



2020 Sustainable Development Report

RioTinto



IRON ORE COMPANY OF CANADA

Message from the Interim President and CEO

For over 60 years, our values and expertise have guided our decision-making. Today more than ever, we live in an evolving world, and businesses must adapt to major, disruptive changes. IOC is no exception, and 2020 was a year that tested our resilience. However, it also taught us valuable lessons, both within our business and among our employees and, more broadly, in our relationships with our host communities. We pulled together in the face of the pandemic and, one year later, are continuing to adapt to the new reality in the work we do. Despite all the adversity and challenges, we are better positioned than ever to achieve our goal of being the world's leading producer of high-quality pellets and concentrate.

This sustainable development report will allow you to learn more about IOC and our employees. It demonstrates our commitment to measuring our performance across the three pillars of sustainable development: economic, environmental and social.



Working together

Today, we need one another more than ever. At IOC, we are particularly fortunate in that we can count on engaged internal and external stakeholders. Through our interactions and exchanges with each of them, we have been able to gain a better understanding of the issues and challenges we face and develop potential solutions. Here are some highlights from the previous year:

- Worked closely with unions and communities to implement effective protocols and ensure safety with regard to COVID-19
- Signed an Impact and Benefit Agreement (IBA) with the Uashat Mak Mani-Utenam (ITUM) and Matimekush-Lac John (MLJ) Innu communities
- Maintained our operations throughout the pandemic and thereby continued to contribute to our communities' economies, producing 18.5 million tonnes of concentrate
- Supported our communities during the pandemic by helping them to adapt and remain sustainable through a special Rio Tinto COVID-19 fund

Health and safety

Taking care of the health and safety of our people is our highest priority. It is our commitment to our employees to constantly work to improve our track record in this area. Our performance in 2020 did not meet our expectations. We firmly believe that we can do better. We have given ourselves the means to achieve our goals through Courage to Care and Leadership in the Field. These initiatives allow us to make progress and strive for excellence.

In an industry like ours, we face a high level of risk, and incidents serve as a regular reminder. We cannot let our guard down and must strive for continuous improvement. Effective communication and transparency are essential for reaching our targets in this regard.

As iron market conditions look favourable (and assuming that COVID-19 will be with us for the better part of the year), we need to take advantage of this situation in 2021 to bolster our gains and secure our future. This hinges on three key elements: our employees, safety and reliable performance. To this end, we need to continue to foster a fulfilling workplace, get back to the basics with our processes, focus on critical initiatives, promote modernisation and improve IOC's position in our communities and within the Rio Tinto network.

The road ahead for IOC is one of endless potential. If we continue to evolve, striving to become a better team and company every day, the future is ours.

Please look after each other,

Donald Tremblay
Interim President and CEO



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Who we are

The Iron Ore Company of Canada (IOC) is owned by three shareholders: Rio Tinto (58.7%), Mitsubishi Corporation (26.2%) and Labrador Iron Ore Royalty Corporation (15.1%).

IOC owns the following facilities and installations:

- A mine in Labrador City with five operational pits and significant deposits for the supply of high-grade iron ore products
- A processing facility with a concentrator and a pellet plant, allowing us to transform our ore into high-grade iron ore products
- A wholly owned 418-kilometre railway, the Quebec North Shore and Labrador Railway (QNS&L), which links our Labrador operations to our port facility in Sept-Îles
- A port facility in Sept-Îles from which our products are shipped to customers around the world

