in each country. LKAB has no workers on zero hours contracts and consequently disclosures on this topic are not applicable.

Characteristics of non-employee workers in the undertaking's own workforce

Of the total number of hours worked by LKAB and suppliers, suppliers account for 39 (41) percent, with the majority of contracted hours relating to construction projects, maintenance of LKAB's sites and IT support. The number of suppliers and contractors working at LKAB's industrial sites varies during the year, but has been found to peak in conjunction with LKAB's maintenance shutdowns.

Diversity metrics

During the year the percentage of foreign-born permanent employees also continued to increase, amounting to 11 (10) percent at year-end. The aim is to reflect the composi-

Labour practices and decent work

	2024
Number of newly recruited permanent employees	330
Percentage of newly recruited permanent employees who are women	39
External recruitments as a percentage of permanent employees at 31 December previous year	6
External departures as a percentage of permanent employees at 31 December previous year	8
Number of permanently employed women who left during the year	103
Number of permanently employed women aged <30 who left during the year in the region Sweden/Norway	31
Number of permanently employed women aged 30–50 who left during the year in the region Sweden/Norway	50
Number of permanently employed women aged >50 who left during the year in the region Sweden/Norway	22
Number of permanently employed men who left during the year	306
Number of permanently employed men aged <30 who left during the year in the region Sweden/Norway	83
Number of permanently employed men aged 30–50 who left during the year in the region Sweden/Norway	96
Number of permanently employed men aged >50 who left during the year in the region Sweden/Norway	127

tion of the local communities at our operating locations in northern Sweden. The proportion of working-age foreign-born individuals in Norrbotten is estimated at 10–15 percent, with some variation between the localities.

In 2024 diversity workshops were held to get a picture of how our culture is currently perceived. Among other things, the results will form a basis for the equality, diversity and inclusion plan that is being developed for the period 2026–2030.

Incidents and reports

In 2024 a total of 15 cases of discrimination/harassment/victimisation/bullying were reported. These were investi-

Individuals born abroad, according to data from Statistics Sweden

	2024	2023
Percentage with a foreign background, total	11	10
Percentage with a foreign background, women	12	11
Percentage with a foreign background, men	10	10
Percentage with a foreign background, <35 years old	12	11
Percentage with a foreign background, 35–54 years old	10	10
Percentage with a foreign background, 55+ years old	11	10
Percentage with a foreign background, white-collar	15	15
Percentage with a foreign background, blue-collar	8	8

Deviation: Individuals born abroad stated only for the whole of the Swedish operations.

Annual total compensation ratio

	2024	2023
Highest paid individual	10,308,612	9,900,825
Median pay	599,481	573,046
Pay ratio ²⁾	17	17
Change in pay ratio ³⁾	0.87	0.65

²⁾ Expresses relative pay as a ratio between LKAB's highest paid individual and the median pay in the organisation.

³⁾ Refers to change in relative pay as a ratio between the percentage increase in annual compensation for LKAB's highest paid individual and the percentage increase in median compensation in the organisation.

gated internally and/or externally. For two cases an external investigation is ongoing; all other cases have been dealt with and closed. Six of the cases received were assessed not to involve victimisation or harassment. In previous years only cases reported externally via the company's whistleblowing system were reported. This year all cases received both via internal reporting channels and via the whistleblowing system are included.

Workers in the value chain

Material sustainability topics

- Sustainable value chains (corporate social responsibility in the supply chain)

The Group's responsibility extends throughout the value chain. LKAB makes significant purchases that impact the outside world. Corporate social responsibility includes consideration for and responsibility for the working environment and ensuring that human rights are respected.



Through our work on the material topic *Community engagement* we are contributing to achieving UN Sustainable Development Goals 11 and 17.

Link to strategic risk

- Market risk
- Risk of insufficient social and legal acceptance

Read more about LKAB's risk management on pages 45–54.

Governance

Work on sustainable purchasing is governed by the company's Supplier Code of Conduct and Supplier Handbook and takes place from a risk perspective in which suppliers are classified based on factors such as geographic risk, industry and product risk. Suppliers' efforts relating to human rights, occupational health and safety, the environment and anti-corruption are given particular priority. In this work the company uses risk assessments, transparent systems and clear monitoring.

LKAB's whistleblowing channel is open to both internal and external parties. Reports can be made with full anonymity. Read more on page 108.

For general information on governance, policies and guidelines see page 59.

Areas and actions

Processes for engaging with value chain workers

Successful sustainability efforts require systematic identification and management of supplier risks associated with impacts on people, including human rights. This includes promoting labour rights as well as health and safety, and preventing risks of child labour and forced labour. We also work together to manage environmental impact on biodiversity, emissions to land, water and air, as well as climate-impacting emissions. Read more on pages 87–92.

LKAB's purchasing organisation has contact with suppliers' employees or other relevant key personnel on an ongoing basis, and this also takes place in conjunction with supplier audits. LKAB's business, work environment and safety functions also have frequent contacts with workers in the value chain and their representatives.

Dialogue with suppliers is conducted in various steps:

Supplier audits

Based on risk assessment, each year a deeper audit of a selection of suppliers is carried out. This includes visits to both supplier and subcontractor. The audit includes personal conversations and interviews with management and employees. Unannounced conversations with employees also occur during field visits to suppliers and subcontractors. Around 20–30 supplier audits take place each year, with around 4–6 employee interviews per audit. On average, there is also one visit to a subcontractor per audit.

Follow-up of corrective actions

Based on the results of the supplier audits, corrective actions are followed up. This follow-up will be the starting point for the continued development of the supplier's efforts. The follow-up includes both direct personal conversations and digital meetings with representatives

of management. Normally, around 20–30 suppliers are followed up in this way each year.

Dealing with non-conformances

Dialogue concerning non-conformances takes place with individual suppliers as needed on matters such as the safety culture, labour law, subcontractors' governance, business ethics issues and abusive treatment. The dialogue consists of a mix of direct personal discussions and digital meetings with representatives of the company's management. Every year around 80–90 dialogues of this type are conducted.

Follow-up of framework agreement suppliers

Suppliers with strategic framework agreements are followed up on an ongoing basis. The follow-up focuses on both the business cooperation and supplier development, and includes direct personal discussions and digital meetings with management. The follow-up of framework agreement suppliers normally involves around 20–30 suppliers each year and takes place one to four times a year for each selected supplier.

Annual supplier day and training in China

Every year a supplier day is held in China, where suppliers' management and workers in the value chain are informed of key messages from LKAB's Group management. The information is given at physical meetings. The focus of the 2024 Supplier Day was the EU's Corporate Sustainability Due Diligence Directive (CSDDD) and how it will affect LKAB, suppliers and the value chain.

Around once every three years on average, some kind of needs-driven training is also provided for management and workers in China. The training also includes personal meetings.

Purchases and suppliers

LKAB has around 5,900 suppliers in various sectors. Of these, around 90 suppliers have been identified as being higher risk. Just over half of purchasing consists of contract work, transport and logistics. A further significant part is made up of purchases of equipment, raw materials and chemicals, as well as various types of services. The supplier base is located in 37 countries; mostly in Sweden, Norway and the UK, but also in the rest of Europe, the US and Asia.

As a global purchaser, LKAB has an impact on the world around it. To ensure compliance with the LKAB Group's purchasing guidelines, a new onboarding process for new suppliers began to be implemented during the year. The aim is to ensure a common work process and supplier register for management, verification, approval and monitoring of suppliers in the Iron Ore and Special Products business areas. The process includes mapping and checking of basic requirements, sustainability and supply risks as well as expanded checks based on category risk.

LKAB's local buying office in Shanghai, China, helps to lower costs, improve quality and reduce sustainability risk in the value chain. This local presence makes it easier to support suppliers considered to have good potential to develop and improve, for example in the areas of health and safety, employment terms, the environment and business ethics.

The Group's subsidiary LKAB Minerals buys and sells tungsten and tantalum, which are covered by the term conflict minerals. For purchases of these products we have developed supplier assessment processes to ensure as far as possible that our suppliers' extraction of minerals does not take place in conflict areas or involve serious violations of human rights.

In connection with Russia's war of aggression against Ukraine, LKAB halted both deliveries to Russia and purchases of products and services from the country. This decision remains in force.

Based on the EU's Green Deal and, among other things, tightened import regulations on steel, the Carbon Border Adjustment Mechanism (CBAM) and the EU's Corporate Sustainability Reporting Directive (CSRD), as well as the Corporate Sustainability Due Diligence Directive (CSDDD), work is in progress to ensure compliance with current and future legislation in these areas.

Focus on safety

The workplace accident that resulted in a death among one of LKAB's subcontractors in 2023 shows the importance of continuing to work together with the company's suppliers to create a safe work environment. Accidents and serious incidents among suppliers are included in the group-wide monitoring, since the guidelines for safety work encompass everyone who works for LKAB. The company's strategy is to establish long-term relationships with the most competitive suppliers who are role models for sustainable business practices, and to involve them in the safety work. The majority of new or renegotiated contracts allow only two subcontractor levels, thereby facilitating good dialogue. Safety is also a focus area in connection with supplier audits.

Strategic partnerships with suppliers

LKAB sees great advantages in developing partnerships with strategically important suppliers. The intention is to identify innovative products and solutions that contribute to increased sustainability, productivity and cost efficiency. Measures such as consolidating the work to fewer suppliers and establishing long-term relationships with ongoing dialogue meetings provide better conditions to develop along with the suppliers in priority areas, such as the work environment, safety and quality. In procurement, greater importance is being attached to suppliers having the skills and resources to work on sustainability matters.

Reporting on human rights

LKAB reports annually on actions it has taken regarding human rights. One document is a statement on modern slavery and human trafficking that is published after approval by the Board. The statement describes the company's actions to ensure that modern slavery and human trafficking do not occur in LKAB's operations and value chain. This is in accordance with the requirements of section 54 of the UK's Modern Slavery Act 2015, which applies to companies with operations in the UK.

Actions taken in 2024:

- Basic anti-corruption training for all employees through nano-learning as part of the group-wide anti-corruption programme.
- Anti-corruption training for high-risk positions within the divisions was carried out for 78% of the individuals identified, which means that 54 of the 69 people identified completed the training.
- Internal steering committee for purchasing implemented and consolidated for effective governance of sustainability matters in the supply chain.
- Annual supplier day in China, focusing on sustainability and the introduction of the EU's new CSDDD directive.
- A total of 23 supplier audits were carried out in 2024, based on the focus areas in the Supplier Code of Conduct, which includes reviewing governance, environmental and social aspects. 15 of these audits were carried out on suppliers outside Sweden, of which 8 were in China. Results from the supplier audits have not given any indication of significant current

In accordance with the requirements made of companies that have operations in Norway, LKAB also publishes annually how it complies with the requirements of the Norwegian Transparency Act 2021-06-18-99 (Åpenhet-sloven – Lov om virksomhetens åpenhet og arbeid med grunnleggende menneskerettigheter og anstendige arbeidsforhold).

and/or potential negative impacts on governance, environmental or social aspects. In addition to these audits, various desk audits were carried out, including checks on sanctions, ownership and financial status.

- Ongoing dialogue with suppliers about our sustainability requirements in the supply chain.
- Participation in a local cooperation group in Kiruna against modern slavery and prostitution.
- The audit process within the Special Products business area was expanded and strengthened in respect of conflict minerals, including checklists from the Responsible Mining Initiative. Further checks are made to verify workers' age and recruitment channels, including through worker interviews. To provide assurance that the updated process is effective, an audit was carried out on a tungsten supplier in China. The audit included visits to the supplier's smelter and mine to confirm that the supplier complies with its responsibility to respect human rights and not contribute to negative impacts.

Affected communities

Material sustainability topics

- Community engagement
- Dialogue with stakeholders (see also section Stakeholder dialogue on pages 75–77)
- Financial strength (economic value distributed)

LKAB's operations and its planned development and transformation significantly impact our local communities and traditional land use for reindeer husbandry.

By working in accordance with the consideration hierarchy and in dialogue with those affected, we can minimise our negative impacts and create added value for our local communities.



Through our work on the material topic *Community engagement* we are contributing to achieving UN Sustainable Development Goals 11 and 17.

Link to strategic risk

- Risk of insufficient social and legal acceptance
- Risk of inefficient and unsound permitting processes
- Risk of negative environmental impact
- Financial risk
- Risk of insufficient mineral reserves/mineral resources
- Market risk
- Risk of not being sufficiently competitive

Read more about LKAB's risk management on pages 45–54.

Governance

The work is governed by laws and regulations and by LKAB's guidelines on land use and human rights, among other things. As of 2016 the company also has a compensation model for property purchases, which governs work relating to land use and urban transformation. Read more about LKAB's governance, Code of Conduct, policies, guidelines and principles on page 59.

Read about LKAB's emissions to air and water on pages 87–89.

Areas and actions

Land impacts and deformation boundaries

Control and monitoring of land impacts and deformation boundaries are regulated by conditions in the environmental permits. Measurements of ground movements are mainly taken using GPS measurement rods placed around the communities in Kiruna and Gällivare. Based on these measurements, forecasts are made of when LKAB will need to have access to different land areas, as shown in LKAB's timetables for purchase and relocation. For those households impacted the effects have resulted in them having to relocate and in conjunction with this, depending on the type of housing and agreement, some have been prioritised for vacant apartments and offered relocation expenses in accordance with LKAB's compensation principles. In some cases this has involved LKAB using its own property portfolio to provide extra assistance to those in particular need. A review of documentation and methods is being conducted in order to estimate future deformation from the mining in Kiruna.

Ground vibrations from blasting, seismic activity and atmospheric shock waves are measured continuously by online monitoring equipment at the operating locations of Kiruna, Gällivare, Svappavaara and Masugnsbyn, and through vibration measurement in Narvik. In eastern Malmberget, repeated vibrations above permitted values occurred as a result of seismic activity in September 2024. In conjunction with this LKAB has now begun to review the conditions for a phase-out, in close dialogue with the municipality and the residents in the area. There are around a hundred property owners here that would be affected by a possible phase-out. In addition, the vibration limit for the operations in Narvik was exceeded in 2024, where work is being done to reduce the number of vibration incidents that exceed the limit values.

During the third quarter LKAB and Kiruna Municipality began a dialogue on replacement of six buildings and

facilities that are outside the calculated impact area for mining operations in Kiruna. The background to the dialogue is that damage has occurred to five of these six critical infrastructure buildings in recent years and that LKAB wants to provide Kiruna Municipality with good conditions to plan for the replacement of these buildings. The six critical infrastructure buildings are the district heating plant, the water tower, the sports hall, two schools and a senior residence. All are larger buildings that require lengthy planning and construction time to replace. That LKAB plans to acquire them before the impact area is updated saves time and creates opportunities for both LKAB and the municipality. Smaller buildings, such as individual private homes, are not prematurely affected in the same way as some of the large concrete buildings.

Urban transformation in Kiruna, Malmberget and Gällivare

Urban transformation in the operating locations is being carried out on the basis of continued mining and makes great demands of LKAB's ability to cooperate with interested parties and other stakeholders such as municipalities, authorities, businesses and residents. High demands are also placed on the affected municipalities. Through various agreements LKAB contributes both financial and personnel resources to the municipalities. In those operating locations where people and communities are being relocated LKAB has its own dedicated Urban Transformation organisation, which is part of the Community Development unit. The Community Development unit is also responsible for coordinating LKAB's community contacts.

The extensive changes in the communities in recent years as a result of the mining in Kiruna and Malmberget have taken place gradually. The majority of residents are

affected in some way. LKAB takes responsibility for the impact that the mining has by compensating those who have to relocate and making it easier for them. The development of attractive operating locations in partnership with residents, municipalities and local businesses is a key part of LKAB's strategy.

The mining and LKAB's investments for the future require long planning horizons and access to both the land that is impacted and the land that is needed to be able to replace and build new. This access is ensured through the applicable environmental permits and agreements with municipalities and property owners. Once zoning plans have been changed to indicate industrial land in accordance with agreements and municipal decisions, we can apply for and be given the necessary permits for mining with land being allocated by Bergsstaten (the Mining Inspectorate of Sweden).

Milestones in Kiruna

In Kiruna progress was made on the urban transformation, which continues to be in an intensive phase. To facilitate relocation to the development areas, Kiruna's new city centre is a priority area. Here LKAB is working to carry out various important projects for the construction of new homes, office premises, retail space and other community functions.

- In April LKAB's Board of Directors approved an additional payment of MSEK 227 to Kiruna Municipality for unforeseen costs in connection with the urban transformation. To date, LKAB has provided Kiruna Municipality with around SEK 5 billion in financial compensation and properties worth around SEK 2.5 billion. The agreement on compensation also includes a pool for unforeseen expenses totalling MSEK 350.
- On 16 April 2024 the new police station in Kiruna was officially opened. As the former police station in Kiruna was affected by LKAB's mining operations, this gave the property owner an opportunity to create modern

premises that are fit for purpose and that meet the Swedish Police Authority's operational needs both now and in the future. The opening of the police station helps to increase security and create confidence in the future.

- By the end of 2024 LKAB had acquired properties from 13 out of a total of 14 housing cooperatives that are within the impact area of the mine.
- Since its official opening on 1 September 2022 a total of 100 businesses have become established in Kiruna city centre, of which 86 have come from the impact area of the mine.
- The project in block 6 also progressed during the year. Here LKAB is constructing a large commercial building containing a hotel, retail and restaurant spaces and an office. During the year a separate housing project with 54 apartments was also started in the block, which will be completed by the end of 2025.
- The project's portfolio of residential properties accords with current needs in terms of the pace of the phase-out work. However, LKAB still sees a need for a continual and long-term realisation of more residential projects and is working strategically to drive development faster than the phase-out and to encourage Kiruna Municipality to work in partnership with LKAB to achieve this objective.
- During the year LKAB delivered just over 500 newly constructed homes to LKAB Fastigheter.
- Five projects are progressing according to plan in the New Kiruna City Centre, adding just over 500 homes.
- During the year two stages of extensive phase-out work took place in Kiruna's old city centre, where the Ort drivaren district makes up a large part of what has been phased out.
- LKAB worked further on the project to move Kiruna's church. Preparatory work is being carried out at its existing site, a moving route is being prepared and arrangements are being made at the former industrial site where the church is to be located next to the new city centre.



- In April 2024 Kiruna Municipality approved Region Norrbotten's planning decision application for the location of the new hospital. The hospital will be built directly next to Kiruna city centre. The planning agreement between the parties was also signed during the year, which means that work on the zoning plan has begun.

Milestones in Malmberget and Gällivare

The urban transformation in Malmberget and Gällivare has been in an intensive phase in recent years. New residential areas have been built and various new municipal buildings have been taken into use. The future townscape of Gällivare has begun to take shape. In 2016 LKAB signed an agreement with Gällivare regarding compensation for municipal buildings in the area that would be impacted by the mining. This agree-

ment made it possible to build new, modern structures such as the new Kunskapshuset upper secondary school, the new sports arena and the new multi-activity arena.

At the end of September several major seismic events occurred in the mine in Malmberget, Gällivare. LKAB interprets these events as indicating that a phase-out of the eastern Malmberget area must be considered. Dialogue with the relevant authorities has been initiated to clarify how LKAB needs to act in order to meet the requirement to work towards phase-out in accordance with the environmental permit. On 18 October the County Administrative Board announced that it shares the interpretation that LKAB should work towards phase-out of the housing in eastern Malmberget. LKAB is now engaging in further dialogue with property owners, Gällivare Municipality, Bergsstaten (the Mining Inspec-

torate of Sweden) and the County Administrative Board. Since 2022 LKAB has offered residents in eastern Malmberget the opportunity to sell their properties at market value in Gällivare, to enable relocation for those who wish it. In December 2024 LKAB announced that residents of eastern Malmberget will be compensated in accordance with LKAB's compensation principles. This means that residents who wish to sell their property can choose between a new equivalent home or a sum of money corresponding to the market value plus 25 percent. LKAB has a good dialogue with Gällivare Municipality aimed at jointly resolving the issue of the supply of buildable land, and work to contact the owners of the 108 properties affected has been started.

In addition to the municipal buildings, at the end of 2024 LKAB had acquired and entered into agreements with property owners making up 98 percent of the properties within the phase-out areas in Malmberget. Of these properties, 98 percent have been vacated and have either been demolished or are in the process of being demolished. To compensate, over these years LKAB has built a total of 1,839 homes in Gällivare and Koskullskulle, spread across a mix of apartment blocks and individual houses, with LKAB having accounted for 1,331 of these homes. Within ongoing projects being built by LKAB, 98 homes will be produced. These homes include residential construction in the following projects:

- 12 buildings containing a total of 40 apartments have been moved to Nuolajärvi. Renovation work is in progress and is expected to be completed in 2025. The project encompasses more buildings, with further relocations scheduled for the coming years.
- Gladan and the apartment buildings in Nuolajärvi have been handed over and move-in is taking place.
- On 20 November 2024 a new grocery store was opened at Repisvaara in Gällivare. The property, which was built by LKAB as part of the urban transformation, marks Repisvaara's first official grocery store. The store is not

only expected to make life easier for those who live in the area, but also to become a meeting place that strengthens the local community. Next to the store there is also parking with electric car chargers, produced jointly with Vattenfall.

Reimbursement for additional personnel costs

In March LKAB signed new agreements with the municipalities in Kiruna and Gällivare regarding additional personnel costs. The agreements aim to compensate the municipalities for the additional personnel costs incurred as a result of the ongoing urban transformation.

Over the years LKAB has compensated the municipalities in Kiruna and Gällivare annually for the additional costs incurred as a result of the transformation process. These costs include increased staffing requirements for planning and permitting processes. The new agreements mean that LKAB will continue to compensate the municipalities for these additional costs. The agreements signed encompassed total compensation of MSEK 40 for 2024.

With these agreements LKAB has compensated Kiruna Municipality with a total of around MSEK 412 and Gällivare Municipality with a total of around MSEK 216 for additional personnel costs related to the urban transformation.

Approach and measures taken to prevent negative consequences of resettlement for those affected

For affected tenants within LKAB's own housing portfolio, LKAB Fastigheter conducts the dialogue. LKAB Fastigheter provides information to its own tenants with the aim of giving plenty of notice by starting the dialogue five years before they will need to move. The resettlements are managed based on the tenants' own preferences, with tenants being resettled in newly constructed housing or within existing housing stock. Existing compensation rules provide for an extended period of staged rent increases over seven years, with full rent being paid by

the tenant from the ninth year. LKAB works to ensure that private property owners – both private individuals and companies – and municipal housing companies will offer replacement housing where functional replacement has been agreed. Their tenants are also covered by compensation for staged rent increases. In the case of other interested parties, i.e. those living in co-op apartments

and individual family houses, an offer is made in accordance with the compensation rules (monetary compensation or functional replacement). Under the compensation rules there are special relocation efforts for affected businesses, where LKAB works closely with the municipal property companies, LKAB Fastigheter and other private property owners.

Some examples of engagement in 2024:

- LKAB is the largest financier of the association Kiruna växer (Kiruna is growing). Initiatives within this framework have included the development of Luossavaarabacken and Kultura Kiruna.
- Following information that the Kiruna Festival and the Snow Festival were threatened with closure, LKAB decided to increase its support further during the year. This was based on the importance of these events to the community.
- In Svappavaara LKAB is a long-term sponsor and is actively involved in the homecoming celebration called Svappavaara Day and the Kopparajden ski competition.
- To create a more attractive Svappavaara, LKAB is part of a development group together with residents of Svappavaara. Initiatives within this framework include developing Vargbacken into a natural meeting place for Svappavaara residents.
- In Gällivare LKAB is involved in the trade association Gällivare Näringsliv and in Medskapandebyrån, which aims to develop local places together with other actors in society. LKAB has also sponsored the establishment of an e-sports centre for young people. In addition, LKAB sponsors a number of sports and cultural events.
- 2025 sees the 20th anniversary of the school programmes oriented towards LKAB. Students can apply for a place on an upper secondary school programme oriented towards LKAB's activities in various subject areas. There are two coordinators for the LKAB-oriented courses in each location (Kiruna and Gällivare/Malmberget respectively). The students are guaranteed a summer job and students under the age of 18 get a paid summer internship.
- During the year LKAB became a sponsor of an activity park that is being developed in central Narvik with the aim of becoming a new meeting place for people of all ages in Narvik as well as providing a recreation area and leisure activities for children and young people.
- Regionally, LKAB supports Ung Företagsamhet (Young Entrepreneurs), which gives upper secondary school students the opportunity to try running their own enterprise.
- In March it was announced that LKAB is supporting a Norrbotten model for elite athletes. The initiative involves a centre of excellence for elite sports at Luleå University of Technology, which aims to strengthen the opportunities for a "dual career" as an elite athlete in Norrbotten.

LKAB has largely been able to reach agreements on the acquisition of properties; LKAB owns 94 percent of the affected land area in Kiruna and 98 percent of the affected land area in Malmberget.

Sponsorship and engagement

In 2024 LKAB sponsored around 100 clubs and public activities in order to contribute to attractive communities in the company's operating locations. In addition, LKAB engages with local businesses and is committed to attractive communities in the locations where we operate.

Cooperation regarding impacts on affected communities

LKAB strives to include the affected stakeholders in the company's operations and development and to find solutions in consensus to ensure, among other things, the access to land and legally sound permitting processes required for LKAB's future. The dialogue with affected stakeholders linked to the urban transformation in Kiruna, Malmberget and Gällivare has through the years been very important for taking people's views into consideration and adapting the efforts. LKAB works to maintain a respectful and open dialogue concerning both day-to-day operations as well as changes and unforeseen events. Dialogue meetings at a strategic level with municipalities affected by the urban transformation have been held at least monthly.

In Malmberget a meeting for the public and two meetings for local residents regarding local environmental impacts and impacts on the surrounding area were held. In conjunction with these meetings, information was also provided on the status of existing operations and what is happening in the various transformation projects, combined with study visits to the industrial site in Vitafors. Oral preparatory proceedings and inspections took place with courts and authorities within the framework

of the Malmberget review. One of these occasions focused on LKAB's impact on the local community, with local residents being invited to participate.

In Kiruna a dialogue meeting was held with the public in December. Consultation meetings were held with those particularly affected (interested parties and organisations) regarding water activities at ventilation shafts for investigation of the Per Geijer deposit. Themed follow-up consultation meetings were held with authorities within the framework of the Kiruna review. Two dialogue meetings were held with residents in Svappavaara.

In November and December LKAB commissioned NOVUS to carry out a sustainability survey for residents in Kiruna, Svappavaara and Gällivare/Malmberget. The aim is to identify/validate which sustainability topics the local communities at LKAB's mining locations consider most important. The survey also gathers views on risks and opportunities for LKAB. The documentation will be used as a basis for the governance of LKAB, together with risk assessments and business intelligence analysis.

Further consultations were held during the year within the framework of the permit review for the industrial park in Luleå. The application was submitted in December 2024.

Cooperation with Sámi communities

The Sámi people and Sámi communities have a special position as a stakeholder group due to their status as indigenous peoples. LKAB has established cooperation agreements with the Sámi communities that have reindeer pastures adjacent to areas where LKAB operates or is planning future mining activities. The agreements provide a basis for the forums and ways of working required for sharing information, making decisions and engaging in ongoing dialogue. They are based on the principle of Free Prior and Informed Consent (FPIC) as expressed in international law on the rights of indigenous peoples.

The agreements form a framework for the forums and working methods that are needed for sharing information, decision-making and ongoing consultation. They are built on reciprocity and respect, and aim to put everyone in a better position to reach agreement and find solutions on different issues. The model is an agreed way of working to provide and receive information at an early stage. When scheduling meetings consideration is given to the reindeer husbandry year, and the current matters for discussion are proposed by LKAB and the Sámi communities.

Meetings with the Sámi communities affected by the mining activities in Kiruna and Svappavaara were not held in accordance with the cooperation agreements during the year, as the Sámi communities highlighted shortcomings in compliance with the agreements. Dialogue continued during the year with the aim of resuming cooperation in accordance with the agreements. In parallel, the research study evaluating the cooperation agreements continued in cooperation with the affected Sámi communities. Well-functioning dialogue with the Sámi communities is of the utmost importance for LKAB and this work has a high priority.

Agreed cooperation with the Sámi communities in respect of the mining activities in Gällivare/Malmberget has proceeded according to agreed principles and during the year had a strong focus on the additional operations arising in connection with LKAB's first steps in the transformation. Consequential activities, such as the ongoing planning of new power lines, are further increasing the pressure in terms of both administration and the number of meetings at which representatives of the Sámi communities are expected to participate.

For more information about LKAB's dialogue with stakeholders see pages 75–77.

The local community's attitude to LKAB

Surveys conducted in the autumn of 2024 show that LKAB enjoys a high level of trust in our operating locations.

Kiruna: 74 percent of Kiruna residents have a high level of trust in LKAB.

Gällivare: 83 percent of Gällivare residents have a high level of trust in LKAB.

Luleå: 92 percent of Luleå residents have a high level of trust in LKAB.

Narvik: 63 percent of Narvik residents have a high level of trust in LKAB.

Noise and dust emissions

Noise measurements are taken annually at a number of measurement points at all the operating locations in accordance with the Swedish Environmental Protection Agency's guidelines for immission measurement of external industrial noise. The noise limit was exceeded in Narvik in 2024 and noise-damping measures are planned for 2025.

LKAB's operations give rise to dust emissions which in some cases are perceived as a nuisance for those who live and work in the vicinity of our operations. LKAB conducts continuous monitoring in the surrounding areas and takes appropriate measures to minimise dust emissions. Read more in the section on environmental impacts on pages 87–89.

Views and complaints

LKAB receives community- and environment-related views and complaints by post, email or phone. All cases and incidents are addressed, with feedback provided on an ongoing basis. Follow-up is carried out primarily by the organisation affected and responsible – for example, by the environmental department or the department for urban transformation. Depending on the nature of the incidents, they are reported to the supervisory authority and followed up through formal information exchange.

Whistleblowing

LKAB has a whistleblowing channel that is open to both internal and external parties. Reports can be made with full anonymity.

Consultation on changes

Changes in the operations usually require a permit or notification in accordance with the Environmental Code or the Minerals Act, where, among other things, proposals for protective measures are developed. This procedure includes a consultation process in which those particularly affected are given an opportunity to comment on the change, and LKAB is required to explain how the views have been taken into account in the review. Generally, consultation meetings are also held with those particularly affected and with the general public.

Follow-up measures for views received

Dialogue takes place with affected stakeholders in order to follow up actions and their effect. Measurements are taken and actions are followed up, primarily within the framework of the operations' self-monitoring activities. Actions and activities are planned and implemented on an ongoing basis.



Financial strength

LKAB's business is capital-intensive and has a significant economic impact on our stakeholders such as suppliers, employees, partners and our owner, the Swedish state. Additionally, LKAB has a major impact on the communities where mining takes place, and therefore has a significant responsibility and substantial financial commitments for remediation and the ongoing urban transformation in Kiruna and Gällivare. A strong financial position is crucial for ensuring that the company can fulfil its commitments.

Thanks to many years of good profitability and strong cash flows, LKAB has been able to offer secure jobs and build up a strong financial position. Significant amounts of dividends and corporate taxes have been paid to the Swedish state over the years, including around SEK 40 billion in dividends in the last five years alone. LKAB's profitability has also enabled investments in research, infrastructure and the urban transformations. Another important area is the investments that are made to make the operating locations attractive to live in. Read more about LKAB's financing, governance and green bonds on page 55.

Joint projects

- During the year dialogue was also initiated with further Sámi communities, based primarily on traffic and logistics aspects associated with the Iron Ore Line and the E10 highway. This work will continue in the future in order to design a cooperation model for Sámi communities that are not directly affected by the mining operations but are affected by secondary and cumulative effects from logistics operations and commuter traffic. Other industrial actors in Gällivare Municipality will probably also be involved in these efforts. In addition to this initiative, there is also a cohesive municipal forum for all the Sámi communities in Gällivare Municipality where they are invited to participate in dialogue and mutual updates together with the major industrial actors in the municipality. LKAB participates in this forum, which is convened by Gällivare Municipality.
- Questions have also been raised as to whether LKAB has disregarded human rights (protection of property) as a result of the substantial number of collisions with reindeer along the Iron Ore Line. An external review is being carried out in cooperation with the Sámi communities affected.
- LKAB is financing a needs assessment relating to increased resources for the Sámi communities of Laevas and Gabna in order to be able to participate actively in cooperation with LKAB. To enable the Sámi communities to participate in planning processes and consultations, LKAB is co-financing the project Min Odda Giron – Vårt Nya Kiruna, which is owned by the Sámi communities of Laevas and Gabna.
- LKAB wants to help enable functioning and sustainable reindeer husbandry to be conducted in the vicinity of the railway and has therefore initiated a first project linked to improving the Iron Ore Line in respect of the needs of reindeer husbandry. The project is being carried out in cooperation with the affected Sámi communities and the Swedish Transport Administration. Actions being investigated, evaluated or implemented are fencing measures, other measures to avoid reindeer going onto the tracks and fauna passages.
- The cooperation project "Safe and sustainable transport in reindeer husbandry areas" carried out together with Sattajärvi Sámi community, among others, was completed with good results at the beginning of 2024. The project is now going further through a continuation project "Safe, sustainable transport in reindeer husbandry areas 2.0" in order to continue developing working methods and technology for reducing reindeer collisions. In the first part of the project the number of accidents involving reindeer was reduced by around 40–60 percent. The reduction for the period from October to December is about 60–90 percent. The project also includes Kaunis Iron, Boliden, Volvo Trucks, the Swedish Transport Administration, Luleå University of Technology (LTU) and LTU Business. The project is funded by Sweden's innovation agency Vinnova, the Swedish Energy Agency and the government research council for sustainable development Formas, through the strategic innovation programme Swedish Mining Innovation.

