

Document name: **Terrafame Kestävän kehityksen politiikka (ID 29167)**
Document ID: **29167**
Department: **EHSQ ja viestintä; Yhteinen**
Area: **0000 YHTEISET**

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Sustainability policy

Terrafame reduces the carbon footprint of transport by delivering responsibly produced battery chemicals to the global battery industry. One of the world's largest production lines for chemicals used in electric car batteries is located on Terrafame's industrial site. The plant is capable of producing nickel sulphate for around 1 million electric cars per year. The carbon footprint of the nickel sulphate produced by Terrafame is among the smallest in the industry.

Terrafame's integrated, unique and energy-efficient production process from the mine to battery chemicals is located on a single industrial site. It provides customers with a transparent, traceable and truly European battery chemical supply chain.

Terrafame's operations are guided by the company's strategy and Code of Conduct and an operating culture based on its values: safety, commitment and efficiency.

The following represent the key international initiatives and principles that guide our operations:

- UN Guiding Principles on Business and Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- OECD Guidelines for Multinational Enterprises
- OECD Due Diligence Guidance for Responsible Business Conduct
- UN Global Compact initiative
- UN Sustainable Development Goals

Terrafame is engaged in active two-way dialogue with various stakeholders. Interaction is exercised in the spirit of mutual appreciation. We operate transparently and comply with sustainable ethical principles. Our production is traceable from the end product to the source of minerals.

Policy application and goals

Terrafame's sustainability work is guided by the Finnish Minerals Group's Corporate Responsibility Policy, through which the Group companies are committed to complying with the laws, regulations and guidelines that govern their operations as well as exercising due diligence and the principle of continuous improvement.

Terrafame's sustainability policy describes the company's ESG principles regarding environmental (E) and good corporate governance (G) aspects. Social (S) aspects are described more in detail in Terrafame's Human Rights Policy, which is available on the company's website at www.terrafame.com as well as in the internal People Policy.

The sustainability policy applies to all of Terrafame's operations, from quarrying to customer deliveries, and to all operations supporting this core process. All of Terrafame's employees, partners and subcontractors working on its production and support sites comply with the company's sustainability policy. In terms of environmental impacts, the policy covers Terrafame's production and support sites, as well as all the surrounding areas affected by Terrafame's operations.

The policy aims to guide the day-to-day work of the people involved in Terrafame's operations so that its operations support the principles of sustainable development.

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Environmental aspects

- We are continuously improving our environmental performance and environmental risk management.
- Our goal is to exceed the statutory requirements and reduce negative environmental impacts in our operations.
- We use natural resources responsibly, taking biodiversity into account.
- We are combatting climate change in cooperation with our customers by promoting low-carbon electric transport.
- We are continuously improving our energy efficiency.
- We are promoting the circular economy by using production side streams, for example.

Good corporate governance

- In our operations, we are committed to good corporate governance and compliance with the principle of due diligence throughout our supply chain.
- Terrafame's Code of Conduct provides the general responsibilities and obligations related to our operating methods. These responsibilities and obligations concern all parties operating on Terrafame's production site.
- We aim for operations that are profitable and productive for our owners.
- We report openly on our operations and the company's financial performance.

Approval and interpretation

Terrafame Ltd's Board of Directors approved this sustainability policy on 21 December 2021 and it replaces the sustainability policy that was approved in 2020. The CEO of Terrafame Ltd is responsible for implementing the policy. The Chief Sustainability Officer, who is a member of the Leadership Team, is responsible for policy interpretation and for monitoring policy implementation. The practical application of the policy is supported by Terrafame's certified management systems (ISO 9001, ISO 14001, ISO 45001) and detailed guidelines on safety, the environment and quality. The policy is a public document.