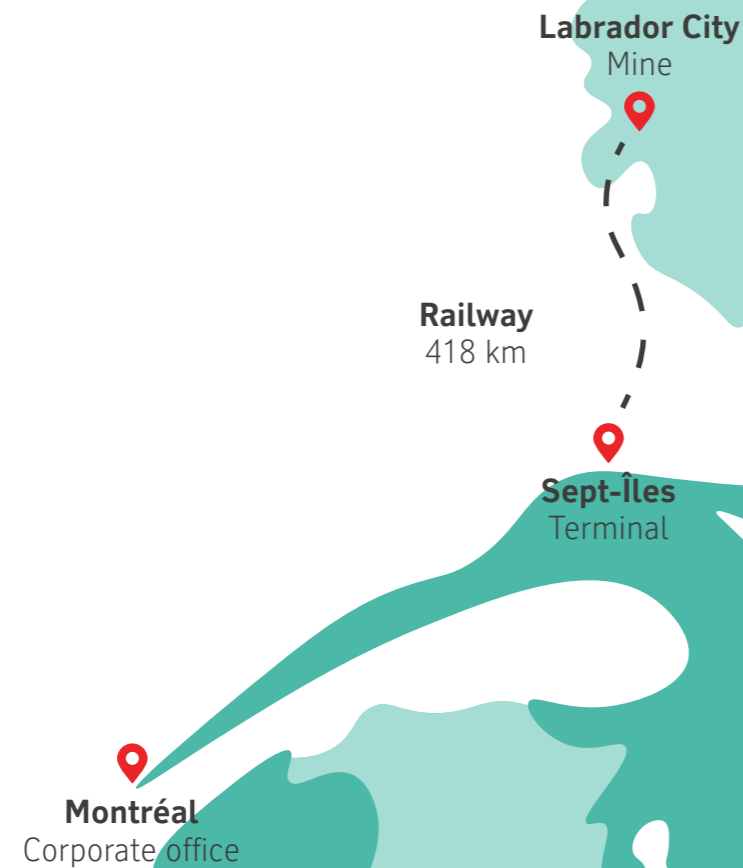
Annual nominal production capacity

23 Mt
of highgrade iron ore



including
12.5 Mt
can be pelletised to
superior-quality pellets

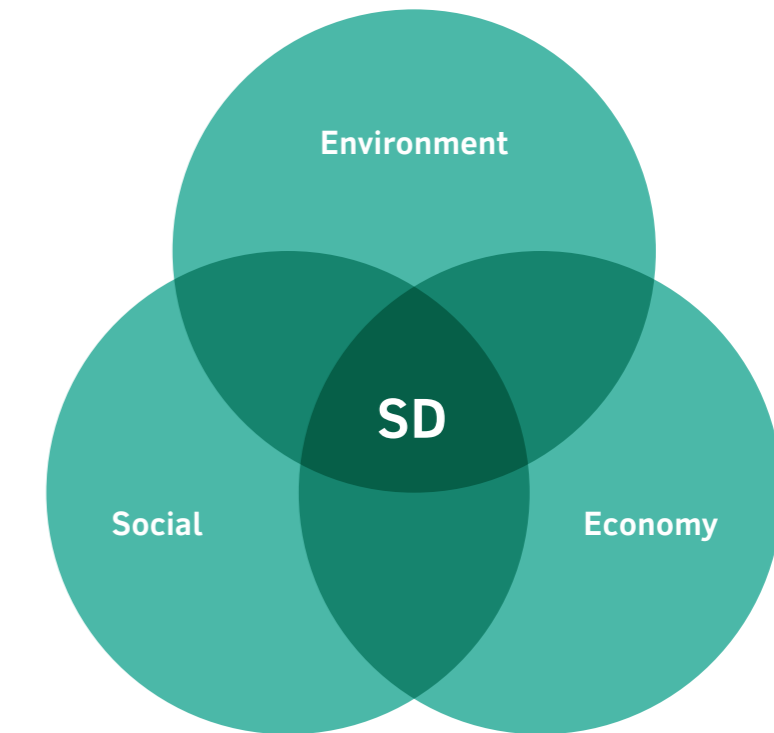




Our vision of sustainable development

Sustainable development is about acting responsibly and managing risks to protect the environment and host communities for future generations. It secures our partnership to operate and frames a future that is economically viable, socially beneficial and environmentally sound.

Our people and partnerships continue to play an essential role in driving these outcomes. Feedback from our stakeholders is also important, as it helps us to improve our social, environmental and economic performance.



At IOC, we are committed to becoming the premier high-quality pellet and concentrate producer in the world. In pursuing this goal, the way we perform our work every day is just as important as the results that we deliver. Our commitment to health, safety, environment and communities (HSEC) is fundamental to The Way We Work.

Our values

Our success depends on the trust we have in one another and in our partners, including host communities, governments, unions, educational institutions, business partners and suppliers, and our customers. We build this trust and set ourselves apart from our competitors through our daily actions. Our HSEC commitments provide a clear framework for how we should conduct our business, as well as clear standards by which we hold ourselves accountable and make smart decisions.