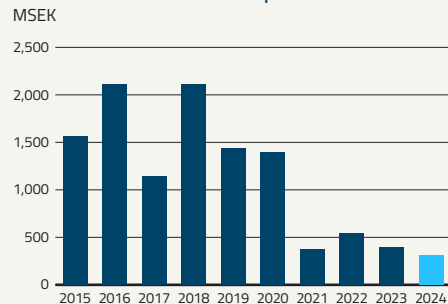
Grievances filed for Kiruna, Gällivare, Svappavaara and Narvik

2024

Grievances filed, environmental	
Total number of complaints raised regarding environmental impacts	80
Number of complaints addressed during the period	79
Number of complaints resolved during the period	80
Number of previous complaints resolved during the period	4
Grievances filed, social impacts ¹⁾	
Total number of claims filed during the period	70
Number of claims addressed during the period	63
Number of claims accepted during the period	0
Number of claims rejected during the period	5
Number of previous claims accepted during the period	0
Number of previous claims rejected during the period	1
Grievances filed, urban transformation	
Total number of grievances raised during the period	11
Number of grievances addressed during the period	11
Number of grievances resolved during the period	11
Grievances filed via the whistleblower system SpeakUp ²⁾	
Total number of complaints	36
Number of complaints addressed/dealt with during the period	7

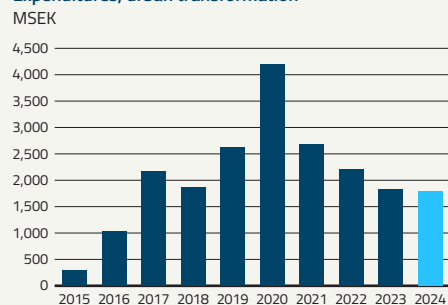
¹⁾ Claims filed are included in the number of environmental grievances filed.
²⁾ Of the grievances filed via SpeakUp, seven were classified as whistleblower cases as defined by law. These fall within the category of corruption and arbitrary conduct. All have been dealt with (investigated/concluded). Grievances filed via SpeakUp are reported to the Board's Finance and Audit Committee, which in turn informs the Board. The other 29 grievances have been addressed and dealt with by the function concerned.

Costs for urban transformation provisions



As at 31 December, provisions for urban transformation amounted to MSEK 13,956 (11,608). For more information see Note 32 Urban transformation.

Expenditures, urban transformation



Since 2006 LKAB has paid out MSEK 17,332 from provisions in respect of urban transformation. For more information see Note 32 Urban transformation.

Resettlement, dwellings and residents

Number of households resettled in 2024 (total)	334 (33)
--	----------

Economic value distributed 2024

Economic value distributed (MSEK)	
Suppliers excl. sponsorship	16,924
Sponsorship activities	43
Employees	5,301
Urban transformation payments	1,743
Shareholders	7,600
Taxes	2,141
Total value distributed	33,753
Distributed to suppliers incl. sponsorship (MSEK)	
Materials etc.	3,765
Energy	2,600
Transport	927
Other operating expenses	9,671
Board fees	4
Total distributed to suppliers	16,967
Distributed taxes by country (MSEK)	
Sweden	2,023
Norway	31
Rest of World	88
Total distributed to tax	2,141
Sponsorship activities distributed (MSEK)	
Northern Sweden and Norway	43
Rest of World	0
Total sponsorship activities distributed	43

Business conduct

Material sustainability topics

- Sustainable value chains (business ethics)

High levels of business ethics and a professional approach create trust in LKAB, which in turn lays the foundations for successful operations. LKAB is both a supplier to and a customer of various sectors. Certain geographical regions, goods and segments are associated with greater sustainability risks, including as regards corruption, which is an obstacle to sustainable development. Internationally, corruption risks within the mining sector are substantial, requiring a high level of awareness as well as effective and continually updated anti-corruption efforts.



Through our work on the material topic *Community engagement* we are contributing to achieving UN Sustainable Development Goals 11 and 17.

Link to strategic risk

- Market risk
- Risk of insufficient social and legal acceptance

Read more about LKAB's risk management on pages 45–54.

Governance

LKAB's business is to be run with great integrity and the company must act in a professional, businesslike and impartial manner in its relations with business partners. The aim is to work with business partners that set an example in corporate sustainability, which also reduces business risk and contributes to cost savings.

To set an example in industry and in society demands systematic and preventive efforts in the areas of anti-corruption and business ethics. This work is governed by the Group's Code of Conduct, the Group's Anti-corruption Guideline and the Supplier Code of Conduct. Risks of corruption and improper conduct are assessed as part of the company's overall risk management, encompassing risk assessments, transparent systems and clear monitoring. There is continuous work within the organisation to raise the level of awareness among employees and in particularly affected functions.

For information on governance, policies and guidelines see page 59.

Areas and actions

Systematic anti-corruption efforts

The systematic efforts to prevent, discover, investigate and take action in the event of corruption or bribery allegations are based on the Group's Anti-corruption Guideline and include employee training as well as systems and procedures for purchasing and procurement. Concerns are raised through the Group's whistleblowing system, SpeakUp. Read more on page 108.

Preventive anti-corruption efforts form part of LKAB's overall risk work. The guideline is communicated

through a mandatory half-day training course for employees who hold roles assessed as having a greater risk of being exposed to corruption risks. The definition of risk positions within the Group is in progress. At the end of the year 54 people out of a total of 69 involved in the Iron Ore and Special Products business areas had completed the training. In 2024 special anti-corruption training was also provided for all employees in the Group. The training was sent out by email and included a total of six training modules. The training concept is based on



Preventive anti-corruption efforts include a mandatory half-day training course for LKAB employees who have been assessed as having a greater risk of being exposed to corruption risks.

the principle of nano-learning, which involves mini-lessons with short and focused training on a topic and enables both effective delivery and learning of important knowledge. At the end of the year 49 percent of the Group's employees had completed all six lessons. A total of 21 percent of employees had started but not yet completed the training modules. The training in the Code of Conduct also covers corruption matters at a general level.

LKAB has established systems and procedures for purchasing and procurement. According to the Supplier Code of Conduct, suppliers must take preventive anti-corruption measures. Based on risk assessments, sustainability audits are carried out at suppliers in countries and industries with high corruption and sustainability risks, as well as at suppliers with which LKAB will cooperate for a long time.

Whistleblower system

LKAB's whistleblower system is called SpeakUp and is available to both internal and external users. Reports can be made anonymously by phone or email in several languages. Responsibility for the system lies with the company's General Counsel. The Accounting and Finance department is responsible for investigating concerns raised. Suspected cases of corruption are examined according to the same procedures as the examination of other concerns raised via LKAB's whistleblower channels. If necessary, external expertise is also brought in from an audit firm.

LKAB's Ethics Committee has an advisory function and is responsible for procedures, calibration and evaluation of the whistleblower system. The members of the Ethics Committee are the CFO, General Counsel and the SVP HR and Communications. The Committee meets

regularly and monitors the company's processes and handling of corruption concerns and other whistleblower concerns. At each meeting with the Board's Finance and Audit Committee, the CFO reports on whistleblower concerns raised (anonymised). The chair of the Finance and Audit Committee then reports the main points from the Committee's meeting, including whistleblower concerns, at the subsequent Board meeting.

Within the whistleblower system there are separate whistleblower channels for LKAB's subsidiaries with 50 or more employees.

Instead of choosing to report in LKAB's internal reporting channel, a person who wishes to make a report of misconduct in the public interest in accordance with the Whistleblower Act can report to the authority designated by the government. LKAB provides information on the company's website about which authorities are con-

cerned. An individual who, in good faith, has reported misconduct in the public interest is protected against repercussions under Sweden's Whistleblowing Act.

Business ethics and anti-corruption	2024
Percentage of higher-risk positions included in anti-corruption training	78.3
Number of higher-risk positions	69
Number of higher-risk positions that completed training	54

Confirmed incidents of corruption or bribery

Corruption

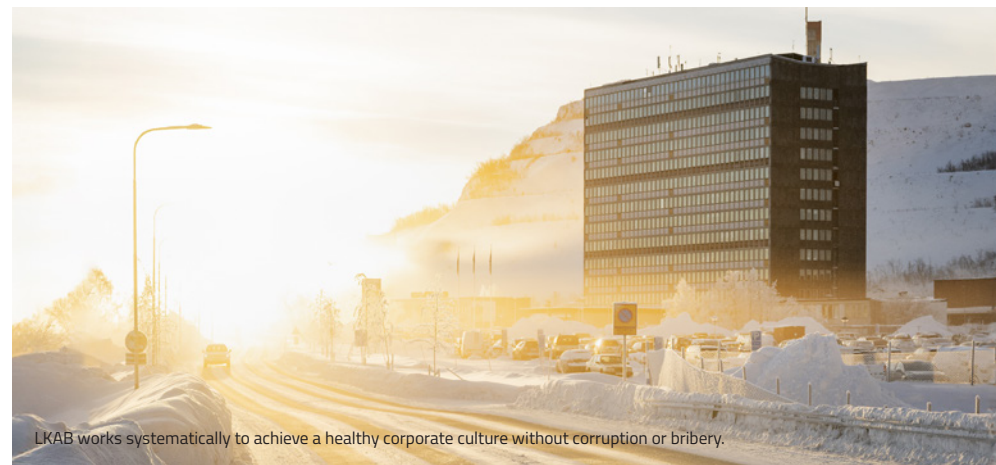
Incidents where an employee has used their position for personal gain

- 2024: 5 incidents (2023: 4 incidents).
- Two of the reports were investigated. None of the investigations resulted in the occurrence of corruption being confirmed.
- The other three reports were not able to be investigated because the details were far too scant. Supplementary information was requested but not provided.

Arbitrary conduct

Incidents with consequences for an employee under labour law because of breach of the contract of employment

- 2024: 4 incidents (2023: 0 incidents) of theft and fraud.
- Four of the reports were investigated.
- Three of the investigations resulted in the occurrence of arbitrary conduct being confirmed.



LKAB works systematically to achieve a healthy corporate culture without corruption or bribery.

Reporting according to the EU Taxonomy Regulation

Since the mining industry is not yet included as a sector in the EU Taxonomy Regulation, only small parts of LKAB's operations within logistics, real estate and recycling of residual products are eligible for the Taxonomy. The percentages of the Group's economic activities in 2024 that are Taxonomy-eligible and Taxonomy-aligned under the EU's Taxonomy Regulation are shown in the tables on the following pages.

Reporting for the 2024 financial year covers both Taxonomy-eligible and Taxonomy-aligned activities for all six environmental objectives in the EU Taxonomy. In order for a particular economic activity to be classed as environmentally sustainable by LKAB it must make a substantial contribution to one or more of the Taxonomy-defined environmental objectives, must not significantly harm any of the other objectives and must comply with minimum safeguards for sustainability.

LKAB's Code of Conduct is based on recognised declarations and conventions such as the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, UNICEF's Children's Rights and Business Principles, and the Code to Prevent Corruption in Business (the Business Code). LKAB is also a member of the UN Global Compact since 2019 and of Transparency International since 2020. The principles of the Global Compact cover areas such as human rights, labour and anti-corruption. By being a signatory to the Global Compact, LKAB aims to ensure that impacts in the community and in suppliers' operations in high-risk countries do not have negative social impacts.

LKAB complies with the requirements of the UK Modern Slavery Act, which means that each year we publish a statement confirming that no forms of modern slavery, human trafficking, forced or slave labour occur within LKAB's operations or supply chain. For more information about our social sustainability efforts in areas such as

human rights, anti-corruption, tax and fair competition, see pages 100–109.

To assess whether an economic activity does significant harm to any of the Taxonomy-defined environmental objectives, each operation was analysed against the screening criteria given in Regulation (EU) 2021/2139. Risk assessment and scenario analysis were performed at an overall level based on the TCFD framework, and climate scenarios with a time horizon of 10–30 years were obtained from the Swedish Meteorological and Hydrological Institute (SMHI); see pages 52–53.

LKAB is following Svemin's biodiversity roadmap, with the aim that by 2030 the Group will contribute to a biodiversity net gain in the regions where we operate; see pages 90–92.

Analysis of which economic activities are Taxonomy-eligible was carried out on a company-by-company basis using definitions of sectors, in the first instance via the NACE codes, as described in the technical screening criteria. The proportion of Taxonomy-defined capital expenditure (CapEx) and operational expenditure (OpEx) has been analysed based on defined reporting standards and the costs defined in the Taxonomy Regulation.

Associated companies are not normally consolidated and therefore are not included in the Taxonomy reporting. LKAB's involvement in the associated companies HYBRIT Development AB and REEtec Holding AS are therefore not included.

When calculating Taxonomy-defined CapEx and OpEx the precautionary principle was applied, and only costs material to the operations were included. The same applies in cases where there are technical restrictions on the data that can be collected. Double-counting has been avoided by ensuring that only external sales and separate cost components were included in the totals for the relevant activities.

Turnover: External net sales according to IFRS 15 Revenue and the portion of other operating income that relates to rental income for properties in accordance with IFRS 16 Leases.

OpEx: Costs of development, maintenance and repair, renovation and other direct costs required to maintain the function of property, plant and equipment. This means that OpEx does not correspond to the LKAB Group's total operating expenses, but rather only – as mentioned above – expenditure associated with the asset's continuation and functioning as intended.

CapEx: Additions to intangible assets and property, plant and equipment before depreciation and amortisation, revaluations including impairment losses, with the exception of changes in fair value. The amounts include assets added through business combinations.

Ongoing investments relating to replacement properties that are to be handed over to interested parties upon completion are not included within Taxonomy-defined CapEx.

This year's amounts for CapEx do not include any financing via green bonds.

Nuclear energy and fossil gas related activities

Nuclear energy related activities

- | | |
|---|----|
| 1. The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle. | NO |
| 2. The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies. | NO |
| 3. The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades. | NO |

Fossil gas related activities

- | | |
|--|----|
| 4. The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels. | NO |
| 5. The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels. | NO |
| 6. The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels. | NO |

Turnover

Economic activities	2024		Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')							Minimum safeguards (17)	Taxonomy-aligned (A.1)/Taxonomy-eligible (A.2) proportion of turnover, 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
	Code(s) (2)	Turnover (3)	Proportion of turnover 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)					
	MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T		
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Materials recycling of non-hazardous waste	CCM 5.9	1,646	5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	Y	Y	4%	-	-	
Rail transport, freight	CCM 6.2	4	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	Y	Y	-	Y	0%	-	T	
Acquisition and ownership of buildings	CCM 7.7	45	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	Y	Y	0%	-	-	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,694	5%	5%	-	-	-	-	-	-	Y	-	Y	Y	Y	Y	4%			
Of which enabling activities		-	-	-	-	-	-	-	-	-	-	-	-	-	Y	-	-	E		
Of which transitional activities		4	0%	0%						-	Y	-	Y	Y	-	Y	0%		T	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL											
Rail transport, freight	CCM 6.2	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%			
Acquisition and ownership of buildings	CCM 7.7	230	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		230	1%	1%	-	-	-	-	-								0%			
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		1,924	6%	6%	-	-	-	-	-								5%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities		31,557	94%																	
TOTAL		33,481	100%																	

Y – Yes, the activity is Taxonomy-eligible and Taxonomy-aligned for the relevant environmental objective.
N – No, the activity is Taxonomy-eligible but not Taxonomy-aligned for the relevant environmental objective.
N/EL – Not eligible; the activity is not Taxonomy-eligible for the relevant environmental objective.
EL – Taxonomy-eligible activity for the relevant objective.
E – Enabling activity
T – Transitional activity
CCM – Climate change mitigation

OpEx

Economic activities	2024		Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')							Minimum safeguards (17)	Taxonomy-aligned (A.1)/Taxonomy-eligible (A.2) proportion of turnover, 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
	Code(s) (2)	OpEx (3)	Proportion of OpEx 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	%				
	Code(s) (2)	OpEx (3)	Proportion of OpEx 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1)/Taxonomy-eligible (A.2) proportion of turnover, 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)	
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Materials recycling of non-hazardous waste	CCM 5.9	45	1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	Y	Y	1%	-	-	
Rail transport, freight	CCM 6.2	293	4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	Y	Y	-	Y	4%	-	T	
Acquisition and ownership of buildings	CCM 7.7	2	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0%	-	-	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		339	5%	5%	-	-	-	-	-	-	Y	-	Y	Y	Y	Y	5%			
Of which enabling activities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	Y	-	E		
Of which transitional activities		293	4%	4%						-	Y	-	Y	Y	-	Y	4%		T	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL											
Rail transport, freight	CCM 6.2	15	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%			
Acquisition and ownership of buildings	CCM 7.7	53	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1%			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		69	1%	1%	-	-	-	-	-								1%			
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		408	5%	5%	-	-	-	-	-								6%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy-non-eligible activities		7,032	95%																	
TOTAL		7,441	100%																	

Y – Yes, the activity is Taxonomy-eligible and Taxonomy-aligned for the relevant environmental objective.
N – No, the activity is Taxonomy-eligible but not Taxonomy-aligned for the relevant environmental objective.
N/EL – Not eligible; the activity is not Taxonomy-eligible for the relevant environmental objective.
EL – Taxonomy-eligible activity for the relevant objective.
E – Enabling activity
T – Transitional activity
CCM – Climate change mitigation

CapEx

Economic activities	2024		Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')							Minimum safeguards (17)	Taxonomy-aligned (A.1)/Taxonomy-eligible (A.2) proportion of turnover, 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
	Code(s) (2)	CapEx (3)	Proportion of CapEx 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)					
	MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Materials recycling of non-hazardous waste	CCM 5.9	22	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	Y	Y	0%	-	-	
Rail transport, freight	CCM 6.2	57	1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	Y	Y	-	Y	1%	-	T	
Acquisition and ownership of buildings	CCM 7.7	0	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0%	-	-	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		79	1%	1%	-	-	-	-	-	-	Y	-	Y	Y	Y	Y	2%			
Of which enabling activities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	Y	-	E		
Of which transitional activities		57	1%	1%						-	Y	-	Y	Y	-	Y	1%		T	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL											
Rail transport, freight	CCM 6.2	261	5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4%			
Acquisition and ownership of buildings	CCM 7.7	466	8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								11%			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		727	13%	13%	-	-	-	-	-								15%			
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		806	14%	14%	-	-	-	-	-								17%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non-eligible activities		4,823	86%																	
TOTAL		5,629	100%																	

Y – Yes, the activity is Taxonomy-eligible and Taxonomy-aligned for the relevant environmental objective.
N – No, the activity is Taxonomy-eligible but not Taxonomy-aligned for the relevant environmental objective.
N/EL – Not eligible; the activity is not Taxonomy-eligible for the relevant environmental objective.
EL – Taxonomy-eligible activity for the relevant objective.
E – Enabling activity
T – Transitional activity
CCM – Climate change mitigation

GRI Index

Statement on application: LKAB has reported in accordance with the GRI Standards for the period 1 January 2024 to 31 December 2024.

GRI 1 applied: GRI 1: Foundation 2021.

Applicable GRI sector standard: Published in the first quarter of 2024, but has not been reported on because LKAB has been working to prepare for ESRS reporting from the 2025 financial year.

GRI Standard	Information	Location	Comments and omissions	
GRI 2: General Disclosures				
GRI 2: General Disclosures 2021	Organisational profile			
	2-1	Organisational details	2-3, 98-99	
	2-2	Entities included in the organisation's sustainability reporting	69, 136	
	2-3	Reporting period, frequency and contact point	2, 69, 190	
	2-4	Restatements of information	69	
	2-5	External assurance	69, 117, 170	
	Activities and employees			
	2-6	Activities, value chain and other business relationships	4-6, 38-40	
	2-7	Employees	98-99	No information provided about employees on zero-hours contracts.
	2-8	Workers who are not employees	99	
	Corporate governance			
	2-9	Corporate governance	58-63, 65-66	
	2-10	Nomination and selection of the highest governance body	60	
	2-11	Chairman of the Board	57-65	
	2-12	Role of the highest governance body in overseeing the management of impacts	61, 70	
	2-13	Delegation of responsibility for managing impacts	58, 70	
	2-14	Role of the highest governance body in sustainability reporting	60-61, 70-73	
	2-15	Conflicts of interest	60	
	2-16	Communication of critical concerns	105	
	2-17	Collective knowledge of the highest governance body	60	
	2-18	Evaluation of the performance of the highest governance body	62	
2-19	Remuneration policies	62, 140		
2-20	Process to determine remuneration	61-62		
2-21	Annual total compensation ratio	99, 141		

GRI Standard	Information	Location	Comments and omissions
GRI 2: General Disclosures			
	Strategy and policy		
	2-22	Statement on sustainable development strategy	8-11
	2-23	Policy commitments	41-42, 59, 70-73
	2-24	Embedding policy commitments	41-42, 70-73, 108-109
	2-25	Processes to remediate negative impacts	70-73, 75-77, 83, 87, 90, 93, 95, 97, 100, 102, 108-109
	2-26	Mechanisms for seeking advice and raising concerns	70-73, 108-109
	2-27	Compliance with laws and regulations	88
	2-28	Membership associations	82
	2-29	Stakeholder engagement	75-77, 105-106
	2-30	Collective bargaining agreements	96

GRI Standard	Information	Location	Comments and omissions
GRI 3: Material Topics 2021			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	74, 80
	3-2	Material topics	78-79
	3-3	Management of material topics	7, 10, 59, 70-73, 81
GRI 200: Economic Disclosures			
Economic performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	7, 10, 36-37, 55, 59, 107
GRI 201: Economic Performance 2016	201-1 + MM	Direct economic value generated and distributed	107
	201-3	Defined benefit plan obligations and other retirement plans	157-160
Indirect economic impacts			
GRI 3: Material Topics 2021	3-3	Management of material topics	59, 70-73
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	102-107
Anti-corruption			
GRI 3: Material Topics 2021	3-3	Management of material topics	59, 70-73, 108-109
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	109
GRI 300: Environmental Materials			
GRI 3: Material Topics 2021	3-3	Management of material topics	41-42, 59, 70-73, 93-94
GRI 301: Materials 2016	301-1	Materials used by weight or volume	94
Energy			
GRI 3: Material Topics 2021	3-3	Management of material topics	7, 10, 31, 42, 59, 70-73, 83, 85
GRI 302: Energy 2021	302-1	Energy consumption within the organisation	7, 10, 41-42, 85
	302-3	Energy intensity	7, 41-42, 85

GRI Standard	Information	Location	Comments and omissions
Biodiversity			
GRI 3: Material Topics 2021	3-3	Management of material topics	7, 10, 41-42, 59, 70-73, 90-92
GRI 304: Biodiversity 2016	304-2 + MM	Significant impacts of activities, products and services on biodiversity	41-42, 90-92
	MM2	Sites requiring biodiversity management plan	41-42, 90-92
Emissions to air			
GRI 3: Material Topics 2021	3-3	Management of material topics	7, 10, 41-42, 59, 70-73, 83-86
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	7, 10, 41-42, 84
	305-2	Energy indirect (Scope 2) GHG emissions	7, 10, 41-42, 84
	305-7 + MM	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions	88
Effluents and waste			
GRI 3: Material Topics 2021	3-3	Management of material topics	41-42, 59, 70-73, 87-94
GRI 306: Effluents and Waste 2020	306-3	Significant spills	89
	MM3	Total amounts of overburden, rock, tailings and sludges	94
Environmental Compliance			
GRI 3: Material Topics 2021	3-3	Management of material topics	41-42, 59, 70-73, 87-94
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	88
Supplier environmental assessment			
GRI 3: Material Topics 2021	3-3	Management of material topics	59, 70-73, 100-101
GRI 308: Supplier Environmental Assessment 2016	308-2	Negative environmental impacts in the supply chain and actions taken	100-101

GRI Standard	Information	Location	Comments and omissions
GRI 400: Social disclosures			
Employment			
GRI 3: Material Topics 2021	3-3	Management of material topics	32-33, 41-42, 59, 70-73, 95
GRI 401: Employment 2016	401-1	Employee turnover	99, 159
			No information is provided on employee turnover outside our operations in Sweden and Norway.
Labour/management relations			
GRI 3: Material Topics 2021	3-3	Management of material topics	59, 70-73, 95
GRI 402: Labour/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	97
Occupational health and safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	7, 10, 41-42, 59, 70-73, 95
GRI 403: Occupational Health and Safety 2018 + MM	403-2 + MM	Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	7, 10, 41-42, 97-99
Diversity and equal opportunity			
GRI 3: Material Topics 2021	3-3	Management of material topics	7, 10, 59-60, 70-73, 95-99
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	65-67, 95-99
Non-discrimination			
GRI 3: Material Topics 2021	3-3	Management of material topics	59, 70-73, 95
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	99
Rights of indigenous peoples			
GRI 3: Material Topics 2021	3-3	Management of material topics	59, 70-73, 102, 105-106
GRI 411: Rights of Indigenous Peoples 2016 + MM 5	411-1	Incidents of violations involving rights of indigenous peoples	105-106
	MM5	Operations in or adjacent to indigenous peoples' territories, and agreements with indigenous peoples	105-106

GRI Standard	Information	Location	Comments and omissions
Human rights assessment			
GRI 3: Material Topics 2021	3-3	Management of material topics	59, 70-73, 100-101
GRI 412: Human Rights 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	101
Supplier social assessment			
GRI 3: Material Topics 2021	3-3	Management of material topics	59, 70-73, 100-101
GRI 414: Supplier Social Assessment 2016	414-2	Negative social impacts in the supply chain and actions taken	101
Local communities			
GRI 3: Material Topics 2021	3-3	Management of material topics	32, 59, 70-73, 102
GRI 413: Local Communities 2016	413-2	Operations with significant actual and potential negative impacts on local communities	32, 102-107
Resettlement			
GRI 3: Material Topics 2021	3-3	Management of material topics	59, 70-73, 102
MM9	MM9	Households affected by resettlement, and effect on their livelihoods	107
Closure plan			
GRI 3: Material Topics 2021	3-3	Management of material topics	90-92
MM10	MM10	Operations with closure plans	92
Emergency preparedness			
GRI 3: Material Topics 2021	3-3	Management of material topics	59, 70-73, 95

Auditor's Limited Assurance Report on Luossavaara-Kiirunavaara AB:s Sustainability Report

To Luossavaara-Kiirunavaara AB, org. number 556001-5835

Introduction

We have been engaged by the Board of Directors of Luossavaara-Kiirunavaara AB ("LKAB") to undertake a limited assurance engagement of LKAB's Sustainability Report for the year 2024. The company has defined the scope of the Sustainability Report on page 2 in this document.

Responsibilities of the Board of Directors and the Chief Executive Officer for the Sustainability Report

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the Sustainability Report in accordance with the applicable criteria, which are explained on page 69 of the Sustainability Report and are the parts of the Sustainability Reporting Guidelines (published by The Global Reporting Initiative) which are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes such internal control as is relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the Auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed. Our engagement is limited to the historical information reported and thus does not include forward-looking information.

We conducted our limited assurance engagement in accordance with ISAE 3000 *Assurance engagements other than audits or reviews of financial information* (revised). A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other review procedures. The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement conducted in accordance with IAASB's Standards on Auditing and other generally accepted auditing standards in Sweden.

The firm applies International Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of LKAB in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our ethical responsibilities under these requirements.

Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have

been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance conclusion.

Our procedures are based on the criteria defined by the Board of Directors and the Chief Executive Officer as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report, is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and the Chief Executive Officer.

Stockholm, 27 March 2025

KPMG AB

Helena Arvidsson Älgne
Authorized Public Accountant

Torbjörn Westman
Expert Member of FAR

Contents – accounts

Financial statements – Group

Statement of income	119
Statement of comprehensive income	119
Statement of financial position	120
Statement of changes in equity	121
Statement of cash flows	122

Financial statements – Parent Company

Income statement	123
Balance sheet	124
Statement of changes in equity	125
Cash flow statement	126

Note 1 Significant accounting policies	127
Note 2 Segment reporting	136
Note 3 Revenue	138
Note 4 Acquisition of associates	138
Note 5 Other operating income	139
Note 6 Other operating expenses	139
Note 7 Employees, employee benefit expenses and remuneration of senior executives	139
Note 8 Auditors' fees and reimbursements	141
Note 9 Operating expenses by type	141
Note 10 Net financial income/expense	142
Note 11 Appropriations	143
Note 12 Taxes	143
Note 13 Earnings per share	145
Note 14 Intangible assets	146
Note 15 Property, plant and equipment for operations	147
Note 16 Property, plant and equipment for urban transformation	150
Note 17 Interests in associates and joint ventures	151
Note 18 Holdings in joint operations	151
Note 19 Parent Company's interests in associates and jointly controlled entities	152
Note 20 Receivables from Group companies and associates	152
Note 21 Financial investments	153
Note 22 Other non-current securities	153

Note 23 Non-current receivables and other receivables	153
Note 24 Inventories	154
Note 25 Accounts receivable	154
Note 26 Prepaid expenses and accrued income	155
Note 27 Equity	155
Note 28 Interest-bearing liabilities	156
Note 29 Non-current liabilities	156
Note 30 Pensions	157
Note 31 Provisions	160
Note 32 Urban transformation	162
Note 33 Accrued expenses and deferred income	162
Note 34 Fair value and classification of financial assets and liabilities	163
Note 35 Financial risks and risk management	165
Note 36 Leases	169
Note 37 Investment commitments	170
Note 38 Pledged assets and contingent liabilities	170
Note 39 Related parties	171
Note 40 Group companies	171
Note 41 Untaxed reserves	173
Note 42 Specifications for statement of cash flows	173
Note 43 Key ratios – disclosures	174
Note 44 Events after the closing date	175
Note 45 Proposed appropriation of earnings	175

Consolidated income statement

1 January – 31 December

MSEK	Note	2024	2023
	1		
Net sales	2, 3	33,146	42,923
Cost of goods sold ¹⁾	14, 15, 16, 32	-22,503	-23,895
Gross profit/loss		10,643	19,028
Selling expenses ¹⁾		-439	-420
Administrative expenses		-868	-815
Research and development expenses		-1,260	-1,523
Other operating income	5	1,179	491
Other operating expenses	6	-488	-452
Share of profit of joint ventures and associates		-45	-79
Operating profit/loss	2, 7, 8, 9	8,722	16,230
Financial income		2,549	3,220
Financial expense		-320	-292
Net financial income/expense	10	2,229	2,928
Profit/loss before tax		10,951	19,158
Tax	12	-2,178	-3,938
Profit/loss for the year		8,773	15,220
Profit for the year attributable to:			
Parent company shareholders	13	8,764	15,206
Non-controlling interests	13	9	14
Earnings per share before and after dilution (SEK)	13	12,519	21,723
Number of shares		700,000	700,000

¹⁾ A reclassification between cost of goods sold and selling expenses has taken place from 2024. Comparative figures have been adjusted to reflect the change; for 2023, selling expenses increase by MSEK 178 and the cost of goods sold decreases by the same amount.

Consolidated statement of comprehensive income

1 January – 31 December

MSEK	Note	2024	2023
Profit/loss for the year		8,773	15,220
Other comprehensive income			
Items that will not be reclassified to profit/loss for the year			
Remeasurement of defined-benefit pension plans		207	-323
Tax attributable to actuarial gains and losses		-43	67
Changes for the year in the fair value of equity instruments measured at fair value through other comprehensive income	26	-3,513	2,307
		-3,349	2,051
Items that have been or may be reclassified subsequently to profit or loss for the year			
Translation differences on translation of foreign operations for the year	26	115	-193
Remeasurement relating to high inflation		6	-
Changes in fair value of cash flow hedges for the year	26	-3	2
Changes in fair value of cash flow hedges reclassified to profit or loss for the year	26	-2	4
Tax attributable to components of cash flow hedges	26	1	-1
Total items that may be reclassified subsequently to profit or loss for the year		117	-188
Other comprehensive income for the year		-3,232	1,863
Comprehensive income for the year		5,541	17,083
Comprehensive income for the year attributable to:			
Parent company shareholders		5,532	17,070
Non-controlling interests		9	14

Consolidated statement of financial position

1 January – 31 December

MSEK	Note	31 Dec 2024	31 Dec 2023
Assets	1, 18, 34, 35, 36, 37, 39		
Non-current assets			
Intangible assets	14	2,423	2,425
Property, plant and equipment for operations	15	38,048	35,615
Property, plant and equipment for urban transformation	16	14,370	10,678
Interests in associates and joint ventures	17	777	669
Financial investments	21	5,237	8,758
Non-current receivables		2	2
Deferred tax assets	12	2	5
Total non-current assets		60,859	58,152
Current assets			
Inventories	24	8,193	6,755
Accounts receivable	3, 25	3,653	3,420
Prepaid expenses and accrued income	26	807	517
Other current receivables	3, 23	2,709	2,283
Current investments	21, 42	25,823	31,249
Cash and cash equivalents	42	4,816	4,572
Total current assets		46,001	48,796
Total assets		106,860	106,948

1 January – 31 December

MSEK	Note	31 Dec 2024	31 Dec 2023
Equity and liabilities			
Equity	27, 45		
Share capital		700	700
Reserves		1,500	4,908
Profit brought forward including profit for the year		76,531	75,199
Equity attributable to Parent Company shareholders		78,731	80,807
Non-controlling interests		64	54
Total equity		78,795	80,861
Non-current liabilities			
Non-current interest-bearing liabilities	28	282	2,410
Other non-current liabilities		56	56
Provisions for pensions and similar commitments	30	765	1,170
Provisions for urban transformation, long-term portion	31, 32	11,273	9,159
Other provisions	31	1,639	1,703
Deferred tax liabilities	12	1,604	1,740
Total non-current liabilities		15,619	16,238
Current liabilities			
Current interest-bearing liabilities	28	2,086	89
Trade payables		2,724	2,411
Current tax liabilities		1,013	718
Other current liabilities	3	379	510
Accrued expenses and deferred income	33	2,923	3,046
Provisions for urban transformation, short-term portion	31, 32	2,683	2,449
Other provisions	31	638	626
Total current liabilities		12,446	9,849
Total liabilities		28,065	26,087
Total equity and liabilities		106,860	106,948

Consolidated statement of changes in equity

Equity attributable to Parent Company shareholders

2023 MSEK	Share capital	Translation reserve	Fair value reserve	Hedging reserve incl. hedging cost reserve	Retained earnings incl. profit/loss for the year	Total	Non-controlling interests	Total equity
Opening equity 1 Jan 2023	700	-2	2,792	-3	67,793	71,279	40	71,320
Profit/loss for the year	-	-	-	-	15,206	15,206	14	15,220
Other comprehensive income for the year	-	-193	2,308	5	-257	1,863	-	1,863
Comprehensive income for the year	-	-193	2,308	5	14,949	17,069	14	17,083
Dividend	-	-	-	-	-7,543	-7,543	-	-7,543
Closing equity 31 Dec 2023	700	-195	5,100	2	75,199	80,807	54	80,861

Equity attributable to Parent Company shareholders

2024 MSEK	Share capital	Translation reserve	Fair value reserve	Hedging reserve incl. hedging cost reserve	Retained earnings incl. profit/loss for the year	Total	Non-controlling interests	Total equity
Opening equity 1 Jan 2024	700	-195	5,100	2	75,199	80,807	54	80,861
Profit/loss for the year	-	-	-	-	8,764	8,764	9	8,773
Other comprehensive income for the year	-	110	-3,513	-4	175	-3,232	-	-3,232
Comprehensive income for the year	-	110	-3,513	-4	8,939	5,532	9	5,541
Dividend	-	-	-	-	-7,607	-7,607	-	-7,607
Closing equity 31 Dec 2024	700	-85	1,587	-2	76,531	78,732	63	78,795

See Note 27.

Consolidated statement of cash flows

1 January – 31 December

MSEK	Note	2024	2023
Operating activities	1, 42		
Profit/loss before tax		10,951	19,158
Adjustment for items not included in cash flow		1,675	1,328
Income tax paid		-2,079	-2,904
Expenditures, urban transformation	31, 32	-1,743	-1,829
Expenditures, other provisions	31	-11	-23
Cash flow from operating activities before changes in working capital		8,793	15,730
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in inventories		-1,439	-550
Increase (-)/Decrease (+) in operating receivables		-319	378
Increase (+)/Decrease (-) in operating liabilities		96	340
Change in working capital		-1,662	168
Cash flow from operating activities		7,131	15,898
Investing activities			
Acquisition of property, plant and equipment	15	-5,408	-5,442
Government investment grants		112	20
Disposal of property, plant and equipment		63	251
Acquisition of subsidiaries		-	-3
Acquisition of other financial assets – operating		-158	-20
Disposals/acquisitions (net) in current investments		6,330	-1,754
Cash flow from investing activities		939	-6,948

MSEK	Note	2024	2023
Financing activities			
Borrowing		-	75
Repayments		-146	-3
Repayment of lease liabilities		-97	-90
Dividend paid to Parent Company shareholder	27	-7,600	-7,540
Dividend paid to non-controlling interests	27	-7	-3
Cash flow from financing activities		-7,850	-7,561
Cash flow for the year		220	1,389
Cash and cash equivalents at start of year		4,572	3,191
Exchange difference in cash and cash equivalents		24	-8
Cash and cash equivalents at end of year		4,816	4,572
Consolidated operating cash flow			
Cash flow from operating activities		7,131	15,898
Acquisition of property, plant and equipment		-5,408	-5,442
Government investment grants		112	20
Disposal of property, plant and equipment		63	251
Acquisition of subsidiaries		-	-3
Acquisition of other financial assets – operating		-158	-20
Operating cash flow (excluding current investments)		1,740	10,704
Disposals/acquisitions (net) in current investments		6,330	-1,754
Cash flow after investing activities		8,070	8,950
Cash flow from financing activities		-7,850	-7,561
Cash flow for the year		220	1,389

Income statement – Parent Company

1 January – 31 December

MSEK	Note	2024	2023
	1, 39		
Net sales	2, 3	30,081	39,769
Cost of goods sold ¹⁾	15, 16, 32	-20,649	-22,103
Gross profit/loss		9,432	17,666
Selling expenses ¹⁾		-300	-266
Administrative expenses		-566	-544
Research and development expenses		-1,172	-1,525
Other operating income	5	755	55
Other operating expenses	6	-85	-92
Operating profit/loss	7, 8, 9	8,064	15,294
Earnings from financial items:			
Income from interests in Group companies		38	33
Income from interests in associates		-403	-
Income from other securities and receivables held as non-current assets		632	1,035
Other interest income and similar profit/loss items		3,173	1,584
Interest expense and similar profit/loss items		-189	-262
Profit/loss after financial items	10	11,315	17,683
Appropriations	11	408	1,341
Profit/loss before tax		11,723	19,024
Tax	12	-2,380	-3,882
Comprehensive income for the year²⁾		9,343	15,142

¹⁾ A reclassification between cost of goods sold and selling expenses has taken place from 2024. Comparative figures have been adjusted to reflect the change; for 2023, selling expenses increase by MSEK 178 and the cost of goods sold decreases by the same amount.

²⁾ Profit/loss for the period corresponds to comprehensive income for the period.

Balance sheet – Parent Company

1 January – 31 December

MSEK	Note	31 Dec 2024	31 Dec 2023
Assets	1, 32, 35, 36, 37		
Non-current assets			
Intangible assets	14	1,209	1,222
Property, plant and equipment for operations	15	32,253	30,193
Property, plant and equipment for urban transformation	16	14,370	10,679
Financial assets			
Interests in subsidiaries	40	3,321	2,921
Interests in associates and jointly controlled entities	19	797	1,043
Receivables from Group companies	20, 39	2,360	2,275
Other non-current securities	22	3,227	3,226
Other non-current receivables	23	72	86
Deferred tax asset	12	760	886
Total financial assets		10,537	10,437
Total non-current assets		58,369	52,531
Current assets			
Inventories	24	7,129	5,771
Current receivables			
Accounts receivable	3, 25	3,043	2,792
Receivables from Group companies	39	783	615
Other current receivables	3, 25	2,567	2,120
Prepaid expenses and accrued income	26	732	433
Total current receivables		7,125	5,960
Current investments	42	25,872	29,918
Cash and bank balances	42	3,696	3,533
Total current assets		43,822	45,182
Total assets		102,191	97,713

MSEK	Note	31 Dec 2024	31 Dec 2023
Equity and liabilities	1, 34, 35, 36		
Equity	27, 45		
Restricted equity			
Share capital (700,000 shares)		700	700
Statutory reserve		697	697
Non-restricted equity	41		
Profit/loss brought forward		56,224	48,683
Profit/loss for the year		9,343	15,142
Total equity		66,964	65,222
Untaxed reserves	41	10,145	10,277
Provisions			
Provisions, urban transformation	31, 32	11,273	9,159
Other provisions	30, 31	1,532	1,728
Total provisions		12,805	10,887
Non-current liabilities			
Bond loans	29	–	1,998
Other non-current liabilities		–	24
Total non-current liabilities		–	2,022
Current liabilities			
Bonds and commercial papers	29	2,000	–
Trade payables		2,137	1,955
Liabilities to Group companies	39	1,151	651
Current tax liabilities		973	679
Other current liabilities		215	371
Accrued expenses and deferred income	33	2,480	2,574
Provisions for urban transformation	31, 32	2,683	2,449
Other provisions	31	638	626
Total current liabilities		12,277	9,305
Total equity and liabilities		102,191	97,713

Statement of changes in equity – Parent Company

2023 MSEK	Restricted equity		Restricted equity	Non-restricted equity	Total equity
	Share capital	Statutory reserve	Profit/loss brought forward	Profit/loss for the year	
Opening equity 1 Jan 2023	700	697	56,223	–	57,620
Profit/loss for the year	–	–	–	15,142	15,142
Dividend	–	–	-7,540	–	-7,540
Closing equity 31 Dec 2023	700	697	48,683	15,142	65,222

2024 MSEK	Restricted equity		Restricted equity	Non-restricted equity	Total equity
	Share capital	Statutory reserve	Profit/loss brought forward	Profit/loss for the year	
Opening equity 1 Jan 2024	700	697	63,824	–	65,222
Profit/loss for the year	–	–	–	9,343	9,343
Dividend	–	–	-7,600	–	-7,600
Closing equity 31 Dec 2024	700	697	56,224	9,343	66,964

Cash flow statement – Parent Company

1 January – 31 December

MSEK	Note	2024	2023
Operating activities	1, 42		
Profit/loss after financial items		11,315	17,684
Adjustment for items not included in cash flow		1	1,485
Income tax paid		-1,957	-2,807
Expenditures, urban transformation	31, 32	-1,743	-1,829
Expenditures, other provisions	31	-11	-23
Cash flow from operating activities before changes in working capital		7,605	14,510
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in inventories		-1,358	-484
Increase (-)/Decrease (+) in operating receivables		-535	259
Increase (+)/Decrease (-) in operating liabilities		378	465
Change in working capital		-1,515	240
Cash flow from operating activities		6,090	14,750

MSEK	Note	2024	2023
Investing activities			
Acquisition of property, plant and equipment		-4,806	-5,066
Government investment grants		112	20
Disposal of property, plant and equipment		309	285
Shareholder contributions paid		-400	-20
Acquisition of financial non-current assets		-	205
Disposal of financial non-current assets		-240	-3
Disposal/acquisition (net) of current investments		6,331	-1,753
Cash flow from investing activities		1,306	-6,332
Financing activities			
Group contributions received		416	453
Dividend paid to Parent Company shareholder		-7,600	-7,540
Cash flow from financing activities		-7,184	-7,087
Cash flow for the year		212	1,331
Cash and cash equivalents at start of year		4,208	2,885
Exchange difference in cash and cash equivalents		24	-8
Cash and cash equivalents at end of year		4,444	4,208

Note 1 Significant accounting policies

1 Compliance with standards and laws

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU. The Swedish Corporate Reporting Board's Recommendation RFR 1 Supplementary Accounting Rules for Groups was also applied. The Parent Company applies the same accounting policies as the Group, except where stated below in the Parent Company's accounting policies section. The annual report and consolidated financial statements were approved for issue by the Board of Directors and the President on 27 March 2025. The consolidated income statement, statement of comprehensive income and statement of financial position and the Parent Company's income statement and balance sheet are subject to approval at the Annual General Meeting on 24 April 2025.

2 Measurement bases applied in preparing the financial statements

Assets and liabilities are recognised at historical cost, apart from certain financial assets and liabilities that are measured at fair value. Financial assets and liabilities measured at fair value consist of derivatives, financial instruments with mandatory measurement at fair value through profit or loss, as well as debt and equity instruments at fair value through other comprehensive income.

A defined-benefit pension liability/asset is recognised as the net of the fair value of plan assets and the present value of the defined-benefit liability, adjusted for any asset restrictions.

3 Functional currency and presentation currency

The functional currency of the Parent Company is the Swedish krona (SEK), which is also the presentation currency for both the Parent Company and the Group. This means that the financial statements are presented in SEK. Unless otherwise stated, all amounts are rounded off to the nearest million SEK.

4 Assessments and estimates in the financial statements

Preparing the financial statements in accordance with IFRS requires company management to make assessments, estimates and assumptions that affect the application of accounting policies and the recognised amounts of assets, liabilities, income and expenses. Actual outcomes may diverge from these estimates and assessments. These estimates and assumptions are reviewed regularly. Changes in estimates are recognised in the period in which the change is made if the change only affects that period, or the period in which the change is made and future periods if the change affects both current and future periods.

Assessments made by company management when applying IFRS that have a significant effect on the financial statements and estimates made that may lead to significant adjustments in the following year's financial statements are described in more detail in section 28, Significant estimates and assessments.

5 Significant accounting policies applied

The following consolidated accounting policies were applied consistently to all periods that are presented in the consolidated financial statements, unless otherwise stated. The consolidated accounting policies were applied consistently in the presentation and consolidation of the Parent Company, subsidiaries and joint ventures.

6 Changes for 2024

6.1 New and amended IFRS reporting standards

Amendments to IAS 1 – Presentation of Financial Statements: classification of liabilities as current or non-current. Liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. The classification is not affected by the company's expectations or events after the reporting date. Covenants relating to loans will not affect the classification of a liability as current or non-current at the balance sheet date if the company must meet the conditions only after the reporting period. The amendments have had no effect on the consolidated financial statements, as financial liabilities to credit institutions mature within 12 months.

Amendments to IFRS 16 – Leases: lease liability in a sale and leaseback transaction. The amendments may involve a material change in accounting policies for companies that have sale and leaseback transactions with variable lease payments that are not related to an index or price. The amendments have had no effect on the consolidated financial statements.

Amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments. The amendments entail new disclosure requirements for supplier financing arrangements. The amendments are a result of investors' need for more information about supplier financing arrangements in order to assess how these arrangements affect a company's liabilities, cash flows and exposure to liquidity risk. As the Group has not entered into any agreements with suppliers on supplier financing, the amendments have not entailed any changes to the Group's disclosures.

7 New and amended reporting standards effective from or after calendar year 2025

IFRS 18 – Presentation and Disclosure in Financial Statements. New accounting standard for presentation and disclosures in financial statements, replacing IAS 1, with a focus on updates of the income statement. The standard will enter into force for financial years beginning on 1 January 2027 and will be applied retrospectively for the comparative year. IFRS 18 will impact the Group's financial statements and its effects are being investigated.

Other amendments entering into force on or after 1 January 2025, including IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments and amendments to IAS 21 regarding the effects of changes in exchange rates, are not expected to have any material impact on the Group's reporting.

8 Classification etc.

Non-current assets and liabilities consist essentially of amounts that are expected to be recovered or paid more than 12 months after the end of the reporting period. In cases where loan liabilities are associated with covenants, only covenants that are to be met before or on the balance sheet date affect the classification as a current or non-current liability. Current assets and liabilities essentially consist of amounts that are expected to be recovered or paid within 12 months of the end of the reporting period.

9 Operating segment reporting

An operating segment is a part of the Group that engages in business operations from which it may generate income and incur expenses and for which independent financial information is available. An operating segment's earnings are also monitored by the company's chief operating decision-maker, which is Group management, to assess its performance and to allocate resources to the operating segment. See Note 2 for a more detailed description of the classification and presentation of operating segments.

10 Principles of consolidation and business combinations

10.1 Subsidiaries

Subsidiaries are companies that operate under the control of the Parent Company. In assessing controlling interest, de facto control and potential voting rights are taken into account. Subsidiaries are recognised according to the acquisition method. The purchase price allocation determines the fair value on the date of acquisition of acquired identifiable assets and assumed liabilities and of any non-controlling interests. Transaction costs incurred are recognised in profit or loss for the year.

Upon acquisition the Group chooses either to recognise non-controlling interests in the acquired company at fair value – in other words, goodwill is included in non-controlling interests – or as a proportion of the identifiable net assets.

10.2 Associates

Associates are companies in which the Group has a significant but not controlling influence over operating and financial governance, normally by means of a shareholding of between 20 and 50 percent of votes. Interests in associates are accounted for using the equity method, which means that the carrying amount of the Group's interests in associates corresponds to the Group's share of the associates' equity. The Group's share of associates' profit or loss after the acquisition is recognised in operating profit.

10.3 Joint ventures

Joint ventures are companies where the Group has a shared controlling interest through cooperation agreements with one or more parties and where the Group has rights to the net assets, rather than having direct rights to assets and obligations for liabilities. Interests in joint ventures are recognised according to the equity method; see above regarding associates.

10.4 Joint operations

Joint operations are reported as a share of assets, liabilities, revenues and expenses relating to interests in a joint operation in accordance with the IFRS standard that is applicable to these specific assets, liabilities, revenues and expenses.

10.5 Transactions that are eliminated on consolidation

Intragroup receivables and liabilities, income or expenses, and unrealised gains or losses arising from intragroup transactions between Group companies are eliminated entirely when preparing the consolidated financial statements.

11 Foreign currency

11.1 Foreign currency transactions

Transactions in foreign currency are translated to the functional currency at the exchange rate in effect on the transaction date. Monetary assets and liabilities in foreign currencies are translated to the functional currency at the exchange rate prevailing on the balance sheet date. Exchange rate differences that arise on translation are recognised in profit or loss for the year. Non-monetary assets and liabilities that are recognised at historical cost are translated at the exchange rate in effect on the transaction date. Non-monetary assets and liabilities recognised at fair value are translated to the functional currency at the rate in effect on the date of measurement at fair value.

11.2 Financial statements of foreign operations

Assets and liabilities in foreign operations, including goodwill and other group-related surpluses and deficits, are translated from the foreign operations' functional currencies to SEK, the Group's presentation currency, at the exchange rate in effect at the end of the reporting period. Income and costs in a foreign operation are converted to Swedish kronor at an average exchange rate that constitutes an approximation of the exchange rates prevailing on the date of each transaction. Translation differences arising from currency translation of foreign operations are recognised in other comprehensive income and accumulated in a separate component in equity called the translation reserve.

11.3 Net investment in foreign operations

Monetary non-current receivables from and liabilities to a foreign operation for which settlement is not planned or is unlikely to take place within the foreseeable future are in practice part of the company's net investment in the foreign operation. An exchange rate difference that arises for the monetary non-current receivable or liability is recognised in other comprehensive income and accumulated in a separate component in equity called the translation reserve.

12 Revenue

12.1 Performance obligations and revenue recognition policies

Revenue is measured based on the compensation specified in the contract with the customer. The Group recognises revenue when control over goods or services transfers to the customer. Information on how and when performance obligations in contracts with customers are fulfilled and the associated policies for revenue recognition are summarised below.

12.1.1 Sales of iron ore

Iron ore trading is conducted in US dollars. LKAB prices iron ore mainly according to a variable pricing model, with an index-linked price based on the spot price.

The variable pricing model mainly uses quarterly prices, which means that the price is determined subsequently after the end of the quarter. The price is substantially affected by the current quarter's average for 62%/65% sinter fines CFR in China. During the quarter, revenue is based on a preliminary price. At the end of the quarter a price adjustment is recognised based on the established quarterly prices. There are also other pricing models with the same structure where the final price is determined and adjusted subsequently. The variable pricing model also uses monthly prices, determined as the previous month's price.

In the case of fixed price sales, negotiated prices apply.

The customer gains control over the goods when the goods have been delivered in accordance with the terms of sale. Invoices are issued and recognised on this date. Translation is at the current exchange rate. If sales are hedged by forward exchange contracts translation is at the hedged rate. Ongoing reservations are made for discounts granted and these decrease net sales.

Costs relating to delayed loading of vessels, known as demurrage, also affect the transaction price and are recognised within net sales.

12.1.2 Sales of industrial minerals

The Minerals group trades in a number of different minerals, both minerals in its own possession such as magnetite, huntite and mica, and external minerals that are either further processed within the Group or sold on in unchanged form to the end customer. Trade in industrial minerals occurs either in the country's local currency or in a major currency such as USD or EUR.

The customer gains control over the goods when the goods have been delivered in accordance with the contractual terms of sale. Invoicing usually takes place upon delivery and the revenue is recognised on this date. Where applicable, ongoing reservations are made for discounts granted and these decrease net sales.

12.2 Government grants

Government grants are recognised in the statement of financial position as deferred income when there is reasonable assurance that the grant will be received and the Group will comply with the terms associated with the grant. Grants are accrued systematically in profit for the year in the same way and over the same periods as the costs for which the grants are intended to compensate. Government grants related to assets are recognised as a reduction in the asset's carrying amount. For government grants, see Note 5.

13 Leases

At the start of the lease or on reassessment of a lease containing various components – lease and non-lease components – the Group allocates the consideration set out in the agreement to each component based on the standalone price. In the case of leases for buildings and land, fixed amounts paid are mainly reported as a single lease component.

Leases where the Group is the lessee

The Group reports a lease liability and a right-of-use asset when the lease begins.

The lease liability is initially measured at the present value of remaining lease payments during the assessed term of the lease.

The term of the lease is the non-cancellable period plus additional periods in the lease if, at the time the lease commences, it is considered reasonably certain that such options will be exercised.

The lease payments are discounted using the Group's incremental borrowing rate, which refers to the Group's borrowing cost based on a reference interest rate for interest rate swaps. In addition to the Group's credit risk, the rate reflects the term of each lease and the currency of the underlying asset. The lease liability includes fixed payments, variable lease payments that depend on an index or a rate, and amounts expected to be paid in accordance with residual value guarantees. Variable lease payments that do not

depend on an index or a rate are expensed in the period to which they relate.

The value of the liability is increased by the interest expense for the period concerned and reduced by the lease payments made. The interest expense is calculated as the value of the liability multiplied by the discount rate.

The right-of-use asset is measured initially at cost, consisting of the initial value of the lease liability plus lease payments that were made on or before the start date as well as any initial direct expenses.

The right-of-use asset is depreciated on a straight-line basis from the start date to the end of the lease term.

If rent for premises is index-linked, the liability is adjusted by a corresponding adjustment of the carrying amount of the right-of-use asset. Similarly, the values of the liability and asset are adjusted in conjunction with reassessment of the lease term. The Group includes right-of-use assets in property, plant and equipment for operations in the statement of financial position, which is the same line in which the corresponding underlying assets would have been recognised had they been owned.

Lease liabilities are included in interest-bearing liabilities in the statement of financial position.

No right-of-use asset or lease liability is recognised for leases with a term of 12 months or less, or where the underlying asset is of low value. Lease payments for these leases are expensed on a straight-line basis over the term of the lease.

Leases where the Group is the lessor

Where the Group is the lessor, it is established at the start date of each lease whether the lease is to be classified as a finance lease or an operating lease. The leases where the Group is the lessor are recognised as operating leases.

The Group recognises lease payments from operating leases as revenue on a straight-line basis over the term of the lease on the line for Other operating income; this primarily relates to rental income.

14 Financial income and expense

Financial income includes interest income on invested funds, dividends, gains on financial assets measured at fair value through profit or loss, the return on plan assets and gains on hedging instruments that are recognised in net financial income/expense.

Financial expense includes interest expense on borrowings, provisions, lease liabilities and defined-benefit pension obligations, losses on financial assets measured at fair value through profit or loss, impairment of financial assets and losses on hedging instruments that are recognised in net financial income/expense.

Exchange gains/losses on financial assets and financial liabilities including currency derivatives are recognised net.

Interest income and interest expense are recognised using the effective interest method. Dividends are recognised when the right to payment is established.

The effective interest rate is the rate that discounts estimated future cash flows over the expected fixed interest term to the gross carrying amount of the financial asset or amortised cost of the financial liability. The calculation includes all fees paid or received by the contracting parties that are part of the effective interest rate, transaction costs and all other premiums or discounts.

15 Taxes

Income tax consists of current tax and deferred tax. Income tax is recognised in profit or loss for the year except when the underlying transaction is recognised in other comprehensive income or equity, in which case the associated tax effect is recognised in other comprehensive income or equity.

Current tax is tax to be paid or received for the current year, applying the tax rates enacted or substantively enacted by the balance sheet date; adjustment of current tax attributable to prior periods is also reported here.

Deferred tax is calculated according to the balance sheet method, based on temporary differences arising between the carrying amount of assets and liabilities and their value for tax purposes. Temporary differences are not taken into consideration in Group goodwill. Temporary differences attributable to interests in subsidiaries and associates that are not expected to be reversed in the foreseeable future are also not taken into consideration.

The measurement of deferred tax is based on how the carrying amount of assets or liabilities is expected to be realised or settled. Deferred tax is calculated by applying the tax rates and tax regulations enacted or substantively enacted at the end of the reporting period.

Deferred tax assets relating to deductible temporary differences and loss carry-forwards are only recognised to the extent that it is probable that they will be utilised. The value of deferred tax assets is reduced when it is no longer deemed probable that they can be utilised. The Group applies the temporary mandatory exception from accounting for deferred taxes arising from legislation adopted to implement the OECD's Pillar Two model rules.

16 Financial instruments

16.1 Financial assets

Financial assets include financial investments, current investments, cash and cash equivalents, loans receivable, accounts receivable and derivatives.

Accounts receivable and debt instruments issued are recognised upon being issued. Other financial assets are recognised when the Group becomes a party to the contractual terms of the instrument.

On initial recognition a financial asset is measured at fair value. In the case of financial instruments not measured at fair value through profit or loss, transaction costs directly attributable to the acquisition or issue are included. Receivables are measured at the transaction price. How they are reported subsequently depends on how the asset is classified.

A financial asset is derecognised in the statement of financial position when the contractual rights to the cash flows from the financial asset cease.

On initial recognition a financial asset is classified as measured at fair value through profit or loss, at amortised cost or at fair value through other comprehensive income – equity investment.

Financial assets are not reclassified after initial recognition unless the Group changes its business model for managing financial assets, in which case all the financial assets affected are reclassified as of the first day of the first reporting period after the change in business model.

For debt instruments the classification is based on two criteria: the company's business model for managing the financial asset and the instrument's contractual cash flows.

16.1.1 Financial assets measured at fair value through profit or loss

Holdings in this category are current investments and derivatives.

Debt instruments held for trading or managed and where the result will be assessed based on fair value are measured at fair value through profit or loss. This is determined at portfolio level, since this best reflects how such business is managed and how information is given to management. The information taken into consideration includes established policies and objectives of the portfolio, and how the business model's results are assessed and reported to Group management.

In the case of equity instruments (shares) the general rule is that these are measured at fair value through profit or loss. This category is used for all holdings except for holdings where the Group has irrevocably elected to present changes in value through other comprehensive income; see section 16.1.3 below. This decision is made on an investment-by-investment basis.

Net gains and losses, including interest and dividend income, are recognised in profit or loss. Derivatives contracted for operating items are recognised in operating profit, while derivatives of a financial nature are recognised in net financial income/expense.

16.1.2 Financial assets measured at amortised cost

Holdings in this category are accounts receivable, loans receivable, and cash and cash equivalents.

A financial asset is measured at amortised cost if it fulfils both of the following conditions and has not been identified as measured at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and
- the agreed terms of the financial asset give rise to cash flows on specified dates that consist only of payments of principal and interest on the outstanding principal.

Amortised cost is determined using the effective interest rate calculated on the date of acquisition. The amortised cost is reduced by impairment losses. Interest income, exchange gains and losses, impairment losses and gains or losses on derecognition are recognised in profit or loss.

16.1.3 Equity instruments measured at fair value through other comprehensive income

Holdings in this category are equity instruments (shares) classified in this category on initial recognition.

The Group may irrevocably elect to recognise subsequent changes in the fair value of an investment in an equity instrument that is not held for trading through other comprehensive income. This decision is made on an investment-by-investment basis.

Changes in value, both realised and unrealised, are recognised in other comprehensive income and accumulated in the fair value reserve, and are never reclassified to profit or loss. Dividends are recognised as income in profit or loss.

16.2 Financial liabilities

Financial liabilities include loan liabilities, accounts payable and derivatives. Financial liabilities are reported when the Group becomes a party to the contractual terms of the instrument.

On initial recognition a financial liability is measured at fair value. In the case of financial instruments not measured at fair value through profit or loss, transaction costs directly attributable to the acquisition or issue are included. How they are reported subsequently depends on how the liability is classified.

When the obligations stated in the contract are satisfied, cancelled or expire, the financial liability is derecognised in the statement of financial position.

On initial recognition a financial liability is measured at fair value through profit or loss or at amortised cost.

16.2.1 Financial liabilities measured at fair value via profit or loss

A financial liability is classified at fair value through profit or loss if it is held for trading purposes, is a derivative or was identified as such on initial recognition.

Financial liabilities in this category are derivatives. Net gains and losses, including interest expense, are recognised in profit or loss.

16.2.2 Financial liabilities measured at amortised cost

Financial liabilities measured at amortised cost are loan liabilities and accounts payable.

Loan liabilities are measured initially at fair value, net after transaction costs, and subsequently at amortised cost. Amortised cost is determined using the effective interest rate calculated on the date the liability was assumed. This means that surpluses and deficits, as well as direct issue costs, are allocated across the term of the liability.

Accounts payable are measured initially at fair value and subsequently at amortised cost.

Interest expense and exchange gains and losses are recognised in profit or loss. Gains or losses on derecognition are also recognised in profit or loss.

17 Derivatives and hedge accounting

The Group holds financial derivatives in order to financially hedge a portion of the cash flow risks to which the Group is exposed, primarily exchange rate exposure risks.

Derivatives are measured at fair value on initial recognition. Thereafter they are measured at fair value and changes in value are recognised as described below.

When the Group initially identifies hedging relationships, the risk management objectives and the strategy are documented with the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether changes in the cash flow of the hedged item and the hedging instrument are expected to cancel each other out.

17.1 Receivables and liabilities in foreign currency

Hedge accounting is not applied to hedging of foreign currency risk since financial hedging is reflected in the accounts by the fact that both the underlying receivable or liability and the hedging instrument are recognised at the exchange rate on the closing date and the translation differences are recognised in profit for the year.

Exchange rate changes related to operating receivables and liabilities are recognised in operating profit, while exchange rate changes related to financial receivables and liabilities are recognised in net financial income/expense.

17.2 Cash flow hedging

When a derivative is identified as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve.

In the case of forward foreign exchange contracts, the Group only identifies changes in fair value in the spot element as hedging instruments in the cash flow hedging relationship. Fair value changes in the forward component of the forward foreign exchange contract (forward points) are reported as a hedging cost reserve and recognised in the hedging reserve in equity.

When the hedged expected cash flow affects earnings, the hedging instrument's cumulative change in value in the hedging reserve and hedging cost reserve is reclassified to profit or loss. This means that gains and losses relating to hedges are recognised in profit or loss for the year at the same time as gains and losses for the items hedged.

18 Property, plant and equipment

18.1 Owned assets

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment. Cost includes the purchase price plus expenses directly attributable to the asset in order to put it in the location and condition that allow it to be used as intended. The cost of self-constructed non-current assets includes expenditures for materials, expenditures for employee benefits, and other fabrication costs directly attributable to the asset where applicable.

Property, plant and equipment that consists of parts with different useful lives are treated as separate components.

The carrying amount of a property, plant and equipment item is derecognised from the statement of financial position when the asset is disposed of or retired. The gain or loss arising from the disposal or retirement of an asset is the difference between the selling price and the asset's carrying amount less direct selling expenses. Gains and losses are recognised as other operating income/expense.

18.2 Exploration and evaluation expenditures

Greater knowledge of the extent of the iron ore deposits is necessary to secure access to more ore and ensure the future development of operations. The orebody is surveyed and defined by means of exploration drilling, mainly via drifts adjacent to it. Ore deposit exploration in both existing and future mining areas is expensed. This principle is also applied in the exploration of areas outside existing mines.

18.3 Underground facilities

Underground facilities from which iron ore is extracted can be divided into waste rock mining (development phase) and iron ore mining (production phase).

Waste rock mining consists of work done to expose the orebody in conjunction with the construction of a new main haulage level, facilities pertaining to transport and maintenance functions such as railways, roads, drifts, shafts, inclined drifts (a system of access for vehicle traffic from surface level to the work site underground), and facilities for service and electrical and air supply. Expenditures for facilities intended for use over a period of more than one year are capitalised in the statement of financial position. Depreciation occurs systematically over the useful life of the main haulage level concerned.

Iron ore mining mainly consists of development, cave drilling and loading, haulage and hoisting of the ore. Expenditures for these activities have a useful life of at most one year, which is why they are expensed as they are incurred.

18.4 Open-pit mines

Iron ore mining above ground takes place in what are known as open-pit mines. Stripping is carried out to expose the orebody, and such things as moraine and barren rock are removed. This is called barren rock mining.

During the development phase expenditures are capitalised as part of the cost of the mine and depreciation occurs systematically over the useful life of the mine.

Expenditure on barren rock mining during the production phase that provides improved access to ore for future mining is recognised under assets and depreciated according to the production-based method.

18.5 Remediation

Future expenditure on dismantling and removing assets and restoring sites or areas where they are located (remediation costs) as relates to ongoing operations are capitalised. Capitalised amounts consist of the present value of estimated expenditures that are simultaneously recognised as provisions.