Whether one is an employee, consultant, contractor or supplier, this commitment to HSEC is rooted in our five values:

Safety

Respect

Integrity

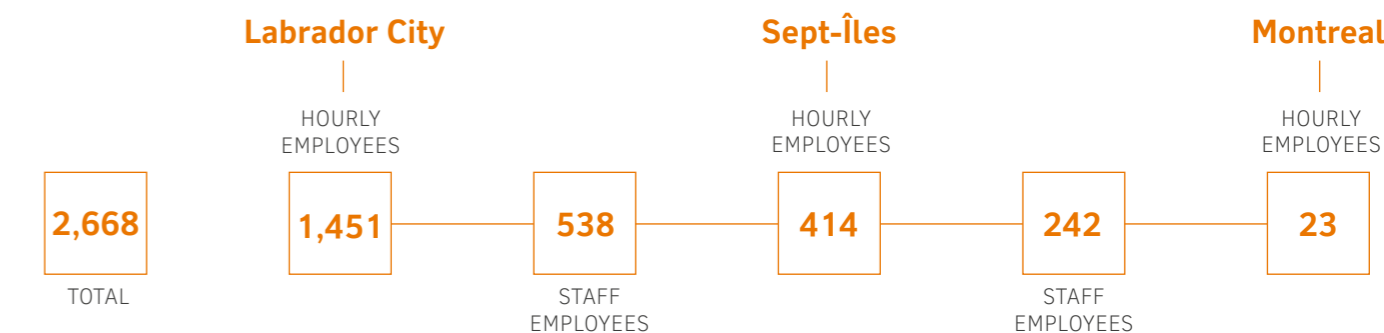
Team work

Excellence

Human resources

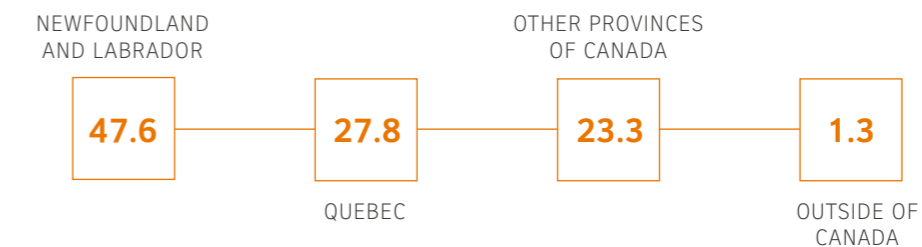
IOC is a major employer in the Labrador West and Sept-Îles communities. We are proud that we can count on a team of over 2,600 experienced employees in Labrador West, Sept-Îles and Montreal to keep our operations running smoothly and achieve our goals.

Number of employees



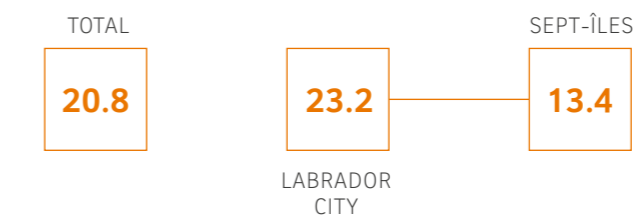
Where our employees come from

New employees in 2020 (in %)



Of the new employees from Newfoundland and Labrador, 49.2% are from Labrador West. Of the new employees from Quebec, 44.9% are from the Sept-Îles region.

Positions held by women (in %)



Wages and benefits

IOC offers a full range of wage conditions and benefits, including a pension plan, a health plan and short- and long-term incentive programs.

Summer Student Employment Program

In the summer of 2020, IOC welcomed students at our Labrador City and Sept-Îles sites. These students performed a variety of roles in different areas of IOC, from driving haul trucks to supporting operations in the plants and terminal. In addition, students were hired to assist our efforts in preventing COVID-19 transmission by performing temperature checks at the gates at both sites throughout the summer and part-time during the following fall and winter.

Career opportunities

IOC was able to continue to grow our business and our workforce throughout 2020. While COVID-19 presented a number of obstacles with respect to career fairs and interviews, we were able to successfully recruit over 150 new roles and numerous replacement roles.



Highlights



Wellness focus

In 2020, our main focus was employee wellness. To this end, we provided special leave related to COVID-19, introduced a Flexible Workplace Policy, expanded wellness-related benefits and supported community initiatives related to physical and mental wellness.



Partnerships with unions

We formed partnerships with our unions to improve engagement, transparency and problem-solving. We also worked closely with them to implement effective protocols and ensure safety with regard to COVID-19.



IOC Domestic and Family Violence Awareness Champions training offered in Sept-Îles

In March 2020, about 15 employees took part in a workshop to raise awareness about domestic violence. The objectives were to help participants:

- Learn more about the issue of domestic violence
- Identify the warning signs and/or risk factors of domestic violence
- Determine constructive and effective intervention measures
- Understand the company's policies and resources

This training was offered in partnership with the Centre Femmes Aux 4 Vents and the Crime Victims Assistance Centre.