18.6 Subsequent expenditures

Subsequent expenditures are added to the cost only when it is probable that future economic benefits associated with the asset will flow to the company and the cost can be measured reliably. All other subsequent expenditures are recognised as expenses in the period in which they arise.

A subsequent expenditure is added to the cost if the expenditure relates to the replacement of identified components or parts thereof. In cases where a new component is created, the expenditure is also added to the cost. Any undepreciated carrying amounts for replaced components, or parts thereof, are retired and expensed in conjunction with the replacement. Repairs are expensed as incurred.

18.7 Depreciation principles

Depreciation is on a straight-line basis over the asset's estimated useful life; land is not depreciated. Leased assets are depreciated over their estimated useful life or, if shorter, over the contractually agreed lease term. The Group applies component depreciation, which means that the estimated useful life of the components is used as the basis for depreciation. Facilities and equipment used in open-pit mines are normally depreciated over the lesser of the expected useful life and the useful life of the mine to which they relate.

The following periods of use are applied to property, plant and equipment including future remediation costs:

Properties used in operations, rental properties	15–100 years
Plant and machinery, open-pit mining	Production-based
Other plant and machinery	5–20 years
Equipment, tools, fixtures and fittings	5–20 years
Underground installations	12–20 years
Surface mining facilities	As ore is extracted
Capitalised remediation costs	Estimated useful life of present production structure.

Properties used in operations are mainly classified as buildings, land improvements and land. Buildings and land improvements consist of several components that are classified on the basis of function, such as roads, surfacing, service facilities, processing plants etc.

Rental properties consist of several components with varying useful lives. The main classifications are buildings and land. Buildings are divided into several components whose useful lives vary.

The following main groups of components have been identified and form the basis for depreciation of rental properties.

Frames, foundations and interior walls	100 years
Water, sewage, electrical and heating systems	50 years
Exterior facades	40 years
Windows	30 years
Interior finishing and appliances	15 years

Depreciation methods, residual values and useful life are assessed annually and adjusted as necessary.

18.8 Urban transformation

18.8.1 Acquisition of properties

When property is acquired as part of urban transformation, the cost is divided into a building component and a mine component. The distinction is based on the assumption that the building can be used for temporary rental for a limited period from acquisition until evacuation. The building component is calculated as the present value of the net cash flows from the rental. The mine component is defined as the property's total cost less the building component.

The building component is expensed in the period in which the building is expected to be utilised.

The mine component is expensed using the production-based method, which means that the cost is calculated on the basis of ore extracted relative to the estimated total volume for the current main haulage level.

For a further description of urban transformation accounting policies, see policy 28.1.1.

18.8.2 Mine assets

For provisions that relate to commitments outside the existing impact boundary (the boundary of the impact of mining to date for which compensation is payable), a mine asset relating to future mining is recognised. The mine asset is expensed using the production-based method, which means that the cost is calculated on the basis of ore extracted relative to the estimated total volume for the current main haulage level.

Mine assets related to future mining are recognised for Kiruna.

For a further description of urban transformation accounting policies, see policy 28.1.1.

18.8.3 Replacement properties

Two compensation options are offered to owners of rental properties and small houses: a replacement property equivalent to the existing property or financial compensation. For those choosing the replacement property option, all the costs of building the replacement property are recognised under property, plant and equipment. When the property is handed over, the amount is deducted from provisions for the commitment; see also Note 32. Where the option of financial compensation has been chosen, the compensation paid is deducted from provisions for the commitment.

19 Intangible assets

19.1 Goodwill

Goodwill is measured at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and tested annually for impairment; see accounting policy in section 21.1.

19.2 Research and development

Expenditures on research aimed at gaining new scientific or technical knowledge are expensed as incurred.

Expenditures on development, where research findings or other knowledge are applied to produce new or improved products or processes, are recognised as an asset in the statement of financial position, provided that the product or process is technically and commercially feasible and the company has sufficient resources to complete development and then use or sell the intangible asset. The value includes directly attributable expenditures, such as for goods and services as well as employee benefits. If the above criteria are not met, the expenditures are reported as a cost.

19.3 Other intangible assets

Other intangible assets acquired by the Group consist mainly of mining rights, favourable purchasing contracts, customer relationships and software; see Note 14 for a more detailed breakdown. The assets are reported at cost less accumulated amortisation and any impairment losses.

Each arrangement is assessed in terms of whether software is to be regarded as an intangible asset, a lease or a service contract for the purposes of accounting for configuration and customisation costs. If the implementation costs do not meet the criteria for recognition as an intangible asset, the costs are recognised as an expense when the implementation services are performed in accordance with the contract. If the implementation services are judged to be distinct and separately identifiable from the actual access to the software, as is generally the case, the costs are expensed as they are incurred. If, however, they are judged to be inseparable from access to the software, the costs are recognised as an expense over the contractual period for which access to the software is provided. Where LKAB pays in advance for a service, an asset is recognised in the form of a prepaid expense.

Also included are emission allowances, which are recognised as described below.

19.3.1 Emission allowances

LKAB participates in the EU's system for trade in emission allowances, which grants the right to emit carbon dioxide. Allowances are allocated across the European market. The emission allowances are recognised as intangible assets and deferred income on allocation, since the company has not qualified for any allowances at the time of issue. They are measured at cost, which in the case of allocated allowances corresponds to the market price on allocation.

Qualification is at the same rate as actual emissions, when a liability to surrender emission allowances also arises. A cost of emissions and a provision for emission allowances are recorded. At the same time, a corresponding amount is transferred from deferred income to income for emission allowances. Measurement is at the average cost of allocated emission allowances.

When emission allowances are reported the corresponding number of emission allowances must be surrendered. Thus the intangible non-current asset is exhausted and the provision for discharged emissions is settled. If the obligation to supply emission allowances exceeds the remaining allocation of emission allowances, the excess amount is carried as a liability, measured at the current market value of the number of emission allowances necessary to settle the obligation. For information on amounts see Note 31.

19.4 Subsequent expenditures

Subsequent expenditures on capitalised intangible assets are recognised as assets in the statement of financial position only when they increase the future economic benefits of the specific asset to which they relate. All other expenditures are expensed as incurred.

19.5 Amortisation principles

Amortisation is recognised in profit or loss for the year on a straight-line basis over the estimated useful life of intangible assets. Useful life is reviewed annually. Intangible assets that can be amortised are amortised from the date they are available for use. The estimated useful lives are:

Mining rights	30–50 years
Purchasing contracts	10–15 years
Customer relationships	15 years
Software in own IT environment	5 years

20 Inventories

Inventories are measured at the lower of cost or net realisable value. The cost of inventories is calculated using the first-in, first-out (FIFO) principle and includes expenditures incurred in acquiring the inventory items and bringing them to their existing location and condition. For finished goods and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

21 Impairments

The Group's recognised assets are assessed at the end of each reporting period to determine whether there is any indication of impairment. IAS 36 is applied to the impairment of assets that are not dealt with by any other IFRS standard.

21.1 Impairment of property, plant and equipment, intangible assets and interests in associates and joint ventures

If impairment is indicated, the recoverable amount of the asset is calculated.

The recoverable amount for goodwill is also calculated annually. If it is not possible to ascertain essentially independent cash flows for an individual asset, the assets are grouped at the lowest level at which it is possible to identify essentially independent cash flows (a so-called cash-generating unit).

The recoverable amount is the higher of fair value less selling expenses or value in use. In assessing value in use, the future cash flows are discounted using a rate that reflects a risk-free rate of return and the risks specific to the asset.

An impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Impairment losses are charged to profit for the year. Once impairment has been identified for a cash-generating unit, the impairment loss is initially allocated to goodwill, after which other assets in the unit are proportionally impaired.

21.2 Reversal of impairment

An impairment of assets included in the scope of IAS 36 is reversed if there is an indication that the impairment no longer exists and there has been a change in the assumptions underlying the calculation of the recoverable value when the asset was impaired. However, impairment of goodwill is never reversed. Impairment is reversed only to the extent that the asset's carrying amount after reversal does not exceed the carrying amount that would have been recognised, less amortisation if appropriate, if no impairment had been recognised.

21.3 Impairment of financial assets

Impairment testing of financial assets largely relates to accounts receivable. A simplified method is applied in which the loss allowance is calculated based on lifetime expected credit losses.

When calculating expected credit losses consideration is given to historical, current and forward-looking factors. The loss allowance is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Impairment of accounts receivable is recognised as a decrease in the asset's carrying amount and in operating costs.

22 Capital payments to shareholders

Dividends are recognised as liabilities once they have been approved at the Annual General Meeting.

23 Earnings per share

The calculation of earnings per share is based on consolidated profit for the year attributable to the Parent Company shareholders and on the weighted average number of shares outstanding during the year.

24 Employee benefits

24.1 Defined-contribution pension plans

Defined-contribution pension plans are those for which the company's obligation is limited to the amount that it agrees to pay. In such cases the size of the employee's pension depends on the contributions the company pays to the plan or to an insurance company and the return on capital generated by the contributions. Consequently it is the employee who bears the actuarial risk (that benefits will be lower than expected) and investment risk (that the invested assets will be insufficient to meet expected benefits). The company's obligations for defined-contribution plans are recognised as an expense in profit for the year as they are earned by the employees performing services for the company over a given period.

24.2 Defined-benefit pension plans

The Group's net obligation in respect of defined-benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned through their service in current and prior periods. This benefit is discounted to a present value. The discount rate is the rate at the end of the reporting period on a high-quality corporate bond, including mortgage bonds, with a maturity corresponding to the Group's pension obligations. When there is no viable market for such corporate bonds, the market rate for government bonds with a similar maturity is used instead. The calculation is performed by a qualified actuary using the Projected Unit Credit Method. The fair value of any plan assets is also calculated at the reporting date.

The Group's net obligation is the present value of the obligation, less the fair value of plan assets adjusted for any asset restrictions.

Net interest expense/income on the defined-benefit obligation/asset is recognised in profit or loss for the year under net financial income/expense. Net interest income is based on the interest that arises when discounting the net obligation; that is, interest on the obligation, plan assets and the effect of any asset restrictions. Other components are recognised in operating profit.

Revaluation effects consist of actuarial gains and losses, the difference between the actual return on plan assets and the amount included in net interest income and any changes in the effects of asset restrictions (excluding interest included in net interest income). Actuarial gains and losses arise either because the actual outcome deviates from previous assumptions or the assumptions change. Revaluation effects are recognised in other comprehensive income.

When the calculation leads to an asset for the Group, the carrying amount of the asset is restricted to the lower of the surplus in the plan or the asset restriction calculated using the discount rate. The asset restriction is the present value of the future economic benefits in the form of reduced future contributions or a cash refund.

In calculating the present value of future reimbursements or payments, any minimum funding requirement is taken into account.

Changes to or reductions in a defined-benefit plan are recognised on the earliest of the following dates: a) when the change in the plan or reduction occurs, or b) when the company recognises related restructuring costs and termination benefits. The changes/reductions are recognised directly in profit or loss for the year.

The special employer's contribution is part of the actuarial assumptions. Special employer's contributions related to the difference between how the pension obligation is determined in a legal entity and in the Group are recognised as part of the net obligation. Provisions and receivables are not calculated to present value. In a legal entity, the part of the special employer's contribution that is calculated based on the Pension Obligations Vesting Act is recognised for simplicity's sake as an accrued expense rather than as part of the net obligation/asset.

24.3 Short-term benefits

Short-term employee benefits are calculated without discounting and recognised as an expense when the related services are received.

A current liability is recognised for the expected cost of profit-sharing and bonus payments when the Group has a present legal or constructive obligation to make such payments as a result of services rendered by employees and the obligation can be reliably estimated.

24.4 Termination benefits

Benefits associated with the termination of employment are expensed at the earlier of the date that the company can no longer withdraw the offer to the employee or the date that the company recognises restructuring costs.

25 Provisions

A provision is recognised in the statement of financial position when there is a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are made at the amount which is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where the effect of payment timing is important, provisions are determined by discounting the expected future cash flow at a pre-tax rate that reflects current market assessments of the time value of money and, if appropriate, the risks specific to the liability.

25.1 Provisions for urban transformation

See section 28.1.1 below.

25.2 Provisions for remediation

See section 28.1.2 below.

26 Contingent liabilities

A disclosure concerning a contingent liability is made when there is a possible commitment arising from past events whose existence is confirmed only by one or more uncertain future events beyond the company's control, or when there is a commitment that is not recognised as a liability or provision because it is not probable that an outflow of resources will be required or this cannot be measured with sufficient reliability.

27 Parent Company accounting policies

The Parent Company has prepared its annual report according to the Swedish Annual Accounts Act (1995:1554) and the Swedish Corporate Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The Swedish Corporate Reporting Board's recommendations for listed companies are also applied. RFR 2 states that in the annual report for the legal entity, the Parent Company shall apply all IFRS reporting standards and interpretations adopted by the EU as far as possible within the framework of the Annual Accounts Act, Pension Obligations Vesting Act and considering the relationship between accounting and taxation. The recommendation states the exceptions from and additions to IFRS that must be made.

27.1 Differences between Group and Parent Company accounting policies

The differences between Group and Parent Company accounting policies are detailed below. The specified accounting policies for the Parent Company were applied consistently to all periods presented in the Parent Company's financial statements.

27.2 Changed accounting policies in 2024

Unless otherwise stated below, the Parent Company's accounting policies in 2024 changed in accordance with what is stated above for the Group. The amendments have had no impact on the Parent Company's financial statements.

27.3 Upcoming changes in accounting policies

Upcoming changes to RFR 2 are expected to have no material impact on the Parent Company's financial statements on initial application.

27.4 Classification and presentation

The Parent Company uses the terms income statement, balance sheet and cash flow statement for the reports that in the Group are called consolidated income statement, statement of financial position and statement of cash flows respectively. The income statement and balance sheet for the Parent Company are presented in accordance with the Annual Accounts Act, while the corresponding Group reports are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows. The most significant differences from the consolidated statements relate primarily to recognition of financial income and expenses, financial non-current assets and equity, and the fact that provisions are recognised under a separate heading in the balance sheet.

27.5 Subsidiaries and associates

Shares in subsidiaries, associates and jointly controlled entities are recognised in the Parent Company using the cost method. This means that transaction costs are included in the carrying amount of interests in subsidiaries, associates and jointly controlled entities.

27.6 Expanded investment

Exchange rate differences on monetary items that form part of the Parent Company's net investment in a foreign operation are recognised in profit or loss.

27.7 Financial instruments and hedge accounting

The Parent Company has chosen not to apply IFRS 9 to financial instruments. However, some of the principles of IFRS 9 are still applicable – such as those relating to impairment losses, recognition/derecognition, criteria for applying hedge accounting and the effective interest method for interest income and interest expense.

In the Parent Company non-current financial assets are measured at cost less any impairment losses.

Current financial assets are measured at the lower of cost or market. Interest-bearing securities, shares and alternative investments or commodity derivatives are measured at portfolio level. This means that for instruments in the same portfolio, unrealised gains are offset against unrealised losses. Excess losses are recognised as a reduction in interest income under other interest income and similar items. Excess gains are not recognised. Financial liabilities are measured at amortised cost.

Derivatives used for hedging forecast cash flows to which hedge accounting is applied are not carried in the balance sheet. Changes in the value of derivatives are recognised in the same period as the hedged cash flows.

Derivatives with a negative value that are not part of a securities portfolio or to which hedge accounting is not applied are recognised as financial liabilities (other current liabilities) and measured at the amount most favourable to the company upon settlement or transfer of the obligation at the end of the reporting period.

When currency-hedging receivables in foreign currency relating to iron ore sales using forward contracts, the forward exchange rate is used to measure the hedged receivable. The forward points in the forward foreign exchange contract are recognised in net sales.

27.8 Financial guarantees

The Parent Company's financial guarantees mainly consist of security provided for subsidiaries. Financial guarantees mean that the company is committed to reimbursing the holder of a debt instrument for losses it incurs because a specified debtor fails to make payment when due according to the contractual terms. The Parent Company applies one of the reliefs permitted by the Financial Reporting Board compared with the rules of IFRS 9 in its recognition of financial guarantee agreements issued on behalf of subsidiaries. The Parent Company recognises financial guarantees as provisions in the balance sheet when the company has a commitment for which payment will probably be required to settle the commitment.

27.9 Anticipated dividends

Anticipated dividends from subsidiaries are recognised in cases where the Parent Company is solely entitled to decide on the size of the dividend and has decided on the size of the dividend before publishing its financial statements.

27.10 Operating segments

The Parent Company does not report segments with the same breakdown and to the same extent as the Group, but instead discloses the breakdown of net sales by the Parent Company's business streams.

27.11 Property, plant and equipment

With reference to RFR 2, IAS 16 (4), estimated future expenditures for dismantling and removing assets and restoring sites or areas where they are located (remediation costs) in legal entities are not capitalised. Instead, the provision for these expenditures is made gradually over the useful life.

27.12 Leased assets

The Parent Company does not apply IFRS 16, in accordance with the exemption in RFR 2. As lessee, lease payments are expensed on a straight-line basis over the term of the lease and therefore right-of-use assets and lease liabilities are not reported in the balance sheet. Leases where the Parent Company is the lessor are reported as operating leases.

27.13 Intangible non-current assets

27.13.1 Research and development

All research and development expenditures are recognised as expenses in the Parent Company income statement.

27.14 Employee benefits – defined-benefit pension plans

Where a pension premium is paid to an insurance company, the Parent Company recognises a defined-benefit plan as a defined-contribution plan.

The Parent Company applies policies other than those described in IAS 19 when estimating defined-benefit plans. The Parent Company complies with the provisions of the Pension Obligations Vesting Act and the regulations issued by Finansinspektionen, Sweden's financial supervisory authority, since this is a prerequisite for tax deductibility. The most significant differences from IAS 19 are how the discount rate is determined, that estimation of the defined-benefit obligation is based on current salary levels without consideration of future salary increases and that all actuarial gains and losses are recognised in the income statement.

Pension obligations secured by transfer of funds to a pension fund are recognised as a provision in the Parent Company only if the fair value of the fund assets is less than the amount of the obligations. No asset is recognised if the fund assets are greater

than the obligations. The value of the company's obligations in respect of future pension payments is to be calculated in accordance with the second paragraph above.

27.15 Taxes

In the Parent Company balance sheet, untaxed reserves are recognised without dividing these into equity and deferred tax liabilities, in contrast to the Group. Similarly, the Parent Company does not allocate any part of appropriations to deferred tax in the income statement.

27.16 Group and shareholder contributions

Group contributions are recognised as year-end appropriations.

Shareholder contributions paid are reported by the giver as an increase in Interests in Group companies and in Interests in associates and jointly controlled entities respectively.

28 Significant estimates and assessments

The preparation of financial statements requires management and the Board of Directors to make assessments and assumptions that affect recognised assets, liabilities, income and expenses and other information provided, such as contingent liabilities.

Listed below are the estimates and assessments that are considered most important for an understanding of the financial statements. Conditions for LKAB's operations change gradually, which means that these assessments also change.

28.1 Provisions resulting from mining operations

28.1.1 Provisions for urban transformation

The techniques used in ore mining in underground mines lead to deformations in the form of fissures in the ground where mining is conducted. The deformations are already or will become so extensive that it is necessary to gradually move parts of Kiruna and Malmberget.

Although there are many similarities between conditions in Kiruna and Malmberget, the geological conditions differ. In Kiruna there is a gradual spread of deformations with continuous fissuring, while in Malmberget there is widespread undermining of the ground in the city centre. The deformations are a direct result of mining operations.

LKAB has already had, and will continue to have, significant expenses related to these urban transformations. For instance, LKAB will incur expenses for the acquisition of properties and municipal infrastructure such as electricity, water and sewage systems in the affected areas. The expenditures arise from LKAB's mandatory obligation to compensate damage resulting from its mining activities.

Provisions for the damage caused by the deformations are made for damage already confirmed and damage not yet confirmed but that will occur a year or so later as a result of mining.

LKAB recognises a provision:

1. where there is an agreement or a clear constructive obligation to an external party that defines a commitment relating to future impact areas,
2. as a result of past events,
3. which is expected to result in an outflow of economic resources from the company at settlement, and
4. a reliable estimate of the amount can be made.

For those provisions that relate to commitments outside the existing impact boundary (the boundary of the impact of mining to date for which compensation is payable), a mine asset relating to future mining is recognised.

The amount of the provision is calculated on the basis of objective valuation methods for each type of asset (residential properties, land, infrastructure etc.) and a present value is assigned.

For Kiruna, provisions are recognised for all assessed commitments within the impact area of the current main haulage level according to the current deformation forecast.

Where Malmberget is concerned, environmental conditions were laid down in a ruling by the Land and Environment Court. The impact area from the mining of several different orebodies has essentially encircled central Malmberget, which means that it is no longer able to function as a normal city centre. Provisions have been made for the entire area that will be phased out according to the current deformation forecast, and costs have been expensed for everything except the provision made in 2024 in respect of eastern Malmberget.

All damage/compensation claims that are within the area impacted by mining to date are calculated and recognised as an expense in the income statement, in light of the fact that LKAB consumed the economic benefits that the mining generated. The mine component and mine asset relating to future mining are expensed using a production-based method. This means that the cost is calculated on the basis of ore actually extracted relative to the estimated total volume for the current main haulage level. Expensing for the year is usually based on the mine asset/mine component at the start of the year. Significant events may result in the basis being adjusted during the current year.

The impact will continue for many years ahead and there will be uncertainty regarding geological consequences, assumptions about market values, demolition and waste disposal costs, etc. The uncertainty in the estimates made so far will decrease as the experience gained is taken into account in future estimates. Provisions for urban transformation at year-end amounted to MSEK 13,956 (11,608).

28.1.2 Provisions for remediation

Obligations for remediation, dismantling and decontamination as a result of mining operations arise mainly as a result of legal environmental requirements. The Group recognises provisions for remediation costs for all legal and constructive obligations. Future expenditures for remediation are those resulting from closed operations and ongoing operations. The company collaborates with regulatory authorities to devise long-term plans for remediation of the mining areas. Provisions for ongoing operations are based on these remediation plans.

The amount of the provision is calculated based on acreage and an assessment of future expenditures based on present day technology and other circumstances. The provision is assigned a present value. Future expenditures for ongoing operations are capitalised and depreciated over their useful life. For discontinued operations the costs have been expensed.

Provisions are reviewed and updated as needed when the mine assets' estimated useful life, costs, technical conditions, regulations or other conditions change.

The uncertainty in the estimates made so far will decrease as the experience gained is taken into account in future estimates.

At year-end, provisions for remediation amounted to MSEK 1,734 (1,701).

28.2 Useful life and depreciation method for property, plant and equipment

Depreciation periods for main haulage levels, facilities and equipment in mines are dependent on future ore extraction and the mine's useful life. It is essential that changes in production and the ore base are reflected in the applied depreciation method and useful life, which is of particular importance when deciding on new main haulage levels. To achieve this, the useful lives and depreciation methods must be continuously reassessed. Changes in assessments could have a material impact on consolidated earnings and financial position.

The carrying amount of property, plant and equipment at year-end amounted to MSEK 38,048 (35,615). Depreciation for the year amounted to MSEK 2,841 (2,797).

28.3 Retirement benefits

Several assumptions are important components in the actuarial methods used to calculate pension provisions, which may have a significant impact on the recognised net obligation and annual pension cost. The discount rate and expected return on plan assets are two critical assumptions used in the calculation of pension cost for the year and the present value of pension obligations. These assumptions are assessed annually for each pension plan in each country.

The discount rate enables the measurement of future cash flows to present value on the measurement date. This rate must correspond to the yield on either high-quality corporate bonds including mortgage bonds or, if there is no viable market for such bonds, government bonds. A lower discount rate increases the present value of the pension provision and the annual cost.

To determine the expected return on plan assets, LKAB considers the current and anticipated categories of the assets as well as historical and expected returns on the various categories of assets.

Several factors do not change as often, such as personnel turnover and retirement age. For financial and other reasons, actual outcomes often differ from actuarial assumptions.

At year-end, provisions for pensions amounted to MSEK 765 (1,170).

28.4 Taxes

Significant assessments are made to determine current tax assets and liabilities as well as deferred tax assets and liabilities. LKAB must assess the likelihood that deferred tax assets will be utilised to offset future taxable profits. Actual outcomes may differ from the estimates, for instance due to changed tax legislation or the outcome of final reviews of tax returns by tax authorities and tax courts.

A deferred net tax liability of MSEK -1,602 (-1,735) was recognised at year-end. The corresponding amount for current tax was a net tax liability of MSEK -1,008 (-714).

Note 2 Segment reporting

Segment information

The Group's business is divided into operating segments based on the parts of the business monitored by the Group's chief operating decision maker. This is known as a management approach. Group management follows up on the results of the operations and decides how resources are to be allocated based on the products that the Group produces and sells, and these operations form the Group's operating segments. Each operating segment is headed by a person with day-to-day responsibility for the operations who reports regularly to Group management on the results of the operating segment's performance and the resources needed. The Group's internal reporting is structured so as to allow Group management to follow up on the operating segments' performance and results. An operating segment's results, assets and liabilities include items directly attributable to that segment and items which can be allocated to that segment in a reasonable and reliable way. Intra-group prices between segments are based on the arm's length principle; that is, between parties that are independent of each other, well-informed and with an interest in completing transactions. In the income statement, all items other than net financial income/expense and tax expense have been allocated to operating segments. Assets that have been allocated are property, plant and equipment; other assets have not been allocated. Where liabilities are concerned, lease liabilities and provisions for urban transformation and remediation have been allocated, while other liabilities have not been allocated. All tangible investments are included in the segments' capital expenditures on property, plant and equipment.

The Group comprises the following operating segments:

Iron Ore business area

The Iron Ore business area mines and processes iron ore products in Kiruna, Malmberget and Svappavaara. The business area produces blast furnace pellets and pellets for steelmaking via direct reduction, known as DR pellets. The business area also produces fines. Included in the business area are logistics activities for the iron ore operations.

Special Products business area

The Special Products business area covers LKAB Minerals, LKAB Wassara, LKAB Berg & Betong, LKAB Kimit, LKAB Mekaniska, Bergteamet and LKAB CRM. The business area develops and markets industrial minerals, drilling technology and full service solutions for the mining and construction industries.

Other Segments

Other Segments covers group-wide functions such as HR, communication and finance, as well as strategic research and development. Other Segments also covers financial operations, including transactions and gains/losses relating to financial hedging of iron ore prices, foreign currency and purchases of electricity.

Operating segments

Group	Iron Ore business area		Special Products business area		Other segments		Total		Group-related adjustments and eliminations ¹⁾		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
MSEK												
External income	29,329	38,420	3,919	4,367	-102	137	33,146	42,923	-	-	33,146	42,923
Internal income	774	1,136	2,384	2,577	106	97	3,264	3,811	-3,264	-3,811	0	0
Total income	30,103	39,556	6,303	6,944	4	234	36,410	46,734	-3,264	-3,811	33,146	42,923
Operating profit/loss	9,268	16,484	504	640	-940	-935	8,832	16,189	-110	41	8,722	16,230
Net financial income/expense											2,229	2,928
Profit/loss before tax											10,951	19,158
Tax											-2,178	-3,938
Profit/loss for the year											8,773	15,220
Significant non-cash items												
Depreciation of property, plant and equipment	-2,610	-2,601	-304	-273	-113	-103	-3,027	-2,977	4	4	-3,023	-2,973
Costs for urban transformation provisions	-313	-400	-	-	-	-	-313	-400	-	-	-313	-400
Assets	43,601	41,398	1,340	1,120	7,477	3,776	52,418	46,294	-	-	52,418	46,294
Unallocated assets											54,442	60,654
Total assets											106,860	106,948
Investments in property, plant and equipment	4,404	5,036	332	208	672	198	5,408	5,442	-	-	5,408	5,443
Liabilities	15,806	13,445	131	141	118	51	16,055	13,637	-	-	16,055	13,637
Unallocated liabilities											12,010	12,450
Total liabilities											28,065	26,087

¹⁾ Refers to intra-group transactions and group-related adjustments, for example adjustment of the consolidated pension liability under IAS 19 and internal gains.

Note 2 continued

Geographic areas

The vast majority of Group sales are made essentially from Sweden and in the Swedish companies. The Group's products are made almost exclusively in Sweden. Capital expenditures have mainly been made in Sweden. The carrying amount of assets by country/region is based on where the assets are located, and the income for the Group is recognised based on where the customers are located.

Group	Sweden		Rest of Europe		Middle East & North Africa		Rest of World		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
MSEK										
External income	6,362	7,934	17,422	20,141	7,639	9,879	1,723	4,970	33,146	42,923
Property, plant and equipment	49,492	43,408	2,881	2,867	–	–	45	18	52,418	46,293

Information about major customers

Under IFRS 8, the company must disclose information about major customers. The LKAB Group has four large customers that each account for 10 percent or more of Group sales. Sales to these customers amounted to 26 (25) percent, 11 (12) percent, 10 (13) percent and 10 (10) percent of Group sales and are reported in the Iron Ore business area.

Parent Company	Iron Ore business area		Other Segments		Parent Company total	
	2024	2023	2024	2023	2024	2023
MSEK						
Net sales	30,053	39,505	28	264	30,081	39,769

Parent Company	Europe		Middle East & North Africa		Rest of World		Parent Company	
	2024	2023	2024	2023	2024	2023	2024	2023
MSEK								
Net sales by geographic market	21,750	26,493	7,531	9,757	800	3,519	30,081	39,769

Note 3 Revenue

Breakdown of revenue from contracts with customers

The breakdown of revenue from contracts with customers into major product and service areas and into main geographic markets is summarised below. The table also includes a reconciliation between the revenue breakdown and the Group's total external income for operating segments according to Note 2.

Group MSEK	Iron Ore business area		Special Products business area		Other segments		Group	
	2024	2023	2024	2023	2024	2023	2024	2023
Product/service area								
Pellets	26,642	33,765	–	–	–	–	26,642	33,765
Fines	2,148	3,833	–	–	–	–	2,148	3,833
Magnetite	–	–	1,308	1,720	–	–	1,308	1,720
Mineral sands	–	–	227	366	–	–	227	366
Other industrial minerals	–	–	1,707	1,598	–	–	1,707	1,598
Mining and construction services	–	–	677	683	–	–	677	683
Other	539	822	–	–	24	26	563	848
Total	29,329	38,420	3,919	4,367	24	26	33,272	42,812
Region								
Europe	20,998	25,144	2,888	2,793	24	26	23,910	27,963
MENA	7,531	9,757	108	122	–	–	7,639	9,879
Rest of World	800	3,519	923	1,452	–	–	1,723	4,971
Total	29,329	38,420	3,919	4,367	24	26	33,272	42,812
Revenue from contracts with customers	29,329	38,420	3,919	4,367	24	26	33,272	42,812
Other income – financing activities	–	–	–	–	-126	111	-126	111
Total external income	29,329	38,420	3,919	4,367	-102	137	33,146	42,923

Contract balances

Disclosures concerning contract liabilities from contracts with customers that are summarised below.

Group MSEK	31 Dec 2024	31 Dec 2023
Contract liability	124	127

The contract liability balance of MSEK 127 that was reported at the beginning of the period was recognised as revenue in 2024.

Note 4 Acquisition of associates

On 19 February 2024 LKAB acquired 49 percent of the shares in Duroc Rail AB. Duroc Rail is a certified actor combining unique expertise in wheel maintenance for locomotives and freight cars with experience of the climate in northern Sweden.

LKAB is entering into this partnership to ensure that Duroc Rail remains and develops in Luleå, since high capacity and availability on the Iron Ore Line are business-critical. Transport by rail is entirely dependent on functioning maintenance of rail wheels. The transaction is a further step in LKAB's strengthening of capacity and flexibility in order to deal with the growing challenges of the Iron Ore Line.

The purchase consideration was MSEK 79 and has been paid in cash.

Purchase price allocation, associated company

The acquired company's net assets at the acquisition date. 49%

MSEK	19 Feb 2024
Intangible assets	31
Non-current assets	20
Current assets	31
Non-current liabilities	0
Current liabilities	-25
Deferred tax	-7
Net identifiable assets and liabilities	51
Consideration transferred	79
Goodwill	29

Note 5 Other operating income

MSEK	Group		Parent Company	
	2024	2023	2024	2023
Rental income, properties	335	281	–	–
Gain on sale of non-current assets	24	4	20	1
Exchange gains on receivables/liabilities related to operations	58	85	31	39
Government grants	196	24	195	14
Damages	530	0	501	0
Other	36	97	8	1
Total	1,179	491	755	55

Note 6 Other operating expenses

MSEK	Group		Parent Company	
	2024	2023	2024	2023
Property costs	350	288	1	–
Loss on sale of non-current assets	42	67	40	59
Exchange losses on receivables/liabilities related to operations	74	86	44	33
Other	22	11	–	–
Total	488	452	85	92

Note 7 Employees, employee benefit expenses and remuneration of senior executives

Contract balances

MSEK	2024	Of which women	Of which men	2023	Of which women	Of which men
Sweden	3,315	30%	70%	3,281	29%	71%
Total Parent Company	3,315	30%	70%	3,281	29%	71%
Subsidiaries						
Sweden	856	22%	78%	822	23%	77%
China	17	59%	41%	18	56%	44%
Netherlands	21	29%	71%	23	22%	78%
Norway	219	15%	85%	208	14%	86%
United Kingdom	232	23%	77%	241	22%	78%
Germany	12	42%	58%	12	42%	58%
Other countries	35	27%	73%	35	23%	77%
Total subsidiaries	1,392	22%	78%	1,359	22%	78%
Total Group	4,707	27%	73%	4,640	27%	73%

Gender distribution in executive management

	31 Dec 2024		31 Dec 2023	
	Percentage women	Percentage men	Percentage women	Percentage men
Parent Company				
Board of Directors	42%	58%	42%	58%
Other senior executives	22%	78%	29%	71%

Note 7 continued

Salaries, other remuneration and social security costs of senior executives and other employees respectively in the Parent Company

Parent Company MSEK	2024			2023		
	Senior executives (18 individuals)	Other employees	Total	Senior executives (18 individuals)	Other employees	Total
Salaries and other remuneration						
Sweden	32	2,271	2,303	31	2,538	2,569
Total Parent Company	32	2,271	2,303	31	2,538	2,569
Social security costs			1,297			1,233
<i>of which pension costs</i>			<i>530</i>			<i>420</i>

Incentive programme

During the year the company paid out remuneration from employee incentive programmes for 2023 in an amount of MSEK 200 (199), which corresponds to an average of SEK 36,264 (36,841) per person.

Senior executives

Senior executives refers to Board members, the President and the other members of Group management.

Guidelines for remuneration to the Board of Directors

The remuneration of the Chairman of the Board and Board members is decided at the AGM. The 2024 AGM approved remuneration of SEK 750,000 to the Chairman of the Board and SEK 335,000 to the other Board members elected by the AGM. Serving on the Finance and Audit Committee is remunerated with a fee of SEK 81,000 for the chair and SEK 54,000 for other committee members. Serving on the Urban Transformations Committee is remunerated with a fee of SEK 74,000 for the chair and SEK 51,000 for other committee members. Serving on the Remuneration Committee is remunerated with a fee of SEK 30,900 for the chair and SEK 20,600 for other committee members. Remuneration is not paid any Board member who is employed at the Government Offices, nor to employee representatives.

Guidelines for the remuneration of senior executives

The 2024 AGM adopted guidelines for remuneration of senior executives. The guidelines were prepared in accordance with the government's principles for compensation and other employment terms for senior executives at state-owned companies dated 27 February 2020. The guidelines are applicable to contracts signed after the 2020 AGM. During 2024 the company complied with the applicable remuneration guidelines adopted by the general meeting. There has been no departure from the guidelines and no deviation from the decision-making process that the guidelines state is to be applied to determine the remuneration.

Remuneration and other employment terms for the President and salary-setting principles for members of Group management are prepared by a remuneration committee appointed by the Board of Directors. Four Board members make up the committee. The committee is chaired by the Chairman of the Board. The Board takes decisions based on committee proposals. The Chairman of the Board approves the annual salary reviews of other Group management executives.

Remuneration of senior executives in Group management

The President and other Group management executives are paid fixed salaries. The salaries are pensionable.

President Jan Moström's basic monthly salary in 2024 was SEK 827,840. Retirement age for the President is 65. Jan Moström turned 65 in 2024. The President's pension plan is a defined-contribution plan whereby LKAB makes a yearly provision of 30 percent of the President's current fixed annual salary for a pension plan chosen by the President, which may include the ITP plan. The portion of the premium allowance that is not used to cover premiums for the ITP plan can be used by the President for a complementary pension plan. The retirement age for other senior executives is 65. They have a defined-contribution pension plan to which LKAB allocates 30 percent of annual fixed salary.

The mutual notice period for termination of employment in the case of senior executives with contracts signed prior to the 2017 AGM is six months. Severance pay equivalent to 18 monthly salaries is paid when notice of termination is given by the company. For contracts signed since the 2017 AGM a mutual notice period of six months applies. Severance pay equivalent to 12 monthly salaries is paid when notice of termination is given by the company.

For further information, see the table Remuneration and other benefits to members of Group management in 2024.

Remuneration and other benefits to the Board, accrued

SEK thousand	Board fees	
	2024	2023
Former Chairman of the Board Göran Persson ^{1,4,6)}	275	818
Chairman of the Board Anders Borg ^{1,4)}	695	251
Board member Alrik Danielson ³⁾	277	-
Board member Carina Andersson ³⁾	259	-
Board member Catrin Fransson ^{3,4)}	407	390
Board member Eva Hamilton ¹⁾	383	372
Board member Kerstin Konradsson ³⁾	385	251
Board member Lotta Mellström ²⁾	-	-
Board member Bjarne Moltke Hansen ¹⁾	383	372
Board member Gunilla Saltin ^{4,6)}	115	342
Board member Per-Olof Wedin ¹⁾	383	373
Former Board member Gunnar Axheim ^{1,5)}	-	122
Former Board member Ola Salmén ^{3,5)}	-	130
Total	3,562	3,419

¹⁾ The fee also includes remuneration for work on the Urban Transformations Committee.

²⁾ No board fees are paid to representatives of the Ministry of Enterprise and Innovation.

³⁾ The fee also includes remuneration for work on the Finance and Audit Committee.

⁴⁾ The fee also includes remuneration for work on the Remuneration Committee.

⁵⁾ Stood down from the Board at the 2023 AGM.

⁶⁾ Stood down from the Board at the 2024 AGM.

Note 7 continued

Remuneration and other benefits to members of Group management in 2024

SEK thousand	Basic salary ¹⁾	Other benefits ²⁾	Pension cost	Total
Jan Moström, President	10,309	234	3,030	13,573
Darren Wilson, SVP Special Products Business Area ³⁾	4,852	976	299	6,127
Niklas Johansson, SVP Public Affairs and External Relations	2,937	98	859	3,894
Pia Lindström, SVP Environment and Sustainability	2,417	215	720	3,352
Stefan Loréhn, Chief Financial Officer	2,800	191	830	3,821
Michael Palo, SVP Iron Ore Business Area	3,775	213	1,104	5,092
Maria Reinholdsson, former SVP HR and Communications ⁴⁾	2,431	184	710	3,325
Per Landström, SVP Strategy and Business Development ⁵⁾	1,861	120	537	2,518
Stefan Hämäläinen, SVP Community Development ⁶⁾	958	55	282	1,295
Total	32,340	2,286	8,371	42,997

¹⁾ Basic salary including holiday pay.

²⁾ Other benefits include accommodation, a company car, subsistence allowances, life insurance and medical insurance.

³⁾ Darren Wilson, SVP Special Products Business Area, from 1 January 2024. Remuneration and benefits are arranged and taxed according to UK rules. No part of the remuneration is accounted for in Sweden.

⁴⁾ Maria Reinholdsson, SVP HR and Communications, until 30 November 2024. Åse Juhlin became Acting SVP HR and Communications on 1 December 2024.

⁵⁾ Per Landström, SVP Strategy and Business Development, from 1 February 2024. Jenny Greberg, Acting SVP Strategy and Business Development, until 31 January 2024.

⁶⁾ Stefan Hämäläinen, SVP Community Development, from 1 August 2024.

Remuneration and other benefits to members of Group management in 2023

SEK thousand	Basic salary ¹⁾	Other benefits ²⁾	Pension cost	Total
President Jan Moström	9,901	180	2,913	12,995
Leif Boström, SVP Special Products Business Area	3,072	106	890	4,068
Niklas Johansson, SVP Communications and Climate	2,819	88	834	3,740
Pia Lindström, SVP Environment and Sustainability	2,383	201	698	3,282
Stefan Loréhn, Chief Financial Officer ³⁾	2,351	163	738	3,252
Michael Palo, SVP Iron Ore Business Area	3,669	200	1,071	4,940
Maria Reinholdsson, SVP HR	2,540	196	743	3,479
Peter Hansson, SVP Strategy and Business Development ⁴⁾	2,735	100	804	3,639
Total	29,470	1,234	8,691	39,395

¹⁾ Basic salary including holiday pay.

²⁾ Other benefits include accommodation, a company car, subsistence allowances, life insurance and medical insurance.

³⁾ Stefan Loréhn, Chief Financial Officer, from 13 February 2023.

⁴⁾ Peter Hansson, SVP Strategy and Business Development, until 27 November 2023. Jenny Greberg acted in the role while recruitment was in progress.

Note 8 Auditors' fees and reimbursements

MSEK	Group		Parent Company	
	2024	2023	2024	2023
KPMG				
Audit engagements	13	11	6	5
Other auditing	1	1	1	1
Tax consulting	1	1	–	–
Other services	–	–	–	–
Other auditors				
Audit engagements	1	–	–	–

Audit engagements refers to statutory auditing of annual and consolidated financial statements and bookkeeping as well as the Board's and President's administration of the company, along with audits and other reviews performed as agreed upon or contracted.

This includes other tasks that are incumbent on the company's auditor to perform, as well as consultancy or other assistance occasioned by observations during such reviews or the performance of such other tasks.

Note 9 Operating expenses by type

MSEK	Group		Parent Company	
	2024	2023	2024	2023
Employee benefit expenses	5,305	5,382	3,866	3,976
Materials etc.	3,765	3,634	4,085	3,988
Energy	2,600	3,295	2,314	3,003
Transport	927	865	2,291	2,242
Provisions for urban transformation	313	400	313	400
Depreciation, amortisation and impairment	3,022	2,974	2,315	2,324
Other operating expenses	9,671	10,634	7,588	8,597
Total	25,603	27,184	22,772	24,530

Note 10 Net financial income/expense

Group		
MSEK	2024	2023
Assets at fair value through profit or loss		
Interest-bearing securities – net gain	515	987
Shares and alternative investments – net gain	1,154	1,031
Dividends on shares at fair value through other comprehensive income	541	941
Other interest income, financial assets at amortised cost	130	117
Return on plan assets, pension plans for employees	121	124
Dividend from associate	1	–
Exchange rate fluctuations including foreign exchange derivatives (net)	47	18
Other financial income	40	2
Total financial income	2,549	3,220

Group		
MSEK	2024	2023
Financial expense		
Interest expense, financial liabilities at amortised cost		
Interest-bearing liabilities	-68	-37
Provision for remediation costs	-49	-50
Other interest expense	-11	-12
Loans receivable and shares – impairment	-2	-4
Interest expense, defined-benefit pension obligations	-142	-140
Interest expense, lease liabilities	-15	-14
Fees for loan facility	-13	-15
Other financial expense	-20	-20
Share of profit of associates	–	–
Total financial expense	-320	-292
Net financial income/expense	2,229	2,928

Exchange rate differences refer mainly to the remeasurement of receivables in foreign currency and to shares and alternative investments including related foreign exchange derivatives.

Other financial expense refers primarily to transaction costs for derivatives and to banking and administration expenses.

Parent Company	Income from interests in Group companies		Income from interests in associates	
	2024	2023	2024	2023
MSEK				
Dividend	38	33	–	–
Impairment	–	–	-403	–
Total	38	33	-403	–

Parent Company	Income from other securities and receivables held as non-current assets		Other interest income and similar profit/loss items	
	2024	2023	2024	2023
MSEK				
Dividend, shares	541	941	–	–
Interest income, Group companies	91	94	41	27
Interest income, other	–	–	116	104
Return on shares and alternative investments	–	–	2,976	1,451
Other financial income	–	–	40	2
Total	632	1,035	3,173	1,584

Exchange rate differences refer mainly to the remeasurement of receivables in foreign currency and to shares and alternative investments including related foreign exchange derivatives.

SEK thousand	Interest expense and similar profit/loss items	
	2024	2023
Interest expense, Group companies	-34	-27
Interest expense, interest-bearing liabilities	-68	-37
Interest expense, remediation costs	-37	-36
Interest expense, other	-4	-7
Exchange rate fluctuations including foreign exchange derivatives (net)	-14	-120
Fees for loan facility	-13	-15
Other financial expense	-19	-20
Total	-189	-262

Return on shares and alternative investments includes a return on interest-bearing securities of MSEK 516 (987).

Other financial expense refers primarily to transaction costs for derivatives and to banking and administration expenses.

Note 11 Appropriations

Parent Company		
MSEK	2024	2023
Difference between recognised depreciation and depreciation according to plan:		
Plant and equipment	132	925
Group contributions received	319	416
Group contributions paid	-43	-
Total	408	1,341

Note 12 Taxes

Recognised in the income statement

Group		
MSEK	2024	2023
Current tax expense (-)		
Tax expense for the year	-2,379	-3,526
Adjustment of tax attributable to prior years	5	5
	-2,374	-3,521
Deferred tax expense (-)/tax income (+)		
Deferred tax on temporary differences	196	-418
	196	-418
Total recognised Group tax	-2,178	-3,939

Parent Company		
MSEK	2024	2023
Current tax expense (-)		
Tax expense for the year	-2,255	-3,396
Adjustment of tax attributable to prior years	-	-2
	-2,255	-3,398
Deferred tax expense (-)		
Deferred tax on temporary differences	-125	-485
	-125	-485
Total recognised Parent Company tax	-2,380	-3,883

Reconciliation of effective tax

Group				
MSEK	2024 (%)	2024	2023 (%)	2023
Profit/loss before tax		10,951		19,158
Tax as per effective tax rate for Parent Company	20.6%	-2,256	20.6%	-3,947
Non-deductible expenses	1.1%	-119	0.2%	-44
Non-taxable income	-2.6%	279	-2.9%	550
Tax attributable to prior years	0.0%	5	0.0%	5
Standard interest on tax allocation reserve and investment fund	0.1%	-8	0.0%	-8
Other	0.7%	-79	2.6%	-495
Recognised effective tax	19.9%	-2,178	20.5%	-3,939

Parent Company				
MSEK	2024 (%)	2024	2023 (%)	2023
Profit/loss before tax		11,723		19,024
Tax as per effective tax rate for Parent Company	20.6%	-2,415	20.6%	-3,919
Non-deductible expenses	0.9%	-107	0.2%	-41
Non-taxable income	-2.4%	275	-2.8%	547
Tax attributable to prior years	0.0%	-	0.0%	-2
Standard interest on tax allocation reserve and investment fund	0.1%	-8	0.0%	-8
Other	1.1%	-125	2.4%	-460
Recognised effective tax	20.3%	-2,380	20.4%	-3,883

Note 12 continued

Tax attributable to other comprehensive income

Group

MSEK	2024	2023
Cash flow hedges incl. hedging cost reserve	1	-1
Remeasurement of defined-benefit pension plans	-43	67
Total	-42	66

Recognised in the statement of financial position and balance sheet

Recognised deferred tax assets and liabilities. Deferred tax assets and liabilities are attributable to the following:

Group MSEK	Deferred tax asset		Deferred tax liability		Net	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Intangible assets	15	-	-85	-100	-70	-100
Property, plant and equipment	235	268	-2,357	-2,408	-2122	-2140
Current investments	-	-	-144	-413	-144	-413
Pension provisions	115	176	-6	-	109	176
Provisions, urban transformation	504	580	-	-	504	580
Other provisions	24	29	-	-	24	29
Cash flow hedges	-	-	-	-1	-	-1
Other	122	134	-25	-	97	134
Tax assets/liabilities	1,015	1,187	-2,617	-2,922	-1602	-1,735
Offset	-1,013	-1,182	1,013	1,182	0	0
Tax assets/liabilities, net	2	5	-1,604	-1,740	-1602	-1,735

Parent Company MSEK	Deferred tax asset		Deferred tax liability		Net	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Property, plant and equipment	170	188	-	-	170	188
Pension provisions	65	95	-	-	65	95
Provisions, urban transformation	504	580	-	-	504	580
Other	21	23	-	-	21	23
Tax assets/liabilities	760	886	-	-	760	886

Note 12 continued

Change in deferred tax on temporary differences and loss carryforwards.

Group MSEK	Opening balance, 1 Jan 2024	Recognised in profit or loss	Recognised in other comprehen- sive income	Other changes	Closing balance, 31 Dec 2024
Intangible assets	-100	30	-	-	-70
Property, plant and equipment	-2,140	18	-	5	-2,122
Current investments	-413	269	-	-	-144
Pension provisions	176	-24	-43	-	109
Provisions, urban transformation	580	-76	-	-	504
Other provisions	29	-5	-	-	24
Cash flow hedges	-1	-	1	-	0
Other	134	-16	-	-21	97
Total	-1,735	196	-42	-21	-1,602

Group MSEK	Opening balance, 1 Jan 2023	Recognised in profit or loss	Recognised in other comprehen- sive income	Other changes	Closing balance, 31 Dec 2023
Intangible assets	-113	13	-	-	-100
Property, plant and equipment	-2,103	-42	-	5	-2,140
Current investments	-295	-118	-	-	-413
Pension provisions	136	-27	67	-	176
Provisions, urban transformation	957	-377	-	-	580
Other provisions	30	-1	-	-	29
Cash flow hedges	0	-	-1	-	-1
Other	0	134	-	-	134
Total	-1,388	-418	66	5	-1,735

Parent Company MSEK	Opening balance, 1 Jan 2024	Recognised in profit or loss	Closing balance, 31 Dec 2024
Property, plant and equipment	188	-18	170
Pension provisions	95	-30	65
Provisions, urban transformation	580	-76	504
Other	23	-2	21
Total	886	-126	760

Parent Company MSEK	Opening balance, 1 Jan 2023	Recognised in profit or loss	Closing balance, 31 Dec 2023
Property, plant and equipment	283	-95	188
Pension provisions	105	-10	95
Provisions, urban transformation	957	-377	580
Other	25	-2	23
Total	1,370	-484	886

Global minimum tax – Pillar Two

The Group is subject to the OECD's Pillar Two Model Rules. Pillar Two legislation has been adopted in Sweden, where LKAB is domiciled, and entered into force on 1 January 2024.

Under the legislation the Group is obliged to pay a top-up tax for the difference between the effective tax rate calculated according to the GloBE rules for each jurisdiction and a minimum tax rate of 15 percent.

The Group has calculated the additional tax at MSEK 2.4 for 2024, which has been reported as a current tax expense.

The Group applies the exception from recognition and disclosure of deferred tax assets and liabilities related to Pillar Two income taxes, as specified in the amendments to IAS 12 issued in May 2023.

Note 13 Earnings per share

The number of shares amounted to 700,000 in both 2024 and 2023. Earnings attributable to Parent Company shareholders are MSEK 8,764 (15,206) and earnings per share are thus SEK 12,519 (21,723). There are no options or potential ordinary shares, so there is no dilution.

Note 14 Intangible assets

All of the Group's intangible assets are acquired.

Group MSEK	Goodwill	Mining rights	Purchasing contracts	Customer relation- ships	Other	Total
Cost of acquisition						
Opening balance, 1 Jan 2023	694	281	434	471	953	2,833
Change in emission allowances	–	–	–	–	347	347
Disposals and retirements	–	–	–	–	–	–
Exchange rate differences	7	–	2	2	3	14
Closing balance, 31 Dec 2023	701	281	436	473	1,304	3,194
Opening balance, 1 Jan 2024	701	281	436	473	1,304	3,194
Change in emission allowances	–	–	–	–	-12	-12
Disposals and retirements	–	–	–	–	–	–
Exchange rate differences	49	–	7	8	22	86
Closing balance, 31 Dec 2024	750	281	443	481	1,314	3,268
Amortisation						
Opening balance, 1 Jan 2023	-18	-186	-161	-128	-54	-547
Amortisation for the year	–	–	-41	-36	-2	-80
Disposals and retirements	–	–	–	–	9	9
Exchange rate differences	0	-1	2	2	1	4
Closing balance, 31 Dec 2023	-18	-187	-200	-162	-46	-613
Opening balance, 1 Jan 2024	-18	-187	-200	-162	-46	-613
Amortisation for the year	–	–	-42	-37	-2	-81
Disposals and retirements	–	–	–	–	–	–
Exchange rate differences	-2	0	4	3	1	6
Closing balance, 31 Dec 2024	-20	-187	-238	-196	-47	-688

Group MSEK	Goodwill	Mining rights	Purchasing contracts	Customer relation- ships	Other	Total
Impairment						
Opening balance, 1 Jan 2023	-63	-93	–	–	–	-156
Disposals and retirements	–	–	–	–	–	–
Exchange rate differences	0	–	–	–	–	0
Closing balance, 31 Dec 2023	-63	-93	–	–	–	-156
Opening balance, 1 Jan 2024	-63	-93	–	–	–	-156
Disposals and retirements	–	–	–	–	–	–
Exchange rate differences	-1	–	–	–	–	-1
Closing balance, 31 Dec 2024	-63	-93	–	–	–	-156
Carrying amount						
At 1 Jan 2023	613	2	273	343	899	2,130
At 31 Dec 2023	621	1	235	311	1,257	2,425
At 1 Jan 2024	621	1	235	311	1,257	2,425
At 31 Dec 2024	667	1	204	285	1,266	2,423
Group MSEK						
				2024	2023	
Cost of goods sold				-81	-80	

Note 14 continued

Parent Company MSEK	Mining rights	Other	total
Cost of acquisition			
Opening balance, 1 Jan 2023	161	874	1,035
Change in emission allowances	–	347	347
Closing balance, 31 Dec 2023	161	1,222	1,383
Opening balance, 1 Jan 2024	161	1,222	1,383
Change in emission allowances	–	-13	-13
Closing balance, 31 Dec 2024	161	1,209	1,370
Amortisation			
Opening balance, 1 Jan 2023	-161	-9	-170
Disposals and retirements		9	9
Closing balance, 31 Dec 2023	-161	0	-161
Opening balance, 1 Jan 2024	-161	0	-161
Disposals and retirements		0	0
Closing balance, 31 Dec 2024	-161	0	-161
Carrying amount			
At 1 Jan 2023	–	865	865
At 31 Dec 2023	–	1,222	1,222
At 1 Jan 2024	–	1,222	1,222
At 31 Dec 2024	–	1,209	1,209
Goodwill specification			
MSEK	31 Dec 2024	31 Dec 2023	
LKAB Minerals Ltd	584	539	
Bergteamet AB	54	53	
Units without significant goodwill value, combined	29	29	
Total	667	621	

Impairment testing of cash-generating units containing goodwill

Impairment testing is performed once a year, or on an ongoing basis during the year if there is any indication of impairment, and is based on estimated value in use.

This value is based on cash flow forecasts taking the annual budget and five-year strategic plan for each cash-generating unit as a starting point, as determined by the management of the Special Products business area. The cash flow forecasts

beyond the planning horizon include the assumption of perpetual 1–2 percent growth. The expected cash flows were calculated to present value using an individual discount rate in line with the market (WACC). Important assumptions in the business plans are expected growth in the market and assessment of future margins.

The value in use of the LKAB Minerals Ltd cash-generating unit exceeds the carrying amount by MSEK 283 or 15 percent, and consequently there is judged to be no impairment loss. The discount rate before tax is 8.7 percent with perpetual growth of 2 percent.

The value in use of the cash-generating unit would equal the carrying amount if the perpetual growth rate were to change from 2 percent to 0.6 percent or the discount rate from 8.7 percent to 9.7 percent.

Note 15 Property, plant and equipment for operations

Group MSEK	Buildings and land	Under- ground installa- tions	Plant and machinery	Equipment, tools, fixtures and fittings	Construc- tion in progress	Total
Cost of acquisition						
Opening balance, 1 Jan 2023	15,053	8,465	48,375	7,898	8,984	88,774
Acquisitions	179	14	205	87	4,958	5,443
Remeasurement of asset, remediation	-33	–	–	–	–	-33
Reclassifications	856	457	1,816	481	-3,610	0
Disposals and retirements	-16	-11	-583	-193	-21	-824
Exchange rate differences	-190	–	-113	-9	-17	-328
Closing balance, 31 Dec 2023	15,849	8,925	49,700	8,263	10,294	93,032
Opening balance, 1 Jan 2024	15,849	8,925	49,700	8,263	10,294	93,032
Acquisitions	125	–	158	96	5,030	5,409
Remeasurement of asset, remediation	-7	–	–	–	–	-7
Reclassifications	264	203	5,166	-3,609	-2,052	-28
Remeasurement relating to high infla- tion	14	–	36	3	7	60
Disposals and retirements	-18	–	-323	-123	-102	-566
Exchange rate differences	-28	0	25	2	-7	-8
Closing balance, 31 Dec 2024	16,199	9,128	54,762	4,632	13,170	97,891

Note 15 continued

Group MSEK	Buildings and land	Under- ground installa- tions	Plant and machinery	Equipment, tools, fixtures and fittings	Construc- tion in progress	Total
Depreciation						
Opening balance, 1 Jan 2023	-6,435	-5,912	-29,032	-5,753		-47,132
Depreciation for the year	-447	-278	-1,766	-307		-2,798
Disposals and retirements	3	11	198	187		399
Exchange rate differences	72	-	79	7		158
Closing balance, 31 Dec 2023	-6,807	-6,179	-30,521	-5,866		-49,373
Opening balance, 1 Jan 2024	-6,807	-6,179	-30,521	-5,866		-49,373
Depreciation for the year	-495	-296	-1,795	-255		-2,841
Reclassifications	6	-	-3,041	3,063		28
Remeasurement relating to high infla- tion	-3	-	-23	-2		-28
Disposals and retirements	21	-	178	121		320
Exchange rate differences	12	-	-17	-1		-6
Closing balance, 31 Dec 2024	-7,266	-6,475	-35,219	-2,940		-51,900
Impairment						
Opening balance, 1 Jan 2023	-1,568	-828	-4,324	-567	-1,155	-8,442
Impairment for the year	-	-	-	-	-	-
Reclassifications	-270	0	-790	-76	1,136	-
Disposals and retirements	-2	0	88	1	2	89
Closing balance, 31 Dec 2023	-1,840	-828	-5,072	-641	-17	-8,353
Opening balance, 1 Jan 2024	-1,840	-828	-5,027	-641	-17	-8,353
Impairment for the year	-	-	-	-	-	-
Reclassifications	0	0	0	1	1	0
Disposals and retirements	0	0	57	1	0	58
Closing balance, 31 Dec 2024	-1,840	-828	-4,970	-639	-16	-8,293
Carrying amount						
At 1 Jan 2023	7,050	1,725	15,019	1,578	7,829	33,200
At 31 Dec 2023	7,203	1,918	14,153	1,755	10,277	35,305
At 1 Jan 2024	7,203	1,918	14,153	1,755	10,277	35,305
At 31 Dec 2024	7,094	1,825	14,574	1,052	13,154	37,698

Group MSEK	2024	2023
Owned assets including favourable leases from business combinations	37,698	35,305
Leased assets	350	309
Total	38,048	35,615

Capitalised remediation costs amount to MSEK 1,104 (1,123), while accumulated depreciation and impairment losses amount to MSEK -897 (-905).

Of the net amount of MSEK 208 (218), MSEK 125 (133) is recognised as Buildings and land and MSEK 82 (85) as Plant and machinery.

Depreciation and impairment are included in the following lines of the income statement:

Group MSEK	2024	2023
Cost of goods sold	-2,801	-2,754
Selling expenses	-3	-5
Administrative expenses	-4	-4
Research and development	-9	-11
Other operating expenses	-24	-25
Total	-2,841	-2,798

Disclosures concerning government grants in the Group

During the year government grants amounting to MSEK 26 (0) were received, which reduced the acquisition cost of the assets.

Note 15 continued

Parent Company MSEK	Buildings and land	Under- ground installa- tions	Plant and machinery	Equipment, tools, fixtures and fittings	Construc- tion in progress	Total
Cost of acquisition						
Opening balance, 1 Jan 2023	9,889	8,465	44,905	1,579	8,557	73,395
Acquisitions	173	14	115	32	4,733	5,067
Reclassifications	812	457	1,804	180	-3,254	0
Disposals and retirements	-1	-11	-573	-37	-56	-678
Closing balance, 31 Dec 2023	10,873	8,926	46,251	1,754	9,980	77,784
Opening balance, 1 Jan 2024	10,873	8,926	46,251	1,754	9,980	77,784
Acquisitions	111	-	-	-	4,694	4,805
Reclassifications	220	202	1,311	57	-1,790	0
Disposals and retirements	-	-	-205	-15	-349	-569
Closing balance, 31 Dec 2024	11,204	9,128	47,357	1,796	12,535	88,020
Depreciation						
Opening balance, 1 Jan 2023	-4,239	-5,912	-26,822	-1,229	-	-38,202
Depreciation for the year	-362	-278	-1,591	-94	-	-2,324
Disposals and retirements	1	11	189	36	-	236
Closing balance, 31 Dec 2023	-4,599	-6,179	-28,225	-1,287	-	-40,290
Opening balance, 1 Jan 2024	-4,599	-6,179	-28,225	-1,287	-	-40,290
Depreciation for the year	-397	-296	-1,535	-87	-	-2,315
Reclassifications	34	0	-35	-1	-	-1
Disposals and retirements	-	-	65	14	-	79
Closing balance, 31 Dec 2024	-4,962	-6,475	-29,730	-1,361	-	-42,527

Parent Company MSEK	Buildings and land	Under- ground installa- tions	Plant and machinery	Equipment, tools, fixtures and fittings	Construc- tion in progress	Total
Impairment						
Opening balance, 1 Jan 2023	-1,138	-828	-4,188	-81	-1,155	-7,390
Impairment for the year	-	-	-	-	-	-
Reclassifications	-270	-	-790	-76	1,136	0
Disposals and retirements	-	-	88	1	0	89
Closing balance, 31 Dec 2023	-1,408	-828	-4,891	-155	-19	-7,301
Opening balance, 1 Jan 2024	-1,408	-828	-4,891	-155	-19	-7,301
Impairment for the year	-	-	-	-	-	-
Reclassifications	0	0	0	1	0	1
Disposals and retirements	0	0	57	1	1	59
Closing balance, 31 Dec 2024	-1,407	-828	-4,834	-154	-19	-7,240
Carrying amount						
At 1 Jan 2023	4,512	1,725	13,895	269	7,402	27,803
At 31 Dec 2023	4,866	1,919	13,136	312	9,960	30,193
At 1 Jan 2024	4,866	1,919	13,136	312	9,960	30,193
At 31 Dec 2024	4,835	1,825	12,794	282	12,516	32,253

Disclosures concerning government grants in the Parent Company

During the year government grants amounting to MSEK 26 (0) were received, which reduced the acquisition cost of the assets.

Depreciation and impairment are included in the following lines of the income statement:

Parent Company MSEK	2024	2023
Cost of goods sold	-2,306	-2,312
Administrative expenses	-2	-2
Research and development	-7	-10
Total	-2,315	-2,324

Note 16 Property, plant and equipment for urban transformation

Group and Parent Company MSEK	Buildings and land	Construction in progress	Total
Opening balance, 1 Jan 2023	11,480	3,732	15,212
Capitalisation	–	796	796
Effect of changed estimates and assumptions	1,521	–	1,521
Investment grants	–	-20	-20
Adjustments, replacement properties	–	-2,707	-2,707
Closing balance, 31 Dec 2023	13,001	1,801	14,802
Opening balance, 1 Jan 2024	13,001	1,801	14,802
Capitalisation	3,848	519	4,367
Investment grants	–	-86	-86
Adjustments, replacement properties	–	-336	-336
Closing balance, 31 Dec 2024	16,849	1,898	18,747
Expensing			
Opening balance, 1 Jan 2023	-3,522	–	-3,522
Expensing of mine asset and mine component	-218	–	-218
Closing balance, 31 Dec 2023	-3,740	–	-3,740
Opening balance, 1 Jan 2024	-3,740	–	-3,740
Expensing of mine asset and mine component	-253	–	-253
Closing balance, 31 Dec 2024	-3,993	–	-3,993

Group and Parent Company MSEK	Buildings and land	Construction in progress	Total
Impairment			
Opening balance, 1 Jan 2023	-384	–	-384
Closing balance, 31 Dec 2023	-384	–	-384
Opening balance, 1 Jan 2024	-384	–	-384
Closing balance, 31 Dec 2024	-384	–	-384
Carrying amount			
At 1 Jan 2023	7,574	3,732	11,306
At 31 Dec 2023	8,877	1,801	10,678
At 1 Jan 2024	8,877	1,801	10,678
At 31 Dec 2024	12,472	1,898	14,370

Expensing is included in the following lines of the income statement:

Group and Parent Company MSEK	2024	2023
Cost of goods sold	253	-217
Total	253	-217

The balance sheet item includes the following assets:

Group and Parent Company MSEK	31 Dec 2024	31 Dec 2023
Mine asset	12,250	-2,312
Replacement properties	1,898	-2
Other property acquisitions	222	-10
Total	14,370	-2,324

Regarding reporting of replacement properties refer to Note 1 section 18.8.3. See also Note 32 for an overall picture of items associated with urban transformation.

Note 17 Interests in associates and joint ventures

Group

Joint ventures

Summary financial information for holdings in joint ventures is detailed below. The Group has a stake in the Swedish unlisted joint venture Hybrit Development AB, which is mainly engaged in research and development of methods for making iron and steel. The Group has rights to the net assets of the company and reports its holding according to the equity method.

MSEK	31 Dec 2024	31 Dec 2023
Share of assets	170	208
Share of liabilities	-17	-17
Carrying amount (share of net assets)	153	191
Group's share of profit/loss after tax	-39	-79
Total comprehensive income	-39	-79

Associates

Summary financial information for holdings in associates is detailed below, reported according to the equity method.

On 19 February 2024 LKAB acquired 49 percent of the shares in Duroc Rail AB.

Duroc Rail is a certified actor combining unique expertise in wheel maintenance for locomotives and freight cars with experience of the climate in northern Sweden. LKAB is entering into this partnership to ensure that Duroc Rail remains and develops in Luleå, since high capacity and availability on the Iron Ore Line are business-critical. Transport by rail is entirely dependent on functioning maintenance of rail wheels. The transaction is a further step in LKAB's strengthening of capacity and flexibility in order to deal with the growing challenges of the Iron Ore Line. The purchase consideration was MSEK 79 and has been paid in cash.

REEtec

MSEK	31 Dec 2024	31 Dec 2023
Share of assets	560	527
Share of liabilities	-41	-70
Carrying amount (share of net assets)	519	457
Group's share of profit/loss after tax	-13	-1
Total comprehensive income	-13	-1

Duroc Rail

MSEK	31 Dec 2024	31 Dec 2023
Share of assets	100	-
Share of liabilities	-14	-
Carrying amount (share of net assets)	86	0
Group's share of profit/loss after tax	7	-
Total comprehensive income	7	0

The Group has a holding in the company Norrskenet AB that is recognised according to the cost model. The subsidiary Bergteamet AB divested its holding in Hsafety AB during 2024.

MSEK	31 Dec 2024	31 Dec 2023
Carrying amount	19	21
Group's share of profit/loss after tax	-	-
Total comprehensive income	-	-

Note 18 Holdings in joint operations

Group

The Group has a 50 percent co-ownership in the company Likya Minerals and its subsidiary Likya Minerals Export, whose main products are minerals with flame retardant properties (UltraCarb). Likya operates out of Turkey.

Likya is a separate company but co-ownership is still considered to be a joint operation. The assessment is based on the fact that the co-owners have a commitment to buy all services that Likya provides and consequently finances Likya's entire operation in order to settle its liabilities.

68 (68) percent of Likya's sales relate to companies within the LKAB Group.

Note 19 Parent Company's interests in associates and jointly controlled entities

Parent Company MSEK	Associates		Jointly controlled entities	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Accumulated cost				
Opening balance	511	511	557	537
Acquisitions	83	-	-	-
Capital contributions	75	-	-	20
Closing balance	669	511	557	557
Accumulated impairment				
Opening balance	-25	-25	-	-
Impairment for the year	-	-	-404	-
Closing balance	-25	-25	-404	-
Carrying amount	644	486	153	557

Specification of Parent Company's directly owned interests in associates and jointly controlled entities

Company / reg. no. / domicile	Number of shares	% of votes and capital	Carrying amount
2024			
Associates			
Norrskenet AB / 556537-7065 / Gällivare	2,500	33.3%	20
REEttec Holding AS / 928177157 / Oslo	11,045,406	34.4%	541
Duroc Rail AB / 556562-8442 / Luleå	4,900	49%	83
Jointly controlled entities			
Hybrit Development AB / 559121-9760 / Stockholm	500,000	33.3%	153
Total			797

Company / reg. no. / domicile	Number of shares	% of votes and capital	Carrying amount
2023			
Associates			
Norrskenet AB / 556537-7065 / Gällivare	2,500	33.3%	20
REEttec Holding AS / 928177157 / Oslo	9,893,008	33.7%	466
Jointly controlled entities			
Hybrit Development AB / 559121-9760 / Stockholm	500,000	33.3%	557
Total			1,043

Note 20 Receivables from Group companies and associates

Parent Company MSEK	31 Dec 2024	31 Dec 2023
Accumulated cost		
Opening balance	2,275	2,586
Lending	173	5
Repayments	-90	-209
Change in exchange rates	2	-107
Closing balance	2,360	2,275

Note 21 Financial investments

Group			
MSEK		31 Dec 2024	31 Dec 2023
Financial investments held as non-current assets			
Shares and interests at fair value through other comprehensive income		4,807	8,319
Shares and interests at fair value through profit or loss		7	7
Financial assets for funded pension obligations		423	431
Total		5,237	8,757
Financial investments held as current assets			
Interest-bearing securities at fair value through profit or loss – held for trading		22,759	21,200
Shares and alternative investments at fair value through profit or loss		3,076	9,999
Other derivatives		-12	50
Total		25,823	31,249

Note 22 Other non-current securities

Parent Company			
MSEK		31 Dec 2024	31 Dec 2023
Accumulated cost			
Opening balance		3,227	3,227
Disposal		–	–
Closing balance		3,227	3,227

Parent Company		31 Dec 2024		31 Dec 2023	
MSEK		Fair value	Carrying amount	Fair value	Carrying amount
Specification of other non-current securities					
SSAB		4,806	3,220	8,319	3,220
Other holdings		7	7	7	7
Total		4,813	3,227	8,326	3,227

Note 23 Non-current receivables and other receivables

Group			
MSEK		31 Dec 2024	31 Dec 2023
Long-term receivables classed as non-current assets			
Other		2	2
Total		2	2
Other receivables classed as current assets			
Receivables, credit institutions		1,921	1,458
Recoverable VAT		321	375
Tax assets		4	4
Derivatives		20	66
PRI balance		28	28
Receivables from clients		11	10
Tax account		283	282
Receivables, collateral for derivatives		33	–
Advance payments to suppliers		28	39
Other		60	21
Total		2,709	2,283

Note 23 continued

Parent Company

MSEK	31 Dec 2024	31 Dec 2023
Non-current receivables		
Company-owned endowment insurance	70	84
Other	2	2
Total	72	86
Other receivables (current)		
Receivables, credit institutions	1,921	1,458
Recoverable VAT	296	335
PRl balance	27	27
Tax assets	–	3
Tax account	266	266
Receivables, collateral for derivatives	33	–
Advance payments to suppliers	23	32
Other	1	0
Total	2,567	2,120

Parent Company

MSEK	31 Dec 2024	31 Dec 2023
Non-current receivables		
Accumulated cost		
Opening balance	86	93
Change in value of endowment insurance	-14	-7
Closing balance	72	86

Note 24 Inventories

Group

MSEK	31 Dec 2024	31 Dec 2023
Raw materials and consumables	5,694	4,847
Work in progress	14	21
Finished goods and goods for resale	2,485	1,886
Total	8,193	6,755

Parent Company

MSEK	31 Dec 2024	31 Dec 2023
Raw materials and consumables	4,861	4,085
Finished goods	2,268	1,686
Total	7,129	5,771

Note 25 Accounts receivable

Accounts receivable are recognised after taking into consideration expected credit losses. Credit losses that have arisen in the Group amount to MSEK 3 (1). Regarding credit risks in accounts receivable see Note 35 Financial risks and risk management.

Note 26 Prepaid expenses and accrued income

MSEK	Group		Parent Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Prepaid insurance premiums	35	33	30	29
Prepaid expenses, fair value of derivatives	–	8	–	8
Other prepaid expenses	609	274	592	268
Other accrued income	163	202	110	128
Total	807	517	732	433

Note 27 Equity

Specification of equity reserves

MSEK	31 Dec 2024	31 Dec 2023
Translation reserve		
Opening balance	-195	-2
Translations differences for the year	110	-193
Closing balance	-85	-195
Fair value reserve		
Opening balance	5,100	2,792
Changes in fair value	-3,513	2,308
Closing balance	1,587	5,100
Hedging reserve including hedging cost reserve		
Opening balance	2	-3
Cash flow hedges and hedging costs		
Changes in fair value	-3	2
Changes in fair value reclassified to profit for the year	-2	4
Tax attributable to remeasurements for the year	1	-1
Closing balance	-2	2

MSEK	31 Dec 2024	31 Dec 2023
Total reserves		
Opening balance	4,907	2,787
Change in reserves for the year:		
Translation reserve	110	-193
Fair value reserve	-3,513	2,308
Hedging reserve	-4	5
Closing balance	1,500	4,907

Share capital

As at 31 December 2024, the registered share capital comprised 700,000 (700,000) ordinary shares. The share capital consists of only one type of share and all shares have equal rights. The shares are 100 percent owned by the Swedish state. The shareholder is entitled to a dividend in accordance with the Group's dividend policy. Each share entitles the holder to one vote at general meetings of shareholders. The quota value is SEK 1,000 per share.

Translation reserve

The translation reserve covers all exchange rate differences that arise in translating the financial statements of foreign entities whose financial statements were prepared in currencies other than the Group's reporting currency. The Parent Company and Group present their financial statements in SEK.

Also included in the translation reserve are exchange rate differences that arise when translating monetary non-current receivables and liabilities of foreign operations for which settlement is not planned. These form part of the company's net investment in the foreign operation.

Fair value reserve

The fair value reserve includes the accumulated net change in the fair value of equity instruments measured at fair value through other comprehensive income until such time as the assets are derecognised from the statement of financial position.

Hedging reserve

The hedge reserve includes the effective portion of the accumulated net change in the fair value of cash flow hedging instruments attributable to hedging transactions that have not yet occurred.

Hedging cost reserve

The hedging cost reserve reflects gains or losses attributable to the forward element of forward contracts. It is recognised initially in other comprehensive income and is reported in the same way as gains or losses in the hedging reserve.

Note 26 continued

Dividend

The Board proposes to the AGM that a dividend is paid to the owner as shown below. The AGM will be held on 24 April 2025.

MSEK	2024	2023
Ordinary dividend, SEK 6,286 per share	4,400	7,600
	4,400	7,600

The dividend proposed by the Board has been approved by the AGM in each of the past three years.

PARENT COMPANY

Restricted equity

Statutory reserve

The purpose of the statutory reserve is to save a portion of net profit that is not used to cover losses brought forward.

Non-restricted equity

Profit/loss brought forward

Profit/loss brought forward comprises retained earnings and profit/loss after deducting any dividend paid during the year.

Note 28 Interest-bearing liabilities

Group

MSEK	31 Dec 2024	31 Dec 2023
Non-current liabilities		
Issued corporate bonds	–	1,998
Other liabilities	–	24
Bank loans	4	150
Lease liabilities	278	238
Total	282	2,410
Current liabilities		
Issued corporate bonds	1,999	–
Current portion of lease liabilities	87	89
Total	2,086	89

Terms and payback periods

MSEK	Maturity	Interest rate %	31 Dec 2024		31 Dec 2023	
			Nominal value	Carrying amount	Fair value	Carrying amount
Bonds – fixed interest	2025	2.956	1,450	1,449	1,450	1,448
Bonds – variable interest	2025	3m STIBOR +0.65	550	550	550	550
Bank loans	2029	1m STIBOR +1.81	4	4	150	150
Other liabilities	2024		–	–	24	24
Lease liabilities	2028		365	365	327	327
Total interest-bearing liabilities			2,369	2,368	2,501	2,499

For more information about the company's exposure to interest rate risk see Note 35. The note also contains information on the maturity profile of lease liabilities.

Note 29 Non-current liabilities

Parent Company

MSEK	31 Dec 2024	31 Dec 2023
Non-current liabilities		
Issued corporate bonds	–	1,998
Other non-current liabilities	–	24
Total	–	2,022
Current liabilities		
Issued corporate bonds	2,000	–
Total	2,000	–

Note 30 Pensions

Defined-benefit pension plans

Group

MSEK	31 Dec 2024	31 Dec 2023
Present value of unfunded obligations	480	615
Present value of wholly or partially funded obligations	3,133	3,244
Total present value of obligations	3,613	3,859
Fair value of plan assets	-3,271	-3,120
Net amount in statement of financial position	342	739
The net amount is recognised in the following items in the statement of financial position:		
Financial investments	-423	-431
Provisions for pensions, non-current liabilities	765	1,170
Net amount in statement of financial position	342	739

Defined-benefit pension plans

A significant portion of LKAB's pension plans for employees in Sweden are defined-benefit plans, which means that LKAB guarantees pensions based on a percentage of salary. Pension commitments in Sweden are secured by the company via accrued provisions, of which most are secured through credit insurance from FPG (Försäkringsbolaget PRI Pensionsgaranti). In 2013 an internal company pension fund was started for vested defined-benefit pension plans. Promises of future retirement before the age of 65 are to a certain degree contingent upon working underground and are secured by the company via accrued provisions without credit insurance.

Last year transitional provisions entered into force for the Swedish defined-benefit plan that was closed to new entrants. The accounting effect impacted profit for the year with a cost of MSEK 25, the reversal of the liability of MSEK 44 being offset by one-time premiums from Collectum of MSEK 69 in order to transition to an insurance solution. In the IAS 19 calculation, the premiums from Collectum are not included. This means that the IAS 19 result shows a lower cost by MSEK 69. However, the costs are included in the relevant companies and are part of the amount of Employee benefit expenses in Note 9 Operating expenses by type, on page 137. Commitments for retirement pensions and survivors' pensions for salaried employees in Sweden are secured through insurance policies from Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10, this is a defined-benefit plan that involves several employers. The company has not had access to such information as is necessary for recognising this commitment as a defined-benefit plan. The ITP2 pension plan insured via Alecta is therefore recognised as a defined-contribution plan. The premium for the defined-benefit retirement and survivors' pension is individually calculated and depends on factors such as salary, previously earned pension and expected remaining years of service. Alecta's surplus can be distributed to the policyholders and/or the insured parties. At the end of 2024 Alecta's surplus in the form of its collective funding ratio was provisionally 162 (157) percent, which is within the normal range of 125–175 percent stated in Alecta's consolidation policy for these insurance policies.

The premium to Alecta is determined by assumptions about interest rates, life expectancy, operating expenses and yield tax, and is calculated so that constant payment of premiums until the retirement date is sufficient for the entire target benefit, which is based on the insured's current pensionable salary, to be accrued.

There are no established rules for how deficits that may arise are to be handled, but losses will primarily be covered by Alecta's collective solvency capital and thus will not lead to increased expenses through higher contractual premiums. There are also no rules for how any surplus or deficit should be distributed when plans are terminated or a company withdraws from the plan.

In Norway, the UK and Germany LKAB has defined-benefit pension plans as a complement to local social insurance. In the UK pensions are secured via a company-managed pension fund and in Germany via internal accrued provisions combined with credit insurance. In Norway pensions are secured via a combination of a company-managed pension fund, internal accrued provisions and credit insurance. Since 2020 the Norwegian defined-benefit pension plans have been closed to new entrants in favour of defined-contribution pension plans.

In the UK a legal case has arisen (the Virgin Media case) that could have implications for certain defined-benefit plans. It concerns historical benefit changes that were implemented without a valid "Section 37" certificate from an actuary, which may be deemed invalid. Uncertainty still surrounds the ruling. The plan trustee has conducted an initial high-level review, indicating a few benefit changes during the years 1997 to 2016 that need to be examined in more detail with the assistance of legal advisers. At this stage, and given the uncertainty that exists, it is not feasible to measure any additional pension liabilities. The plan trustee is monitoring developments and will keep LKAB informed on an ongoing basis.

Changes in the present value of obligations for defined-benefit plans

Group

MSEK	31 Dec 2024	31 Dec 2023
Obligation for defined-benefit plans as at 1 January	3,859	3,604
Benefits paid	-196	-197
Current service cost	80	76
Past service cost	-44	-
Interest expense	128	124
Remeasurements:		
Actuarial gains and losses for changed demographic assumptions	-	2
Actuarial gains and losses for changed financial assumptions	-122	28
Actuarial gains and losses for experience-based adjustments	-40	295
Special employer's contributions, financial items, remeasurements and service costs	-41	14
Settlement of defined-benefit plan	-44	-
Other changes	-	-5
Exchange rate differences	33	-82
Obligation for defined-benefit plans as at 31 December	3,613	3,859

Note 30 continued

The present value of the obligations for the Swedish, Norwegian and UK companies, which make up 98 percent, breaks down as follows:

Group %	Sweden		Norway		UK	
	2024	2023	2024	2023	2024	2023
Active members	51	55	27	33	18	16
Paid-up policy holders	14	13	19	18	27	26
Retirees	35	32	54	49	55	58

Changes in fair value of plan assets

Group MSEK	31 Dec 2024	31 Dec 2023
Fair value of plan assets at 1 January	3,120	3,042
Contributions	34	84
Benefits paid	-68	-69
Interest income recognised in profit or loss	108	110
Return on plan assets excluding interest income	43	18
Exchange rate differences	34	-65
Fair value of plan assets at 31 December	3,271	3,120

Plan assets consist of the following:

Group MSEK	31 Dec 2024	31 Dec 2023
Shares	927	857
Interest-bearing assets including bonds	1,650	1,459
Alternative investments	694	804
Total	3,271	3,120

Costs recognised in profit or loss for the year:

Group MSEK	31 Dec 2024	31 Dec 2023
Current service cost	80	76
Past service cost	-44	-
Settlement of defined-benefit plan	-45	-
Interest expense on obligation	128	124
Return on plan assets	-108	-110
Total net cost in profit or loss for the year	11	90

The above income statement items are reported excluding allocation of special employer's contributions for the Group.

The costs are recognised on the following lines in the income statement:

Group MSEK	2024	2023
Cost of goods sold	-8	76
Financial income	-108	-110
Financial expense	127	124
Total	11	90

The above income statement items are reported excluding allocation of special employer's contributions for the Group.

Costs recognised in other comprehensive income:

Group MSEK	2024	2023
Remeasurements:		
Actuarial gains (-) and losses (+)	-163	326
Difference between actual return and return according to discount rate on plan assets	-43	-18
Exchange rate differences	0	-17
Net recognised in other comprehensive income	-206	291

The above income statement item is reported excluding allocation of special employer's contributions for the Group.

Note 30 continued

Assumptions for defined-benefit obligations: the most significant actuarial assumptions at the end of the reporting period, assessed for each country but expressed as weighted averages, are given below.

Group	2024	2023
Discount rate as at 31 December	3.8	3.4
Return on plan assets as at 31 December	3.8	3.4
Future salary increase	2.8	2.7
Employee turnover	3.5	3.5
Future pension increase	2.5	2.4

Assumptions concerning future mortality are based on the standard DUS 23. The average life expectancy of an individual retiring at age 65 is 22 years for men and 24 years for women.

The actual return on plan assets for 2024 was 4.6 (4.1) percent.

Sensitivity analysis

The following table presents possible changes in actuarial assumptions at year-end, other assumptions being unchanged, and how these would affect the defined-benefit obligation. The calculation of the change in pension commitments includes the Swedish, Norwegian and UK commitments, which represent 98 percent of Group commitments.

Group	Increase in assumptions	Decrease in assumptions
+ (increase)/ – (decrease) in pension liability		
Discount rate (0.5 percentage point change)	-197	229
Expected mortality (1-year change)	100	-109
Future salary increase (0.5 percentage point change)	103	-95
Future pension increase (0.5 percentage point change)	152	-141

At 31 December 2024 the weighted average duration of the obligation was 13 (14) years.

Historical information

MSEK	2024	2023	2022	2021	2020
Present value of defined-benefit obligations	3,613	3,859	3,604	4,327	4,319
Fair value of plan assets	-3,271	-3,120	-3,042	-3,331	-2,926
Net obligations	342	739	562	996	1,393

The Group estimates that payments into funded and unfunded defined-benefit plans in 2025 will amount to MSEK 37 and that payments in 2025 into the defined-benefit plans that are recognised as defined-contribution plans will amount to MSEK 55.

Net liability recognised in balance sheet

Parent Company	31 Dec 2024	31 Dec 2023
MSEK		
+ Present value of obligation (calculated according to Swedish principles) for wholly or partially funded pension plans	1,433	1,340
- Fair value at end of period for specifically separated assets (in pension funds and the like)	-1,602	-1,574
= Surplus in pension fund or the like (-)/net obligation (+)	-169	-234
+ Present value of obligations (calculated according to Swedish principles) for unfunded pension plans	248	376
= Net recognised for pension obligations	248	376

Changes in net liability

Parent Company	31 Dec 2024	31 Dec 2023
MSEK		
Net liability at start of year for pension provisions	376	417
+ Cost of company-managed pension scheme excluding taxes as recognised in the income statement	34	55
- Pension payments	-97	-96
- Effects from acquired/divested operations	-65	-
Net liability at year-end for pension commitments	248	376

Note 30 continued

Fair value of assets in trust by main category

Parent Company		
MSEK	31 Dec 2024	31 Dec 2023
Shares	464	444
Interest-bearing assets including bonds	663	638
Alternative investments	475	492
Total	1,602	1,574

Costs relating to pensions

Parent Company		
MSEK	2024	2023
Company-managed pension schemes		
Cost	34	55
Cost of company-managed pension schemes	34	55
Pension through insurance policy		
Insurance premiums	308	268
Subtotal	342	323
Special employer's contribution on pension costs	123	93
Cost of credit insurance, administrative expenses, other	3	6
Recognised net cost attributable to pensions	468	422

Net pension cost is recognised on the following lines of the income statement:

Parent Company		
MSEK	2024	2023
Cost of goods sold	468	422
Total	468	422

Assumptions for defined-benefit obligations. The most significant actuarial assumptions at the end of the reporting period (expressed as weighted averages).

Parent Company

%	2024	2023
Discount rate as at 31 December	2.85	2.85

Defined-contribution pension plans

In Sweden, the Group has defined-contribution pension plans for employees that are fully paid by the companies.

Outside of Sweden there are defined-contribution plans that are financed partly by the subsidiaries and partly by employee contributions.

Payments into these plans are made regularly in accordance with the terms of each plan.

MSEK	Group		Parent Company	
	2024	2023	2024	2023
Costs for defined-contribution pension plans	401	323	308	268

No retirement solutions were paid out through insurance plans in 2024 or 2023.

Note 31 Provisions

Group		
MSEK	31 Dec 2024	31 Dec 2023
Provisions		
Urban transformation	13,956	11,608
Carbon emission allowances	539	626
Remediation costs	1,734	1,701
Other	4	2
Total	16,233	13,937

Parent Company		
MSEK	31 Dec 2024	31 Dec 2023
Provisions		
Urban transformation	13,956	11,608
Carbon emission allowances	539	626
Remediation costs	1,313	1,268
Total	15,808	13,502

Note 31 continued

Group MSEK	Urban transforma- tion	Emission allowances	Remediation costs	Other provisions	Total
Opening balance, 1 Jan 2024	11,608	626	1,701	2	13,937
Provisions for the year	3,089	–	1	2	3,092
Remeasurement of prior year provisions	819	–	-7	0	812
Utilised provisions	-1,560	–	-11	–	-1,571
Interest adjustment for the year, liabilities	–	–	49	–	49
Emissions for the year	–	539	–	–	539
Adjustment of prior year emissions	–	-621	–	–	-621
Sales of emission allowances	–	-5	–	–	-5
Currency remeasurement	–	–	1	–	1
Closing balance, 31 Dec 2024	13,956	539	1,734	4	16,233
Less: expenditures for replacement properties	-1,898	–	–	–	-1,898
Closing balance, 31 Dec 2024 (net)	12,058	539	1,734	4	14,335
<i>Of which to be paid out within 1 year</i>	<i>2,683</i>	<i>539</i>	<i>129</i>	<i>0</i>	<i>3,351</i>
<i>Of which to be paid out in 2–8 years</i>	<i>8,782</i>	<i>–</i>	<i>416</i>	<i>2</i>	<i>9,200</i>
<i>Of which to be paid out after 8 years</i>	<i>593</i>	<i>–</i>	<i>1,189</i>	<i>2</i>	<i>1,784</i>
Opening balance, 1 Jan 2023	13,644	447	1,727	2	15,820
Provisions for the year	146	–	–	0	146
Remeasurement of prior year provisions	1,557	–	-53	–	1,504
Utilised provisions	-3,739	–	-23	–	-3,762
Interest adjustment for the year, liabilities	–	–	50	–	50
Emissions for the year	–	626	–	–	626
Adjustment of prior year emissions	–	-447	–	–	-447
Closing balance, 31 Dec 2023	11,608	626	1,701	2	13,937
Less: expenditures for replacement properties	-1,802	–	–	–	-1,802
Closing balance, 31 Dec 2023 (net)	9,806	626	1,701	2	12,135
<i>Of which to be paid out within 1 year</i>	<i>2,449</i>	<i>626</i>	<i>1</i>	<i>2</i>	<i>3,078</i>
<i>Of which to be paid out in 2–8 years</i>	<i>6,743</i>	<i>–</i>	<i>396</i>	<i>–</i>	<i>7,139</i>
<i>Of which to be paid out after 8 years</i>	<i>614</i>	<i>–</i>	<i>1,304</i>	<i>–</i>	<i>1,918</i>

Expenditures for replacement properties refers to expenses incurred which are reported as property, plant and equipment; see Note 16. The provisions and the property, plant and equipment asset are offset when the replacement property is handed over. For an overall picture of items related to urban transformation refer to Note 32.

Parent Company MSEK	Urban transforma- tion	Emission allowances	Remediation costs	Total
Opening balance, 1 Jan 2024	11,608	626	1,268	13,502
Provisions for the year	3,089	–	19	3,108
Remeasurement of prior year provisions	819	–	–	819
Utilised provisions	-1,560	–	-11	-1,571
Interest adjustment for the year, liabilities	–	–	37	37
Emissions for the year	–	539	–	539
Adjustment of prior year emissions	–	-621	–	-621
Sales of emission allowances	–	-5	–	-5
Closing balance, 31 Dec 2024	13,956	539	1,313	15,808
Less: expenditures for replacement properties	-1,898	–	–	-1,898
Closing balance, 31 Dec 2024 (net)	12,058	539	1,313	13,910
<i>Of which to be paid out within 1 year</i>	<i>2,683</i>	<i>539</i>	<i>99</i>	<i>3,321</i>
<i>Of which to be paid out in 2–8 years</i>	<i>8,782</i>	<i>–</i>	<i>307</i>	<i>9,089</i>
<i>Of which to be paid out after 8 years</i>	<i>593</i>	<i>–</i>	<i>907</i>	<i>1,500</i>
Opening balance, 1 Jan 2023	13,644	447	1,235	15,326
Provisions for the year	146	–	20	166
Remeasurement of prior year provisions	1,557	–	–	1,557
Utilised provisions	-3,739	–	-23	-3,762
Interest adjustment for the year, liabilities	–	–	36	36
Emissions for the year	–	626	–	626
Adjustment of prior year emissions	–	-447	–	-447
Closing balance, 31 Dec 2023	11,608	626	1,268	13,502
Less: expenditures for replacement properties	-1,802	–	–	-1,802
Closing balance, 31 Dec 2023 (net)	9,806	626	1,268	11,700
<i>Of which to be paid out within 1 year</i>	<i>2,449</i>	<i>626</i>	<i>1</i>	<i>3,076</i>
<i>Of which to be paid out in 2–8 years</i>	<i>6,743</i>	<i>–</i>	<i>396</i>	<i>7,139</i>
<i>Of which to be paid out after 8 years</i>	<i>614</i>	<i>–</i>	<i>871</i>	<i>1,485</i>

Note 32 Urban transformation

Net cost of urban transformation

The company's net cost consists of the following components:

Group and Parent Company

MSEK	2024	2023
Costs for urban transformation, current period	-253	-217
Effect of changed estimates and assumptions	-60	-183
Total	-313	-400

The net cost of urban transformation is recognised on the following line of the income statement:

Group and Parent Company

MSEK	2024	2023
Cost of goods sold	-313	-400
Total	-313	-400

Provisions for urban transformation

In the Parent Company the long-term portion is reported as a provision in accordance with the Swedish Annual Accounts Act.

Provisions are recognised on the following lines of the balance sheet:

Group and Parent Company

MSEK	31 Dec 2024	31 Dec 2023
Current liabilities	2,683	2,449
Non-current liabilities	11,273	9,159
Total	13,956	11,608

LKAB's accounting policies for provisions state that a provision for urban transformation is reported where there is an agreement or a clear constructive obligation that defines a commitment relating to future impact areas.

Provisions are recognised for all estimated remaining commitments in respect of the impact areas for the main haulage levels decided on. The parts of the provision that relate to commitments for areas that have not been impacted by mining to date are reported as a mine asset relating to future mining. The mine asset is expensed using a production-based method; see description in Note 1 section 18.8.

Since 2006 LKAB has paid out a total of MSEK 33,913 in respect of the urban transformation, of which MSEK 17,288 relates to payments against allocated funds.

The recognised provision for urban transformation does not include LKAB's own need to replace properties affected by the urban transformation.

To finance future urban transformation payouts, funds are allocated in accordance with the finance policy approved by the Board from time to time. The purpose of such asset management is to ensure LKAB's ability to pay and that the return on allocated funds will cover inflation over time.

Property, plant and equipment for urban transformation

The balance sheet item includes the following assets:

Group and Parent Company

MSEK	31 Dec 2024	31 Dec 2023
Mine asset	12,250	8,648
Replacement properties	1,898	1,802
Other property acquisitions	222	229
Total	14,370	10,679

Replacement properties refers to expenditures for the construction of replacement properties for those property owners who have chosen this option. Commitments for replacement properties are recognised as a provision until handover of the replacement property. At this point, the provision is offset against expenditures for the replacement property.

Note 33 Accrued expenses and deferred income

MSEK	Group		Parent Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Electricity	56	143	43	123
Payroll and employee benefit expenses	855	1,081	626	859
Accrued trade payables	504	456	409	379
Prepaid emission allowances	711	595	711	595
Grants, Swedish Energy Agency	669	560	669	560
Other	128	211	22	59
Total	2,923	3,046	2,480	2,574

Note 34 Valuation of financial assets and liabilities at fair value and categorization

Classification and fair value and level of measurement hierarchy

The following is a summary of the fair values of consolidated financial assets and liabilities with a breakdown by measurement category. Information is also provided about to which fair value level the respective financial assets and liabilities belong.

Group 31 Dec 2024 MSEK	Note	Carrying amount					Fair value			
		Fair value – hedging instruments	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Other liabilities	Total	Level 1	Level 2	Total
Financial assets measured at fair value										
Shares, financial assets	21	–	7	4,807	–	–	4,814	4,807	7	4,814
Shares and alternative investments, short-term holdings	21	–	3,064	–	–	–	3,064	–	3,064	3,064
Interest-bearing, short-term holdings	21	–	22,759	–	–	–	22,759	–	22,759	22,759
Derivatives for hedging	23	–	–	–	–	–	–	–	–	–
Other derivatives	21	15	–	–	–	–	15	–	15	15
Total		15	25,830	4,807	–	–	30,652			
Financial assets not measured at fair value										
Non-current receivables	23	–	–	–	2	–	2	–	–	–
Accounts receivable		–	–	–	3,653	–	3,653	–	–	–
Other receivables	23	–	–	–	2,709	–	2,709	–	–	–
Accrued income	26	–	–	–	163	–	163	–	–	–
Cash and bank balances (cash and cash equivalents)	42	–	–	–	4,816	–	4,816	–	–	–
Total		–	–	–	11,343	–	11,343			
Financial liabilities not measured at fair value										
Issued bond loans	28	–	–	–	–	2,000	2,000	–	–	–
Other bond financing	28	–	–	–	–	–	–	–	–	–
Bank loans	28	–	–	–	–	4	4	–	–	–
Trade payables		–	–	–	–	2,724	2,724	–	–	–
Other liabilities		–	–	–	–	248	248	–	–	–
Accrued expenses	33	–	–	–	–	2,923	2,923	–	–	–
Total		–	–	–	–	7,899	7,899			

Note 34 continued

Group 31 Dec 2023	Note	Carrying amount					Fair value			
		Fair value – hedging instruments	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Other liabilities	Total	Level 1	Level 2	Total
MSEK										
Financial assets measured at fair value										
Shares, financial assets	20	–	7	8,319	–	–	8,326	8,319	7	8,326
Shares and alternative investments, short-term holdings	20	–	10,048	–	–	–	10,048	–	10,048	10,048
Interest-bearing, short-term holdings	20	–	21,200	–	–	–	21,200	–	21,200	21,200
Derivatives for hedging	22	–	–	–	–	–	–	–	–	–
Other derivatives	20	51	–	–	–	–	51	–	51	51
Total		51	31,255	8,319	–	–	39,625			
Financial assets not measured at fair value										
Non-current receivables	22	–	–	–	2	–	2	–	–	–
Accounts receivable		–	–	–	3,420	–	3,420	–	–	–
Other receivables	22	–	–	–	2,283	–	2,283	–	–	–
Accrued income	25	–	–	–	202	–	202	–	–	–
Cash and bank balances (cash and cash equivalents)	41	–	–	–	4,572	–	4,572	–	–	–
Total		–	–	–	10,479	–	10,479			
Financial liabilities not measured at fair value										
Issued bond loans	27	–	–	–	–	1,998	1,998	–	1,998	1,998
Other bond financing	27	–	–	–	–	–	0	–	–	–
Bank loans	27	–	–	–	–	150	150	–	–	–
Trade payables		–	–	–	–	2,411	2,411	–	–	–
Other liabilities		–	–	–	–	264	264	–	–	–
Accrued expenses	32	–	–	–	–	3,046	3,046	–	–	–
Total		–	–	–	–	7,869	7,869			

Note 34 continued

Disclosures concerning financial assets and liabilities measured at fair value are based on a fair value hierarchy with three levels. Level 1 means quoted prices in an active market, such as stock market listings. Level 2 means observable market data other than quoted prices, either direct (such as quoted prices) or indirect (derived from quoted prices). Level 3 means the fair value is determined using inputs that are not based on directly observable market data.

The measurement of fair value for current investments is based mainly on Level 2 inputs. Interest-bearing instruments are measured using data from the interest-bearing securities market, obtained from Bloomberg. Shares and alternative investments are measured using inputs from the stock market or received directly from brokers.

Fair values for derivatives are calculated based on official listings from Bloomberg, with the exception of derivatives relating to the commodities portfolio which are based on quoted market prices.

For shares and non-current financial assets recognised at fair value through profit or loss the cost is considered to be an appropriate estimate of fair value.

For commercial paper issued and repurchase agreement liabilities the carrying amount is a reasonable approximation of fair value because of the short time to maturity.

The fair value of interest-bearing non-current liabilities has been calculated based on the interest rate that applied on the closing date for remaining terms.

The carrying amount of accounts receivable, other receivables, accrued income, cash and cash equivalents, trade payables, other liabilities and accrued expenses is a reasonable approximation of their fair value.

Parent Company

Measurement categories for assets and liabilities as shown below follow the above measurement categories for the Group's financial instruments.

Presented below are the assets and liabilities for which the carrying amount differs from their fair value.

Parent Company MSEK	31 Dec 2024		31 Dec 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at amortised cost				
Shares, financial assets	3,227	4,814	3,227	8,327
Current investments	25,872	26,571	29,918	31,924
Total	29,099	31,385	33,145	40,251
Financial liabilities at amortised cost				
Issued bond loans	-2,000	-2,000	-1,998	-1,998
Total	-2,000	-2,000	-1,998	-1,998

Note 35 Financial risks and risk management

Framework for financial risk management

The Group's activities expose it to a variety of financial risks. LKAB's financial risk management is regulated by a finance policy established by the Board which provides a framework for financial activities within the LKAB Group. The LKAB Treasury Centre is the company's central treasury function, which manages the Group's overall financial risk and is also the Group treasury. Reporting takes place on an ongoing basis to the Board's Finance and Audit Committee, which is responsible for ongoing monitoring of compliance with the finance policy and with investment guidelines passed.

The Group's aim is that financing activities will at all times support the business plan adopted and ensure that financial risks are identified, quantified and managed.

The current finance policy was established in February 2024.

Cash flow risk in SEK

The LKAB Group's biggest financial risk is cash flow risk in SEK, which is mainly linked to fluctuations in the global iron ore price and exchange rates between USD and SEK. Together these factors could have a major negative impact on the company's income statement, balance sheet and cash flow. Another significant cash flow risk is energy price risk. The finance policy provides guidelines for identifying and reporting the Group's total risk exposure as regards cash flow risk. Risk reporting is based on the cash flow forecast in the current business plan.

The finance policy also sets out frameworks for hedging activities. The basic rule is that the Group does not hedge future forecast cash flows other than confirmed flows relating to accounts receivable and trade payables.

When carrying out hedging, the hedging strategy and effectiveness of the strategy are to be documented and the requirements of hedge accounting must be met; see also Note 1 Significant accounting policies, section 17 Derivatives and hedge accounting. See the Administration Report for a sensitivity analysis of cash flow risk.

Price risk for iron ore products

Price volatility in the global iron ore market impacts LKAB's earnings and cash flows. The price of LKAB's products is affected both by the global price of iron ore and by the quality premiums added to high-quality iron ore products. The price of iron ore is established daily, while the premiums are a combined result of market price and negotiations with LKAB's customers. In 2024 deliveries to the spot price market were occasionally hedged in respect of iron ore prices.

Currency risk in iron ore sales

Currency risk exposure stems mainly from Group sales of iron ore where market pricing is in USD. The currency risk consists partly of the risk of fluctuations in the value of accounts receivable and partly of the currency risk in expected and contracted payment flows. These risks are known as transaction exposure. As shown above, the basic rule in the Group's finance policy is that LKAB does not normally hedge forecast cash flows. Outstanding accounts receivable relating to iron ore sales are normally 100 percent hedged, however. At 31 December 2024 a total of 100 (100) percent of accounts receivable in USD were hedged.

Note 35 continued

The fair value of the forward contracts as at 31 December 2024 amounted to MSEK -6 (49), of which MSEK -3 (46) relates to currency hedging of accounts receivable recognised in profit for the current year. Transaction exposure in USD relating to sales of iron ore amounted to MUSD 2,766 (3,668) in 2024.

Exchange differences relating to iron ore sales are included in net sales in the total amount of MSEK -4 (28), of which MSEK -174 (125) relates to hedges.

Energy price risk

Changes in energy prices form part of the Group's cash flow risk in SEK. The Group's energy costs correspond to 10 (12) percent of operating expenses. No financial hedging took place in 2024 to reduce this exposure.

Other currency risks

Currency risks also arise in the translation of foreign subsidiaries' assets and liabilities to the Parent Company's functional currency, known as translation exposure. LKAB does not normally hedge its translation exposure. Consolidated net foreign assets are divided into the following currencies (millions of local currency):

Maximum translation exposure

In local currency, million	2024	2023
EUR	13	12
GBP	161	151
USD	15	12
DKK	253	243
NOK	1,336	1,516
CNY	38	40
HKD	130	114
TRL	45	14

Price or currency exposure may also arise for other companies in the Group through purchases and sales in foreign currencies. The finance policy contains rules on the subsidiaries' reporting of currency risks to the LKAB Treasury Centre, which is responsible for the Group's overall management of currency exposure.

The Group also has currency risks in respect of current investments in foreign currency. Under the finance policy, currency derivatives may be used in the management of financial asset portfolios provided the currency exposure remains within specified limits.

Exchange rate differences for other currency risks are included in operating profit at MSEK -16 (-1) and in net financial income/expense at MSEK 47 (18).

Interest rate risk and share price risk

Interest rate risk refers to the risk of how the return on interest-bearing assets or interest expense on interest-bearing liabilities is impacted by a change in the interest rate. The level of interest rate risk is affected by changes in interest rates

and by the amount of interest rate-sensitive capital. LKAB is mainly exposed to interest rate risk in respect of financial current assets as well as cash and cash equivalents. Exposure to interest rate risk among liabilities relates to bonds with variable interest rates; see Note 28 Interest-bearing liabilities for the Group.

Share price risk refers to the risk of a reduction in value due to changes in prices on the stock market.

LKAB's financial current assets and its cash and cash equivalents are divided into a liquidity portfolio and an asset management portfolio.

For interest-bearing current investments the finance policy governs the maximum average duration in each asset portfolio. The frameworks are set in relation to each portfolio's commitments or purpose and in relation to a range of risk measures and restrictions. At 31 December 2024 interest-bearing investments amounted to MSEK 23,507 (21,875). The remaining term was 1,538 (1,363) days.

For shares and alternative investments the finance policy contains a number of guidelines and restrictions, including what current investments are permitted and the percentage of portfolio value.

Credit risk

Credit risk is the risk that a customer or counterparty in a financial instrument is unable to fulfil its commitments, thereby causing the Group a financial loss, and arises mainly from the Group's accounts receivable, derivatives and current investments.

Maximum credit risk exposure

MSEK	2024	2023
Derivatives	15	51
Interest-bearing instruments, short-term holding	22,759	21,200
Interest-bearing instruments, short-term holding (portion of cash and cash equivalents)	748	675
Accounts receivable and other current receivables	4,663	4,689
Accrued income	163	202
Total	28,348	26,817

No impairment of financial current assets is recognised in profit or loss for the year; see comments under each section below.

Credit risks in financial activities

The financial activities of the Group entail exposure to credit risks. These are primarily counterparty risks in conjunction with receivables from banks and other counterparties involved in the purchase of financial investments. The finance policy contains special counterparty rules stating the maximum credit exposure for various counterparties and for each designated asset portfolio. The Master Netting Agreement from the International Swaps and Derivatives Association (ISDA) is used for all counterparties in derivatives transactions.

The Group has no assets that have fallen due or have been impaired that resulted in credit losses. LKAB has not experienced any credit losses in current investments over the past five years.

Note 35 continued

Credit risk in accounts receivable

Commercial credit exposure arises in the ordinary course of LKAB's business primarily in the form of customer credit. Commercial credit risks are related to the customer's or counterparty's solvency; that is, their credit standing, the amount of credit granted and the credit period.

The Group's credit risk exposure is affected mainly by each customer's individual characteristics, but factors relating to the industry and the country where the customers operate are also taken into consideration. Information on concentration of revenue is given in Note 3.

The Group's finance policy contains a regulatory framework for credit rating that defines the criteria for evaluating new and existing customers from a credit risk perspective. The framework includes approval processes, credit limits and monitoring procedures. Monitoring is carried out on a quarterly basis by the Board's Audit Committee.

Based on historical customer losses and forward-looking information, LKAB assesses that no impairment of accounts receivable is necessary as at the closing date. The majority of the Group's customers have done business with the Group for many years and none of these customers' accounts had been written down or deemed to be credit-impaired as at the closing date.

The average collection period on accounts receivable was 17 days (34) in 2024.

Offsetting and similar contracts

Counterparty risk in derivative contracts is reduced through netting agreements; that is, netting of positive and negative values in all derivative contracts with one and the same counterparty. For exchange-traded derivatives there are clearing agreements that include netting. For all other counterparties in derivative transactions the Group enters into derivatives contracts under the International Swaps and Derivatives Association (ISDA) Master Netting Agreement, supplemented by an agreement on collateral for net exposures (Credit Support Annex, CSA).

These agreements give the Group a legal right to offset recognised amounts both in the ordinary course of business and in the case of a serious credit event. The items are also settled net in operating activities. Netting is applied to payments of obligations that are due at the same time, in the same currency, with the same counterparty and for the same type of instrument. Only the excess amount per instrument and currency is paid by the party that owes the most.

The table below presents disclosures about financial instruments that are covered by a legally binding framework agreement on netting or a similar agreement, along with details of any collateral provided.

Group, 2024 MSEK	Financial assets/ liabilities gross	Offset amounts	Net amount in statement of financial position	Related amounts that are not offset		
				Financial instruments that are not offset	Collateral provided	Net amount
Financial assets						
Derivatives	21	0	21	–	–	21
Financial liabilities						
Derivatives	-6	0	-6	–	–	-6
Total	15	0	15	–	–	15

Group, 2023 MSEK	Financial assets/ liabilities gross	Offset amounts	Net amount in statement of financial position	Related amounts that are not offset		
				Financial instruments that are not offset	Collateral provided	Net amount
Financial assets						
Derivatives	65	0	65	–	–	65
Financial liabilities						
Derivatives	-14	0	-14	–	–	-14
Total	51	0	51	–	–	51

Financing risk

Financing risk is the risk that the LKAB Group cannot meet its commitments due to lack of liquidity or the inability to raise external loans for operating activities.

The Group's finance policy defines the Group's financing needs, in the form of operating capital, needs caused by fluctuations in cash flow and planned expenditure for commitments within urban transformation, pensions and remediation. The Group's cash flow forecast is updated quarterly. Long-term financing is to cover these financing needs, as a minimum.

Undrawn credit facilities amount to MSEK 5,000 at the closing date.

Capital market programmes

LKAB has an MTN programme denominated in SEK for long-term borrowing on the domestic capital market. The size of the programme amounts to MSEK 7,000 (7,000) and total borrowing within the programme amounts to MSEK 2,000 (2,000). The remaining term for the borrowing is 69 (434) days.

LKAB also has a Swedish commercial paper programme. The size of this programme amounts to MSEK 5,000 (5,000) and total borrowing under this programme amounts to MSEK 0 (–). All credit facilities are subject to 100 percent retention of title.

Credit facilities

MSEK	Nominal	Utilised (nominal)	Available
Commercial paper programme, maturing within one year	5,000		5,000
Bond programmes	7,000		5,000
<i>Maturing March 2025, green bonds</i>		2,000	
Credit facility	5,000		5,000
Total	17,000	2,000	15,000

Note 35 continued

Maturity profile of financial assets – undiscounted cash flows

MSEK	2024						2023					
	Total	<1 month	1–3 months	3 months – 1 year	1–5 years	>5 years	Total	<1 month	1–3 months	3 months – 1 year	1–5 years	>5 years
Interest-bearing securities	23,507	425	3,130	5,520	12,315	2,117	21,875	1,851	1,531	4,941	11,823	1,729
Derivatives	21	21	–	–	–	–	65	53	12	–	–	–
Accounts receivable	3,043	2,348	695	–	–	–	2,792	2,527	265	–	–	–
Total	26,571	2,794	3,825	5,520	12,315	2,117	24,732	4,431	1,808	4,941	11,823	1,729

The Group's maturity profile for accounts receivable is considered to be similar to that of the Parent Company in all material respects. The information above refers to the Parent Company.

Maturity profile of financial liabilities – undiscounted cash flows

MSEK	2024						2023					
	Total	<1 month	1–3 months	3 months – 1 year	1–5 years	>5 years	Total	<1 month	1–3 months	3 months – 1 year	1–5 years	>5 years
Bond loans	2,000	–	2,000	–	–	–	1,998	–	–	–	1,998	–
Bank loans	4	–	–	–	4	–	150	–	–	30	90	30
Derivatives	6	4	2	–	–	–	14	14	–	–	–	–
Lease liabilities	447	9	19	72	196	151	358	10	16	72	182	78
Trade payables	2,137	2,137	–	–	–	–	1,955	1,798	157	–	–	–
Other liabilities and accrued expenses	696	75	6	615	–	–	1,540	738	73	729	–	–
Total	5,290	2,225	2,027	687	200	151	6,015	2,560	246	831	2,270	108

The Group's maturity profile for trade payables, other liabilities and accrued expenses is considered to be similar to that of the Parent Company in all material respects. The above information is taken from the Parent Company.

Asset management

LKAB's financial risk management is regulated by a finance policy approved by the Board. The Board's Finance and Audit Committee is responsible for ongoing monitoring of compliance with the finance policy and with investment guidelines passed. LKAB defines its managed assets as equity in the Group excluding unrealised changes in the value of derivatives that are recognised directly in equity. Assets under management amounted to SEK 78.6 (80.8) billion at the end of the reporting period. The Group's aim as regards economic sustainability is to be financially strong in order to be an innovative and responsible company that contributes to prosperity. The financial targets relate to capital structure, profitability and dividend.

The capital structure target is a net debt/equity ratio of less than 60 percent. The net debt/equity ratio is defined as the net of interest-bearing liabilities and provisions as well as interest-bearing assets, divided by equity. The net debt/equity ratio was -15.5 (-23.8) percent at the end of the reporting period.

The profitability target for the Group is a return on equity in excess of 9 percent. For 2024 the return was 11 (20) percent.

The Group's dividend policy states that the ordinary dividend to the owner is to be 40–60 percent of profit for the year.

The proposed dividend of MSEK 4,400 represents 50 percent of the Group's profit.

Note 36 Leases

Lessee

In addition to leased assets, the Group's property, plant and equipment includes favourable lease agreements acquired through business combinations.

Group			
MSEK	Note	2024	2023
Right-of-use assets	15	350	309
Total		350	309

Significant assets leased are tugboats, production premises and land, office premises and IT equipment.

Right-of-use assets

Group		Plant and machinery	Equipment, tools, fixtures and fittings	Total
MSEK	Buildings and land			
Depreciation during the year	53	8	40	101
Additions to right-of-use assets during the year	115	16	23	154
Closing balance, 31 Dec 2024	225	13	112	350

Group		Plant and machinery	Equipment, tools, fixtures and fittings	Total
MSEK	Buildings and land			
Depreciation during the year	50	6	40	96
Additions to right-of-use assets during the year	39	3	2	44
Closing balance, 31 Dec 2023	176	6	127	309

Additions to right-of-use assets include the cost for rights of use acquired during the year, additional amounts following review of the lease term and exchange rate changes.

Lease liabilities

Group		
MSEK	2024	2023
Current	86	89
Non-current	278	238
Lease liabilities included in the statement of financial position	364	327

For a maturity analysis of lease liabilities see Note 34 Financial risks and risk management.

Amounts recognised in profit or loss

Group		
MSEK	2024	2023
Depreciation of right-of-use assets	101	96
Interest on lease liabilities	15	14
Costs of short-term leases	68	175
Costs of low-value leases	121	109
Total	305	394

Non-cancellable lease payments

Parent Company		
MSEK	2024	2023
Within one year	19	19
Between one and five years	7	7
Longer than five years	4	6
Total	30	32

Operating lease payments expensed

	2024	2023
MSEK		
Minimum lease payments	114	189

Note 35 continued

Amounts recognised in the statement of cash flows

Group

MSEK	2024	2023
Total cash outflow attributable to leases	309	388

The above cash outflows include both amounts for leases recognised as lease liabilities and amounts paid for short-term and low-value leases.

Lessor

Lease income from leases where the Group is the lessor is as follows.

Operating leases

MSEK	Group		Parent Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Lease income	362	298	68	68

Operating leases

The Group leases out properties; mainly residential properties. The leases are classified as operating leases because the leases do not transfer the significant risks and benefits associated with ownership of the underlying asset.

Presented below is a maturity analysis of lease payments showing the undiscounted lease payments that will be received after the closing date.

MSEK	Group		Parent Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Within one year	155	126	30	40
Between one and two years	56	43	–	–
Between two and three years	51	30	–	–
Between three and four years	47	28	–	–
Between four and five years	42	27	–	–
Later than five years	540	340	–	28
Total undiscounted lease payments	891	594	30	68

Note 37 Investment commitments

At year-end the Group had contractual commitments to acquire property, plant and equipment. The commitments are forecast at MSEK 4 121 (3,460), of which MSEK 2,778 (2,793) is expected to be settled in the following financial year. The commitments relate mainly to assured future production capacity within the Iron Ore business area and to the construction of new homes associated with the urban transformations in Kiruna and Malmberget/Gällivare. The Parent Company's commitments are forecast at MSEK 3,306 (3,005), of which MSEK 2,036 (2,349) is expected to be settled in the following financial year.

Note 38 Pledged assets and contingent liabilities

MSEK	Group		Parent Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Assets pledged for own liabilities and provisions				
Floating charges	112	112	–	–
Company-owned endowment insurance	70	84	70	84
Cash deposits	120	116	120	116
Collateral provided, derivatives	176	147	176	147
Total	478	459	366	347
Contingent liabilities				
Guarantees, FPG/PRI	24	22	24	22
Guarantees, GP plan	3	3	3	3
Guarantees, Swedish Tax Agency	63	63	63	63
Guarantees, Vattenfall	157	–	157	–
Guarantees, other	21	–	21	–
Surety given for subsidiaries	–	–	150	137
Other surety	2	19	2	19
Collateral, remediation	135	138	247	254
Loan commitments to associates	–	395	–	395
Total	405	640	667	893

Company-owned endowment insurance is intended to cover pension commitments for the President, former President and members of Group management under the old defined-benefit pension scheme.

Deposits of cash and cash equivalents are intended to cover future expenditures for remediation measures and other restoration measures at mines after mining activities cease.

Guarantees for PRI Pensionstjänst and Gruvplanen pensions corresponded to 2 percent of commitments on the closing date.

Note 39 Related parties

Relationships with related parties

The Group is under the controlling influence of the Swedish state. The Parent Company has a related party relationship with its subsidiaries; see Note 40 Group companies. In addition, the Parent Company has a related party relationship with the jointly controlled company Hybrit Development AB, with Vattenfall AB and its group companies, and with the Swedish Transport Administration (Trafikverket).

Summary of related party transactions

Parent Company MSEK	Year	Sales of goods/ser- vices to related parties	Interest and dividends (net)	Purchases of goods/ser- vices from related parties	Related party receivables at 31 December	Related party liabilities at 31 December
Subsidiaries	2024	920	137	4,561	3,142	1,151
Subsidiaries	2023	1,294	126	4,831	2,890	651
Jointly controlled entities	2024	4	–	115	0	28
Jointly controlled entities	2023	18	–	19	7	–
Other related parties	2024	–	–	572	–	14
Other related parties	2023	–	–	794	–	11

Transactions with related parties are priced on market terms.

For remuneration paid to the Board of Directors and senior executives see Note 7.

Note 40 Group companies

Parent Company

MSEK	31 Dec 2024	31 Dec 2023
Accumulated cost		
Opening balance	3,632	3,628
Acquisitions	–	3
Capital contributions	400	1
Closing balance	4,032	3,632
Accumulated impairment		
Opening balance	-711	-711
Impairment for the year	–	–
Closing balance	-711	-711
Carrying amount	3,321	2,921

Note 40 continued

Specification of the Parent Company's and Group's holdings of shares in Group companies. The following table does not include dormant Group companies.

Subsidiary/registration number/domicile	Number of shares	Share in % 2024	Share in % 2023	31 Dec 2024 Carrying amount	31 Dec 2023 Carrying amount
Swedish subsidiaries					
LKAB Fastigheter AB / 556009-8849 / Kiruna	5,000	100	100	95	95
LKAB Wassara AB / 556331-8566 / Stockholm	20,000	100	100	32	32
LKAB Berg & Betong AB / 556074-8237 / Kiruna	24,000	100	100	197	197
LKAB Nät AB / 556059-9796 / Kiruna	10	100	100	2	2
LKAB Minerals AB / 556223-1786 / Luleå	1,600,000	100	100	916	916
LKAB Malmtrafik AB / 556031-4808 / Kiruna	208,000	100	100	257	257
LKAB CRM AB ¹⁾ / 559252-4879 / Luleå	25,000	100	100	400	0
Bergteamet AB / 556524-0081 / Boliden	750	75	75	150	150
LKAB Centrumhotellet AB / 559108-5724 / Kiruna	500	100	100	499	498
Foreign subsidiaries					
LKAB Norge AS / 918 400 184/ Narvik, Norway	300,000	100	100	763	763
LKAB Trading (Shanghai) Co., Ltd. / 91310000577478375G / Shanghai, China		100	100	10	10
Indirect holdings via the subsidiary LKAB Minerals AB					
LKAB Minerals B.V. / 24236591 / Breda, Netherlands		100	100	-	-
LKAB Minerals Inc / 02-0551509 / Cincinnati, USA		100	100	-	-
LKAB Minerals GmbH / HRB 16692 / Essen, Germany		100	100	-	-
LKAB Minerals Asia Pacific Ltd / 876455 / Hong Kong SAR, China		100	100	-	-
LKAB Minerals OY / 1934671-4 / Helsinki, Finland		100	100	-	-
LKAB Minerals AS / A/S277716 / Nuuk, Greenland		100	100	-	-
LKAB Minerals Tianjin Minerals Co / 70051551-5 / Dongli District Tianjin, China		100	100	-	-
LKAB Holdings Ltd (LKAB Minerals Limited) / 04621769 / Derby, UK		100	100	-	-
LKAB Minerals Ltd (Francis Flower (Northern) Ltd) / 03799817 / Derby, UK		100	100	-	-
Indirect holdings via the subsidiary LKAB Berg & Betong AB					
LKAB Mekaniska AB / 556013-3059 / Kiruna		100	100	-	-
LKAB Kimit AB / 556190-6115 / Kiruna		100	100	-	-
Indirect holdings via the subsidiary LKAB Malmtrafik AB					
LKAB Malmtrafikk AS / 974 644 991 / Narvik, Norway		100	100		
Total Parent Company				2,921	2,921

¹⁾ Formerly LKAB EAF 1 AB

Note 41 Untaxed reserves

Parent Company		
MSEK	31 Dec 2024	31 Dec 2023
Accumulated depreciation in excess of plan:		
Plant and equipment		
Opening balance	10,277	11,202
Dissolution/depreciation in excess of plan for the year	-132	-925
Closing balance	10,145	10,277
Carrying amount	10,145	10,277

Note 42 Specifications for statement of cash flows

Cash and cash equivalents – Group

MSEK	31 Dec 2024	31 Dec 2023
<i>The following subcomponents are included in cash and cash equivalents:</i>		
Cash and bank balances	4,068	3,897
Current investments, equated with cash and cash equivalents ¹⁾	748	675
In statement of financial position and statement of cash flows	4,816	4,572

Cash and cash equivalents – Parent Company

MSEK	31 Dec 2024	31 Dec 2023
<i>The following subcomponents are included in cash and cash equivalents:</i>		
Cash and bank balances	3,696	3,533
Current investments, equated with cash and cash equivalents ¹⁾	748	675
According to balance sheet and statement of cash flows	4,444	4,208

¹⁾ Cash and cash equivalents include current investments (interest-bearing investments) that were classified as cash and cash equivalents based on the following:

- They have an insignificant risk of fluctuations in value
- They can be easily converted to cash
- They have a maximum maturity of three months from date of acquisition

Interest paid and dividend received

MSEK	Group		Parent Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Dividend received	541	941	579	974
Interest received	130	117	245	213
Interest paid	-94	-64	-106	-86
Total	577	994	718	1,101

Adjustments for items not included in cash flow

MSEK	Group		Parent Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Depreciation	3,023	2,974	2,315	2,324
Impairment of shares and participations in associates	-	-	404	-
Exchange differences	7	-33	-27	115
Return on current investments	-1,669	-2,018	-2,976	-1,451
Gain on sale/retirement of property, plant and equipment	98	80	96	67
Change in other receivables/liabilities, derivatives	32	-42	-14	14
Provisions for pensions	-190	-146	-143	-48
Provisions for urban transformation	313	400	313	400
Other provisions	50	47	56	56
Other non-cash items	11	64	-24	7
Total	1,675	1,326	0	1,485

Reconciliation of liabilities from financing activities

Note 42 continued

Group MSEK	31 Dec 2023	Cash flows	Non-cash changes	31 Dec 2024
Bond loans	1,998	–	2	2,000
Lease liabilities	326	37	–	363
Other liabilities	24	–	-24	0
Bank loans	150	-146	–	4
Liabilities from financing activities	2,498	-109	-22	2,367

Parent Company MSEK	31 Dec 2023	Cash flows	Non-cash changes	31 Dec 2024
Bond loans	1,998	–	2	2,000
Other liabilities	24	–	-24	0
Liabilities from financing activities	2,022	–	-22	2,000

Note 43 Key ratios – disclosures

Alternative performance measures

The company also presents certain non-IFRS financial performance measures and key ratios in the annual report. The management considers this supplementary information to be important if readers of the report are to obtain an understanding of the company's financial position and performance.

Definitions

Return on equity	Profit after tax as a percentage of average shareholders' equity.
Underlying operating profit/loss	Operating profit/loss excluding costs for urban transformation provisions and impairment of intangible assets and of property, plant and equipment.
Operating cash flow	Cash flow from operating activities and investing activities, excluding current investments. A reconciliation of operating cash flow is given in the financial statements on page 57.
Net financial indebtedness	Interest-bearing liabilities less interest-bearing assets.
Net debt/equity ratio	Net financial indebtedness divided by equity.

Net financial indebtedness

MSEK	31 Dec 2024	31 Dec 2023
Loans payable	2,368	2,499
Provisions for pensions	765	1,170
Provisions, urban transformation	13,956	11,608
Provisions, remediation	1,734	1,701
Less:		
Cash and cash equivalents	-4,816	-4,572
Current investments	-25,823	-31,249
Financial investments	-424	-431
Net financial indebtedness	-12,240	-19,274

Note 43 continued

Net debt/equity ratio

MSEK	31 Dec 2024	31 Dec 2023
Net financial indebtedness	-12,240	-19,274
Equity	78,795	80,861
Net debt/equity ratio, %	-15.5	-23.8

Return on equity

MSEK	31 Dec 2024	31 Dec 2023
Profit/loss after tax	8,773	15,220
Average equity	79,828	76,090
Return on equity, %	11.0	20.0

Note 44 Events after the closing date

There are no significant events since the closing day to report.

Note 45 Proposed appropriation of earnings

The Board and the President propose that the MSEK 65,567 in unappropriated earnings, of which MSEK 9,343 represents profit for the year, be allocated as follows:

MSEK	
Dividend, 700,000 shares at SEK 6,286 per share	4,400
Carried forward	61,167
Total	65,567

The Board's statement to the 2025 Annual General Meeting of Luossavaara-Kiirunavaara AB regarding the dividend proposed for the 2024 financial year, as required under Chapter 18 section 4 of the Swedish Companies Act

Operations

The company's operations are capital-intensive. Compared with other iron ore companies, which nearly all mine ore in open-pit mines, the company has a greater need for capital since underground mining requires more extensive investment. The business is highly volume-, price- and currency-dependant. LKAB's strategy involves a major transformation of the company's business and could entail a high level of investment for a long period to come. LKAB also has major commitments relating to urban transformation necessitated by the mining, in Kiruna and Malmberget. The company requires good financial strength over time to secure the company's commitments and strategy. In accordance with its finance policy, the company has set aside provisions to secure its liquidity needs, the urban transformation, pensions and to enable the transformation.

Financial position of the company and the Group

The financial position of the company and the Group as at 31 December 2024 is set out in the Annual Report for the 2024 financial year, where the accounting policies applied to assets, provisions and liabilities are also stated. The Group's equity includes accumulated unrealised gains in the amount of MSEK 1,500, of which MSEK -3,407 relates to changes in value during the year.

Consolidation requirements and liquidity

LKAB has a dividend policy stating that the dividend to the owner in the long term is to constitute 40 to 60 percent of the consolidated earnings after tax, adjusted to the average earnings level over a business cycle and taking into account investment plans, consolidation requirements and the Group's liquidity and position in general. The proposed ordinary dividend of MSEK 4,400 amounts to 50 percent of consolidated earnings after tax.

The proposed distribution of earnings does not impact the company's ability to meet existing and foreseen payment obligations on time. The company's liquidity ratio is considered to be clearly sufficient for the requirements that the liquidity forecasts imply, with good readiness to cope with variations in ongoing payment obligations.

Dividend justification

The Board has considered other known circumstances that could be of significance for the company's and the Group's financial position and that have not been taken into account within what is stated above.

In this consideration no circumstances have emerged that might make the proposed dividend appear unwarranted.

Dividend for the 2024 financial year

The Board proposes that a dividend is paid for the 2024 financial year in the amount of MSEK 4,400 in accordance with LKAB's dividend policy.

The Board's attestation

The Board of Directors and the President attest that the Annual Report was prepared in accordance with generally accepted accounting principles in Sweden and that the consolidated financial statements were prepared in accordance with international financial reporting standards as referred to in Regulation 1606/2002/EC of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The Annual Report

and the consolidated financial statements give a fair presentation of the Parent Company's and the Group's financial position and earnings. The Administration Report for the Parent Company and the Group provides a fair review of developments in the Parent Company's and the Group's operations, financial position and earnings and describes significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Luleå, 27 March 2025

Anders Borg
Chairman of the Board

Carina Andersson
Board member

Alrik Danielson
Board member

Catrin Fransson
Board member

Eva Hamilton
Board member

Bjarne Moltke Hansen
Board member

Kerstin Konradsson
Board member

Lotta Mellström
Board member

Per-Olof Wedin
Board member

Anders Elenius
Employee representative

Tomas Larsson
Employee representative

Stefan Tallfjärd
Employee representative

Jan Moström
President and CEO

Proposed appropriation of earnings

The Board and the President propose that the MSEK 65,567 in unappropriated earnings, of which MSEK 9,343 represents profit for the year, be allocated as follows:

Distributed to the company's owner	MSEK 4,400
Carried forward	MSEK 61,167
Total	MSEK 65,567

As stated above, the Annual Report, consolidated financial statements and the statutory Sustainability Report were approved for publication by the Board of Directors on 27 March 2025. The consolidated income statement, statement of comprehensive income and statement of financial position and the Parent Company's income statement and balance sheet are subject to approval at the Annual General Meeting on 24 April 2025.

Our audit report was presented on 27 March 2025.

KPMG AB

Helena Arvidsson Älgne
Authorised Public Accountant

Auditor's Report

To the general meeting of the shareholders of Luossavaara-Kiirunavaara AB (publ), corp. id 556001-5835

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Luossavaara-Kiirunavaara AB (publ) for the year 2024, except for the corporate governance statement on pages 56–67 and the sustainability report on pages 68–116. The annual accounts and consolidated accounts of the company are included on pages 35–176 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 56–67 and sustainability report on pages 68–116. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the statement of comprehensive income and statement of financial position for the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Finance and Audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Provisions for urban transformation

See disclosures 31 and 32 and accounting principles on pages 134–135 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The group has significant obligations due to deformations in the ground caused by the mining operations. As at 31 December 2024 the group and the parent company have recognised provisions related to urban transformation in the amount of MSEK 13,956.

The deformations in the ground are already so extensive, or will become so, that it is necessary to move parts of Kiruna and Malmberget.

The group has a legal obligation to compensate for damage resulting from its mining activities and therefore recognises provisions for urban transformation in Kiruna and Malmberget as the obligations arise. Provisions for these obligations are dependent on the extent of the ground deformations, estimates of damage and compensation claims from affected parties, future inflation and discount rates.

The assumptions used as the basis for the provisions are complex and difficult to estimate. Changes in the estimates and assumptions could have a significant impact on the group's and the parent company's earnings and financial position.

Response in the audit

We have examined the group's framework for the approval and payment of compensation to affected parties. We have evaluated the adherence to the framework through sample testing.

Furthermore, we have inspected the group's procedures to identify obligations and assess the extent of the obligations including the assumptions made.

We have examined the reasonableness of the group's accounting policies, calculations and assumptions for recognition of urban transformation provisions, and the disclosures that have been included in the annual accounts and the consolidated accounts.

Property, plant and equipment

See disclosures 15 and 16 and accounting principles on pages 130–131 and 134–135 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

As at 31 December 2024 the group and the parent company have recognised property, plant and equipment in the amount of MSEK 52,418 and MSEK 46,623 respectively.

Depreciation periods for main haulage levels, facilities and equipment in mines is dependent on future ore extraction and the useful economic lives of the mines. It is essential that changes in production and the ore base are reflected in the applied depreciation method and useful economic life.

Changes to the assumptions regarding useful economic lives could have a material impact on the group's and the parent company's earnings and financial position.

Response in the audit

We have gained an understanding of the planned mining and ore base and evaluated the group's principles and procedures for depreciation of mining-related property, plant and equipment.

We have evaluated the group's procedures for following up construction in progress and have verified through audit sampling reported capital expenditure against actual supplier invoices and other expenditure. We have assessed whether the accounting treatment is in line with the applicable accounting framework. We have assessed the depreciation periods and methods applied by the group for plant and equipment in the mines.

We have also evaluated the disclosures on property, plant and equipment that have been included in the annual accounts and the consolidated accounts.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–34, 68–116 and 181–191. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and

consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Finance and Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and

generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Luossavaara-Kiirunavaara AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other

circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 56–67 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the sustainability report on pages 68–116, and that it is prepared in accordance with the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024.

Our examination has been conducted in accordance with FAR's standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Luossavaara-Kiirunavaara AB (publ) by the general meeting of the shareholders on the 25 April 2024. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2019.

Stockholm 27 March 2025
KPMG AB

Helena Arvidsson Älgne
Authorized Public Accountant

Mineral Resources and Mineral Reserves

This year's update of the Mineral Resources and Mineral Reserves continues to show good results from the ongoing exploration activities and technical studies. LKAB continually updates the geological interpretations for each asset and maintains international best practise during the exploration activities, for geological data collection and Resource and Reserve modelling. Summary Technical Reports for LKAB mineral assets are made available through the company's website.



Mineral Resources and Mineral Reserves are the basis of a mining company's operations and require successful and continuous exploration and application of mining processes. The costs of mining and the ore price are important factors that affect the level of Mineral Resources and Mineral Reserves being reported. The exploration initiatives over the past year, in addition to the updated geological models, have resulted in a further increase of about 9 percent to the Mineral Resources (Exclusive of Reserves). Total Mineral Resources now equate to 5.1 billion tonnes at 50.5 percent Fe, Exclusive of Reserves. Total Mineral Reserves tonnage is reduced with an increase in Fe grade arising from optimised mine planning processes.

Alongside the growth in iron and phosphorus Resources, LKAB continues to report increased rare earth element Resources in the Malmberget deposits in Gällivare and the deposits in Kiruna, which include the Per Geijer deposit.

Intensive exploration and technical studies

LKAB has continued its approach to exploration over the last 12 months, with drilling at all deposits targeting extensions to the mineralisation and to areas where an improved geological understanding is required.

2024 activities included the continuation of the modelling initiatives implemented in the previous reporting period. Detailed technical studies continue to develop the most appropriate geological interpretations possible, that in turn improve the quality of the Mineral Resource Estimations.

LKAB has completed Mineral Resource optimisation studies for all deposits. The optimisation process uses LKAB's costs and optimistic long-term price assumptions to determine those parts of the deposits that have Reasonable Prospects for Eventual Economic Extraction (RPEEE), with only those parts of the Resources that demonstrate a positive revenue being reported as part of the final Mineral Resource Statements. The optimisation process is a standard technique for reporting Mineral Resources within the mining industry and continues to demonstrate LKAB's commitment to best practise.

Inclusive of Reserves, the combined exploration and modelling / RPEEE activities have resulted in a 14 percent increase in reported Resource tonnes at Kiruna, an 11 percent increase in reported Resource tonnes at Malmberget, a 31 percent increase in reported Resource tonnes at Per Geijer, a 6 percent increase in reported Resource tonnes at Gruvberget and a 7 percent increase in reported Resource tonnes at Leveäniemi.

The Per Geijer deposit is now reporting more than 1 billion tonnes of Mineral Resources and is estimated to contain some 2.2 million tonnes of in-situ rare earth oxides at an Inferred confidence level. During 2025, LKAB will continue to drill and to develop the modelling and resource estimation processes to ensure maximum value from the exploration activities. Technical studies will also continue, including the optimisation of mining techniques to deliver safe extraction of iron ore at greater depths and pilot studies to support fossil-free iron production at Malmberget.

Definitions

About The Classification

Mineral Resources and Mineral Reserves are estimated separately and are divided into different categories. LKAB's Mineral Resources are reported Exclusive of Mineral Reserves. Mineral Reserves are those portions of Mineral Resources which, after the application of the modifying factors, result in an estimated tonnage and grade or quality, that in the opinion of the Competent Person making the estimates can be the basis of a viable project. When Mineral Resources are converted to Mineral Reserves, those quantities are subtracted from the Mineral Resources. The Mineral Resource statement presented here has been classified following the definitions and guidelines of The PERC Reporting Standard (2021) from which the following definitions have been taken.

Inferred Mineral Resource

An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

Indicated Mineral Resource

An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.

Measured Mineral Resource

A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of modifying factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Mineral Reserve or to a Probable Mineral Reserve.

Must Take Material

For the underground operations, LKAB include "Must Take" material within the final Mineral Resource Statements. This is lower Fe grade material, commonly associated with the hanging wall / footwall contacts that is likely to be extracted during mining due to the methods employed. Inclusion of the lower grade material along the orebody margins is therefore considered appropriate. It is also noted that material currently modelled as internal and external waste is also considered as "Must Take" due to the mining method, and as such is included in the final Mineral Resource Statement.

Probable Mineral Reserve

A Probable Mineral Reserve is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the modifying factors applying to a Probable Mineral Reserve is lower than that applying to a Proved Mineral Reserve.

Proved Mineral Reserve

A Proved Mineral Reserve is the economically mineable part of a Measured Mineral Resource. A Proved Mineral Reserve implies a high degree of confidence in the modifying factors.

ESG considerations

Environmental, Social and Governance (ESG) Considerations LKAB strive to maintain very high ESG standards and throughout the 2024 reporting period have continued to align group ESG policies to the PERC reporting code. This allows the reporting of our Mineral Resources and Mineral Reserves to be in a transparent manner with an evaluation of ESG context and factors to ensure extraction can be reasonably justified at the time of

reporting. Work continues to deliver urban transformation as part of the current mine plan, together with obtaining and maintaining environmental permits from regulatory bodies and a social licence to operate from host communities and neighbours who may potentially be affected by future operations. The company's participation in the collaborative project for fossil-free iron and steel production is a key goal for achieving sustainability in future operations.



Iron Mineral Resources (Mineral Reserves excluded)

as at 31 December 2024 (including sorting plants)

	Quantity, Mt		Percent, Fe	
	2024	2023	2024	2023
Kiruna magnetite¹⁾				
Measured	806	460	60.4	62.5
Indicated	91	304	55.7	57.2
Inferred	103	52	53.6	50.1
Total	1,000	816	59.3	59.7
Kiruna				
Must Take	92	0,5	7.6	38.9
Malmberget magnetite				
Measured	867	751	51.5	51.1
Indicated	372	629	52.5	50.7
Inferred	371	278	48.1	43.7
Total	1,609	1,658	51.0	49.7
Malmberget mixed				
Measured	39	35	42.4	43.6
Indicated	9	18	44.9	46.7
Inferred	43	49	45.9	44.9
Total	91	103	44.3	44.8
Malmberget hematite				
Measured	15	7	55.8	51.1
Indicated	3	5	55.3	55.7
Inferred	5	2	57.6	52
Total	23	14	56.1	52.9
Malmberget				
Must Take	220	5	9.6	7.8

¹⁾ Including Konsuln.

Iron Mineral Resources (projects with no Mineral Reserves)

per 31 december 2024

	Quantity, Mt		Percent, Fe	
	2024	2023	2024	2023
Leveäniemi magnetite				
Measured	128	89	44.0	44.6
Indicated	5	27	38.0	42.1
Inferred	10	2	18.7	27.9
Total	142	118	42.1	43.8
Leveäniemi mixed				
Measured	2	2	58.9	60.1
Indicated	0,1	1	49.7	53.2
Inferred	0,1	–	17.6	–
Total	2	3	57.5	58.7
Leveäniemi hematite				
Measured	–	–	–	–
Indicated	–	–	–	–
Inferred	–	–	–	–
Total	–	–	–	–
Leveäniemi				
Must Take	–	–	–	–

	Quantity, Mt		Percent, Fe	
	2024	2023	2024	2023
Gruvberget magnetite				
Measured	179	165	43.3	45.9
Indicated	139	140	47.2	50.3
Inferred	166	105	46.4	50.7
Total	484	410	45.5	48.6
Gruvberget mixed				
Measured	38	39	47.2	47.9
Indicated	55	64	52.7	54.2
Inferred	59	72	54.4	57.1
Total	153	175	52.0	54
Gruvberget hematite				
Measured	77	42	55.2	51.3
Indicated	79	128	58.5	58.8
Inferred	72	78	55	57.9
Total	228	248	56.3	57.2
Gruvberget				
Must Take	23	3	8.5	8.9

Iron Mineral Resources (projects with no Mineral Reserves)

per 31 december 2024

	Quantity, Mt		Percent, Fe	
	2024	2023	2024	2023
Mertainen magnetite				
Measured	47	47	36	36
Indicated	58	58	34.4	34.4
Inferred	44	44	32.6	32.6
Total	149	149	34.4	34.4
Mertainen				
Must Take	–	–	–	–
Per Geijer magnetite				
Measured	–	–	–	–
Indicated	392	323	47.2	49.4
Inferred	474	292	48.4	45.9
Total	866	615	47.9	47.7
Per Geijer mixed				
Measured	–	–	–	–
Indicated	96	75	39.1	40.5
Inferred	74	95	37.7	37.7
Total	169	171	38.5	38.9
Per Geijer hematite				
Measured	–	–	–	–
Indicated	74	52	47.8	49.4
Inferred	89	118	47.8	46.1
Total	163	169	47.8	47.1
Per Geijer				
Must Take	51	1,2	7.2	8.6

Iron Mineral Reserves

as at 31 December 2023 (including sorting plants)

	Quantity, Mt		Percent, Fe	
	2024	2023	2024	2023
Kiruna				
Proved	245	333	46.6	42.4
Probable	340	393	46.8	41.4
Total	585	725	46.7	41.9
Malmberget magnetite				
Proved	319	276	42.7	40.6
Probable	3	30	36.8	38.3
Total	322	306	42.7	40.4
Malmberget hematite				
Proved	15	7	45.1	47
Probable	1	4	49.1	46
Total	16	11	45.4	46.6
Leveäniemi				
Proved	82	83	45.9	47.4
Probable	3	8	37.5	27.4
Total	85	91	45.6	45.7

UK operations

Operations are located at Dimmock Cote Quarry and Bracken Quarry in the UK and for the third time, LKAB is reporting Mineral Resources and Mineral Reserves from its UK operations under the PERC Standard.

Limestone Mineral Resources (Mineral Reserves excluded)

as at 31 December 2024

Bracken Quarry, Lund, UK	Limestone	
	2024	2023
	Kt	Kt
Measured	0	0
Indicated	0	0
Inferred	789	789
Total	789	789

Limestone Mineral Reserves

as at 31 December 2024

	Limestone			
	2024	2023	2024	2023
	Kt ¹⁾	Kt ¹⁾	Kt ²⁾	Kt ²⁾
Proved	–	–	–	–
Probable	612	630	471	471
Total	612	630	471	471

¹⁾ Included in planning permission.

²⁾ Outside of planning consent.

Iron Mineral Resources and Mineral Reserves in 2024

Kiruna

Measured and Indicated Mineral Resources have increased overall due to an update of the geological model and to drilling completed. This increase is also due to the Mineral Reserve Stopes being used to code the Resource model, thus increasing the reportable Mineral Resources, Exclusive of Reserves. In total, the Kiruna Mineral Resources increased by 34 percent in 2024 to 1,092 million tonnes. This includes an increase in Must Take material being reported from 1 million tonnes in 2023 to 92 million tonnes in 2024.

Mineral Reserves are assessed with updated optimisation processes and extraction factors, review of mine production performance, and depletion of Mineral Reserves due to mining. Kiruna Mineral Reserves tonnage reduced by 19 percent to 585 million tonnes and grade increased from 41.9 percent Fe to 46.7 percent Fe due to more accurate geological interpretation and design processes to delineate and exclude waste from the mine plan. Overall, this resulted in a 10 percent decrease in contained Fe metal.

Malmberget

Continued exploration of the Fabian and Western Field deposits has extended the known mineralisation. In total, the Malmberget Mineral Resources, Exclusive of Reserves, increased from 1.8 billion tonnes to about 1.9 billion tonnes in 2024. Updates to the geological model, changes to the Reserve Stopes and an increase in Must Take material have contributed to the increase in Mineral Resources being reported.

Additional Mineral Resources have enabled an increase of Proved and Probable Reserves by a total of 37 million tonnes, and optimisation of mine planning processes has increased Mineral Reserve Fe grade. After depletion from mining overall Mineral Reserves increase by 22 million tonnes to 339 million tonnes at 42.8 percent Fe.

Svappavaara

Leveäniemi

Mineral Resources increased at Leveäniemi from 120 million tonnes to 145 million tonnes. This is due to additional drilling and the inclusion of an area known as the Eastern Shear Zone.

Mineral Reserves decreased for the year by 5,6 million tonnes to 85 million tonnes at 45,6 percent Fe, largely due to depletion from mining.

Gruvberget

Successful exploration extended the known mineralisation down-dip and along strike on the southern half of the deposit. In total, the Gruvberget Mineral Resources increased from 836 million tonnes to 887 million tonnes in 2024.

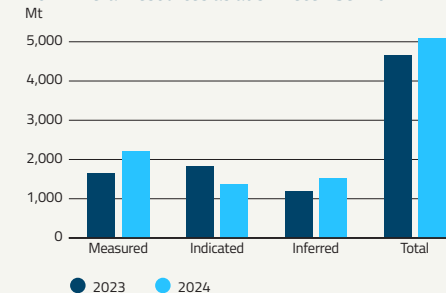
Mertainen

No updates were completed on the Mertainen deposit during 2024.

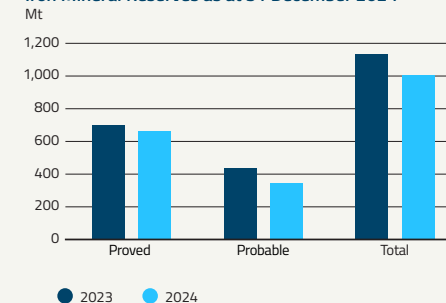
Per Geijer

Ongoing exploration at the Per Geijer deposit resulted in extensions to the current mineralisation, which remains open in several directions. In total, the Per Geijer Mineral Resources increased from 956 million tonnes to 1,249 million tonnes in 2024, an increase of 31 percent, including Must Take material. Indicated Mineral Resources increased by 112 million tonnes and Inferred Mineral Resources increased by 132 million tonnes.

Iron Mineral Resources as at 31 December 2024¹⁾



Iron Mineral Reserves as at 31 December 2024



¹⁾ Does not include "Must Take" material.

Phosphorous and rare earth element Mineral Resources in 2024

LKAB plan to create a sustainable business from LKAB mine tailings and offer Phosphoric Acid, Phosphate-fertilizer products and by-products containing rare earth elements (REE) and gypsum. The initiative is part of an ongoing LKAB study for extracting critical minerals from the by-products of the mining and processing of iron ore.

LKAB's mine tailings are a by-product of iron ore mining; they are essentially a secondary raw material from which an apatite mineral concentrate rich in phosphorus (P) can be recovered. The iron ore has demonstrated RPEEE as required by international Mineral Resource reporting codes. This equally demonstrates the continued production of apatite tailings in which rare earth oxides (REO) are also found.

The project is planned to be implemented through a flotation process of fresh tailings to produce an apatite concentrate. This will be followed by additional hydro-chemical processes to produce Phosphorous products, MREO (Mixed rare earth oxides) concentrate and gypsum. These by-products are under detailed technical evaluation as a revenue generator from the existing tailings stream currently produced. Key drivers in this initiative are sustainability, resource efficiency, circularity, and the drive to fossil fuel-free manufacturing methods.

Current studies are focussed on the Malmberget future tailings although the Kiruna, Svappavaara and Per Geijer future tailings will also be considered as potential apatite sources during further studies. Metallurgical testwork continues across the deposits, with

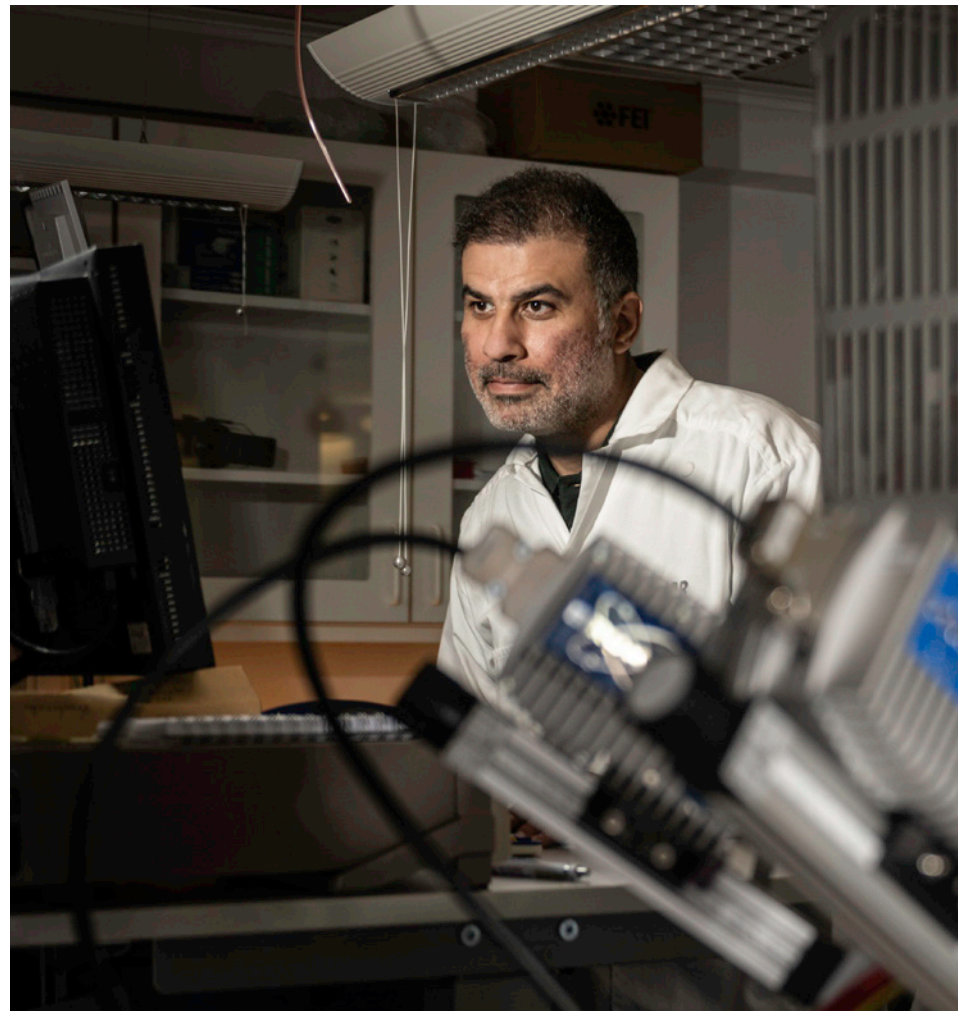
the Per Geijer project showing similar properties to those observed when compared to the Malmberget operations.

As part of the project and to accelerate future technical studies, the P and REO have been estimated into the Mineral Resource models.

To date, estimation of phosphorous within the Resource models follows the same strategy and uses the same data quantity as the iron estimate. As such, the classification of the phosphorous Resources is aligned with the iron classification. No Mineral Reserves are currently being reported for phosphorous or contained apatite.

Rare earth data collection commenced as part of the standard assay suite in 2017 and as such, rare earth data have a more limited spatial extent throughout the Malmberget and Kiruna deposits. Studies in 2024 at Malmberget included infill drilling and re-assaying of historical holes in areas where rare earth data was absent. PER Geijer geological modelling, being based on recent drill data only, has an equal count of Fe, P and REE analyses. However, the limited data at Malmberget (and Kiruna) and the early-stage metallurgical test work being undertaken, has restricted the classification of the rare earth elements to the Inferred Mineral Resource category.

Following further exploration at Per Geijer and updates to the geological model, the Per Geijer deposit is now estimated to contain some 2.2 million tonnes of in-situ rare earth oxides as an Inferred Mineral Resource.



Phosphorous Mineral Resources (inclusive of Reserves)

as at 31 December 2024

	Quantity, Mt		Procent, Fe	
	2024	2023	2024	2023
Kiruna¹⁾				
Measured	1,306	1,060	0.34	0.32
Indicated	91	310	0.28	0.42
Inferred	103	52	1.00	0.76
Must Take	129	7	0.06	0.08
Total	1,629	1,429	0.36	0.36
Malmberget				
Measured	1,210	1,044	0.61	0.58
Indicated	385	654	0.57	0.52
Inferred	419	329	0.69	0.72
Must Take	250	7	0.02	0.27
Total	2,265	2,033	0.55	0.58
Svappavaara				
Measured	515	478	0.58	0.53
Indicated	279	423	0.72	0.62
Inferred	307	301	0.8	0.61
Must Take	23	3	0.03	0.2
Total	1,123	1,204	0.66	0.58
Per Geijer				
Measured	–	–	–	–
Indicated	562	450	2.62	2.63
Inferred	637	505	1.79	2.05
Must Take	51	1	0.55	0.56
Total	1,249	956	2.11	2.32

REE Mineral Resources (inclusive of Reserves)

as at 31 December 2024

	Quantity, Mt		Procent, Fe ²⁾	
	2024	2023	2024	2023
Kiruna¹⁾				
Measured	–	–	–	–
Indicated	–	–	–	–
Inferred	1,500	1,421	0.019	0.018
Must Take	129	7	0.003	0.004
Total	1,629	1,429	0.018	0.018
Malmberget				
Measured	–	–	–	–
Indicated	–	–	–	–
Inferred	2,014	2,026	0.024	0.022
Must Take	250	7	0.001	0.01
Total	2,265	2,033	0.022	0.022
Per Geijer				
Measured	–	–	–	–
Indicated	–	–	–	–
Inferred	1,199	955	0.18	0.182
Must Take	51	1	0.028	0.028
Total	1,249	956	0.174	0.182

¹⁾ Including Konsuln.

²⁾ Content in percent of all rare earth elements in oxide form.

Basis for estimates

LKAB reports its Mineral Resources and Mineral Reserves in accordance with the PERC Reporting Standard (2021). Estimation of Mineral Resources and Mineral Reserves requires judgment to interpret available geological data and subsequently to select an appropriate mining method and then to establish an extraction schedule. The estimation process requires assumptions about future commodity prices and demand, exchange rates, production costs, transport costs, close-down and restoration costs, recovery rates and discount rates and, in some instances, the renewal of mining licenses. There are many uncertainties in the estimation process and assumptions that are valid at the time of estimation may change significantly when new information becomes available. New geological or economic data, or unforeseen operational issues may change the estimates of Mineral Resources and Mineral Reserves. Estimates are made based on the following underlying factors:

Metal prices

Mineral Resources and Mineral Reserves provide a basis for the company's long-term planning. Mineral Resource estimates are reported within an optimised open pit and / or underground optimised mineable stopes at all projects. The optimisation assumes an increased mining cost (double the base case) to all material below the current Reserve base elevation at Kiruna and Malmberget. At Per Geijer and Gruvberget, where underground Mineral Resources are also being declared, the increased mining cost is applied below an elevation of approximately 1.1 km below the natural topography, this being the approximate depth of Reserves at Kiruna and Malmberget. At Mertainen, a 20 percent Fe cut-off has also been applied due to low-grade material located within the optimised open pit. This approach is considered by the Competent

Person to represent 'reasonable prospects for eventual economic extraction'. Mineral Reserve estimates are reported considering a long-term price of 70 USD/tonne of iron ore (62 percent Fe) over the coming business cycle.

Dilution

Dilution is referred to as the waste material that is being mined along with the ore during mining operations. This material varies in percentage, depending on various mining and geological factors. LKAB systematically monitors the quantity of waste rock mixed with mined ore and this data is included in all estimates of Mineral Reserves.

Recovery

Depending on the mining method employed, orebody geometry and other technical and geological factors, some percentage of the ore cannot be recovered. The percentage of recoverable mineable Mineral Reserves is defined as ore recovery. This factor has been taken into consideration in the estimates of Mineral Reserves.

Risks and uncertainties

Not achieving environmental permits remains a future threat to mining at LKAB. Seismic behaviour of rock, associated with mining at deeper levels, can disrupt mining operations by restricting production rates and Mineral Reserves as experienced at the Kiruna mine in 2020. Future challenges associated with mining at depth also pose a risk to the declaration of the company's Mineral Resources. LKAB's participation in the collaborative project for fossil-free iron and steel production creates opportunities to access new emerging markets for fossil-free iron and to introduce new sustainable production practices. Technical studies undertaken have

shown the reasonable prospect for eventual economic extraction of phosphate and rare earth oxides as by-products of iron ore tailings. This ongoing testwork is at an early stage of development and the final process route to eventual product(s) has not yet been confirmed. Future additional Mineral Reserves depend on the outcome of technical studies currently underway to assess the potential for mining below existing Mineral Reserves at Kiruna, Malmberget and Leveäniemi as well as at Per Geijer and Gruvberget.

Standards, codes and recommendations

The Mineral Resource and Mineral Reserve estimates have an effective date of 31 December 2024 and have been classified and reported in accordance with the PERC Reporting Standard 2021.

Competent Persons

The Mineral Resource estimates were prepared under the supervision of Howard Baker FAusIMM(CP), Managing Director and Resource Geologist, Baker Geological Services Ltd (BGS) who is a "Competent Person" as defined in the PERC Reporting Standard 2021. Mr Baker has reviewed and approved the scientific and technical information in this report and has confirmed that: "At the effective date of the Public Report, to the best of my knowledge, information and belief, the Public Report contains all scientific and technical information required to be disclosed in order to make the Public Report not misleading".

The Mineral Reserves estimates were prepared under the supervision of Tim McGurk CEng FIMMM QMR, Corporate Consultant (Mining Engineering) with SRK Consulting (UK) Ltd who is a "Competent Person" as defined in the PERC Reporting Standard 2021. Mr McGurk has reviewed and approved the scientific and

technical information in this report and has confirmed that: "At the effective date of the Public Report, to the best of my knowledge, information and belief, the Public Report contains all scientific and technical information required to be disclosed in order to make the Public Report not misleading".

The above text was compiled by Mr Howard Baker and Mr Tim McGurk. The Mineral Resource and Mineral Reserve statements in this report have been reviewed and approved by Howard Baker (BGS) and Tim McGurk, Corporate Consultant of SRK Consulting (UK) Limited.

March 2025

Tim McGurk C.Eng, FIMMM QMR
Competent Person

Howard Baker, FAusIMM(CP).
Competent Person

Pan-European Reserves & Resources Reporting Committee (PERC) Reporting Standard

LKAB compiles its Mineral Resources and Mineral Reserves annually. LKAB's reporting method follows the PERC Reporting Standard 2021 aimed at a balanced assessment of the status of LKAB's mines and deposits. The 2021 edition of the PERC Reporting Standard is aligned with the November 2019 version of the CRIRSCO International Reporting Template (Committee for Mineral Reserves International Reporting Standards). This report covers the reporting period from 1 January 2024 to 31 December 2024.

Terminology and definitions

General glossary

Concentrating: beneficiation of finely ground ore by separation into a concentrate of iron ore powder with very high purity, known as slurry.

Open-pit mining: an ore deposit that is situated close to the surface and is mined in the open air.

Zoning plan: a zoning plan shows how a defined area in a municipality may be built on and how land and water areas may be used.

Direct reduction (DR) pellets: iron ore pellets designed for using natural gas to reduce the oxygen in the iron ore to produce DRI, which is used to produce steel in an electric arc furnace.

Direct Reduced Iron (DRI): input material for steelmaking in electric arc furnaces; also known as sponge iron.

Remediation: clean-up, restoration and/or ecological offsetting of mining areas that have reached end-of-life.

Fossil-free steel: steel produced using reducing agents and energy from fossil-free sources.

Fossil-free steel production: steel produced from renewable energy sources and iron ore reduced to crude iron using fossil-free reducing agents, such as hydrogen.

GRI (Global Reporting Initiative): international standard for sustainability reporting.

Mine City Park: the areas being phased out in favour of mining and transformed into park areas in Kiruna. More parks will be added as the urban transformation continues.

Waste rock: collective economic term for the rock that is not ore.

Hematite: mineral, iron ore (Fe_2O_3), named from the Greek for "blood stone". Has no magnetic properties.

Huntite: mineral with various uses, including as a halogen-free flame-retardant additive in plastics and cables.

Main haulage level: haulage level in an underground mine from which ore is transported to surface level via skip hoists.

Industrial minerals: collective term for rocks, minerals or other naturally occurring materials that are of economic value, excluding metals, energy minerals and gemstones.

Iron ore: ore with a high content of the element iron. A mineralisation is described as ore if it is profitable to mine it. The minerals magnetite and hematite are examples of iron ore.

Sponge iron: sponge iron is produced by removing the oxygen from the iron ore at low temperatures using carbon dioxide and hydrogen made from natural gas.

Corruption: incidents where an employee uses their position in the company for personal gain.

Magnetite: mineral, ferrimagnetic iron ore (Fe_3O_4), also known as lodestone, which in upgraded form is used for iron and steel production. Other applications for magnetite include water purification, noise and vibration damping and as ballast in high-density concrete.

Ore: economic term for a mineral that is deemed profitable to mine.

Ore base: the percentage difference between the mined crude ore and the theoretical quantity of ore.

Swedish orefields: describes a geographical area in the northern Swedish county of Norrbotten that includes Kiruna, Gällivare and Svappavaara.

Orebody: underground mining of ore is largely about finding orebodies and building drifts – which involves blasting tunnels/passageways in the rock – in order to be able to mine the ore along these orebodies.

Ground deformation: the mining gives rise to ground deformation – in other words, ground movements.

Blast furnace pellets: iron ore pellets that are reduced to crude iron in a steelworks blast furnace.

Pelletising: process whereby slurry is mixed with additives and binder, rolled into balls and sintered in a pelletising plant.

Pellet premium: mark-up factor on the iron ore price for producers of upgraded iron ore products.

Exploration: systematic searching for natural raw materials such as minerals and rocks. Exploration may take the form of geophysical surveys, geochemical investigation or geological surveys.

Crushed ore: designates iron ore from the mines before it has been upgraded.

Crude ore: see crushed ore.

Crude iron: molten iron from a blast furnace that is subsequently refined in a steelworks.

Seismic event: rock tremor, earthquake.

Barren rock: rock that is not ore; synonymous with waste rock.

Sintering: fusing of fine-grained ore (fines) into lumps (sinter) at a high temperature.

Sub-level caving: the method of mining that LKAB employs in its underground mines. It means that the ore is mined level by level and that waste rock loosens and fills the space where the ore was. As a result, no cavities are left underground, while the ground above slowly sinks.

Sorting: rough sorting, crushing and screening to separate waste rock and increase the iron concentration of the ore.

Units and abbreviations

g:	gram
GWh:	gigawatt hour
kg:	kilogram
kt:	kilotonne
kWh:	kilowatt hour
m ³ :	cubic metre
mg:	milligram
mg/mN ³ dry:	milligrams per standard cubic metre dry gas
SEK bn:	billion Swedish kronor
MSEK:	million Swedish kronor
Mt:	million tonnes
ppm:	parts per million
TJ:	terajoule
TWh:	terawatt hour

Annual General Meeting and financial calendar



ANNUAL GENERAL MEETING

Date

LKAB's Annual General Meeting will be held in Luleå at 3 pm on Thursday 24 April 2025.

Attendance

The Annual General Meeting is open to the public.

Notice of general meeting

The notice of the Annual General Meeting, financial information and other information can be found at lkab.com.

The printed version of LKAB's Annual and Sustainability Report 2024 will be available on 24 April 2025 and can be ordered via info@lkab.com.

FINANCIAL INFORMATION

Interim reports

24 April 2025, Interim Report Q1 2025

14 August 2025, Interim Report Q2 2025

22 October 2025, Interim Report Q3 2025

February 2026, Interim Report Q4 2025 together with Year End Report

CONTACT

Please direct any questions regarding LKAB's financial information to Peter Hansson, Acting CFO or Jan Moström, President and CEO.

Please direct any questions regarding the sustainability report to Pia Lindström, SVP Environment and Sustainability.

Production

LKAB's Annual and Sustainability Report 2024 is produced by LKAB in cooperation with Hallvarsson & Halvarsson AB.

Printing: Lule Grafiska AB.

Photos:

Fredric Alm, Hans Berggren, Fredrik Björkenwall, Dan Boman (Scania), Rúnar Guðmundsson / Alm & ME, Andreas Lind, Mats Lundqvist, Hans Olof Utsi, Johan Ylitalo, Istock and LKAB.



LKAB
Box 952
Visiting address: Varvsgatan 45
SE-971 28 Luleå, Sweden

Phone: +46 771 760 000
info@lkab.com
Other addresses can be found at lkab.com