Survey

Outstanding results in the Rio Tinto employee.

Training

Employee training fosters the development of the skills that we need to make steady progress towards the mining industry of tomorrow.



72,000 hours
total training hours



51,000 hours
training hours in Labrador West



20,000 hours
training hours in Sept-Îles



900 other
training hours



Indigenous cultural awareness

Launch of mandatory Indigenous cultural awareness training for all IOC hourly employees (all staff employees received the training in 2019)



COVID-19 response

The training team was able to quickly adapt to the challenges of the pandemic by implementing:

- A screening questionnaire prior to site entry
- A training program via Zoom, new training guidelines and onboarding of new employees through online training
- Virtual training sessions and e-learning tools for onboarding 98 students on short notice.



Supervisor training

Launch of the Supervisor Development Training Program, designed to help participants strengthen important leadership skills over a period of 12 months, before taking on full-time roles in the business. The program included: a structured leadership development program at the local college, on-the-job training, focused systems training, mentoring by qualified supervisors and ongoing performance feedback.



Paperless forms

Due to the high volume of paper assessment forms that had to be filled out at IOC every day, the training management system administrators, who had to enter each training activity, had an extremely demanding workload. Thanks to the ProntoForms app, trainers no longer have to print out assessment forms to perform their assessments in the field. Moreover, owing to automatic synchronisation with Cognibox, administrators' workload has been reduced and the risk of manual data entry errors has been eliminated. This innovation opens the door to several other future improvements, such as virtual attendance sheets. It also eliminates paper waste over the long term.

Highlights

Our response to COVID-19

The COVID-19 pandemic took the whole world by surprise in 2020. At IOC, we are proud of the protocols that we put in place to protect our employees and contractors, their families and our communities as we faced this unprecedented global challenge. The Occupational Health team was particularly outstanding in its efforts to manage this crisis. We sincerely thank them for the dedication they showed over the past year.

Key measures include:

Health

Screening measures

- Weekly screening questionnaire at site entrance
- Body temperature check at site entrance
- Personal thermometer for IOC employees residing in QNS&L camps
- COVID-19 testing for contractors, consultants and employees outside of our regions, beginning in summer

Social distancing measures

- Remote working in all positions for which this is possible
- Restrictions regarding off-site, inter-site and inter-departmental travel
- Limitation of travel and numbers in remote camps
- Reorganisation or suspension of meetings and training
- Limitation of inter-departmental contact (locked doors, limited access, signage, etc.)
- Installation of partitions in vehicles and helicopters
- Minimal interactions with ships
- Acquisition of disposable gloves, disposable masks and respiratory cartridges
- Changes to work schedules (if applicable)
- Staggering of break times and meal periods, reconfiguring spaces
- Wearing of masks when social distancing of two metres is impossible
- Isolation protocol outside of work for fly-in fly-out employees and a protocol for travelling to the airport
- Suspension of medical tests to limit exposure to droplets (supported by exemptions from provincial and federal authorities)

Incentives

- Voluntary self-isolation program for at-risk employees (age or medical condition) at the start of the pandemic
- Continued salary for employees in preventive isolation

Management of confirmed or suspected cases

- The Health team worked closely with the public health authorities in both provinces to ensure adequacy of control measures and effective management of individuals requiring preventive isolation (those who showed symptoms, had been in contact with an infected person or had travelled abroad).
- An outbreak at the Sept-Îles rail facilities during the first wave affected nine employees, and three non-work-related cases were recorded during the second wave. None of these individuals required hospitalization.



As the first point of contact on our sites for employees, contractors and visitors, the Emergency Services and Security team continues to play a critical role in protecting the company and our communities by ensuring that all COVID-19 protocols are followed.

Several measures were implemented to ensure all employees and contractors who enter our sites are safe and healthy. For example, in addition to their normal duties, team members had to manage situations where the screening questionnaire—mandatory at the site entrance—had expired. Their new duties also included additional reporting, screening activities, temperature checks and traffic management, all of which had to be implemented quickly given the urgency of the situation.

Highlights



Training our brigades

Labrador City : In partnership with Labrador City Fire Rescue and the Wabush Fire Department, members of the IOC emergency response team obtained NFPA certification in November 2020.

Sept-Îles : Our industrial brigade and the members of the new brigade for the Société ferroviaire et portuaire de Pointe-Noire received training from Targe Management. In addition to being highly valued by brigade officers, this new partnership reduces the costs involved in training the teams from both companies and is a true source of vitality in our brigades.

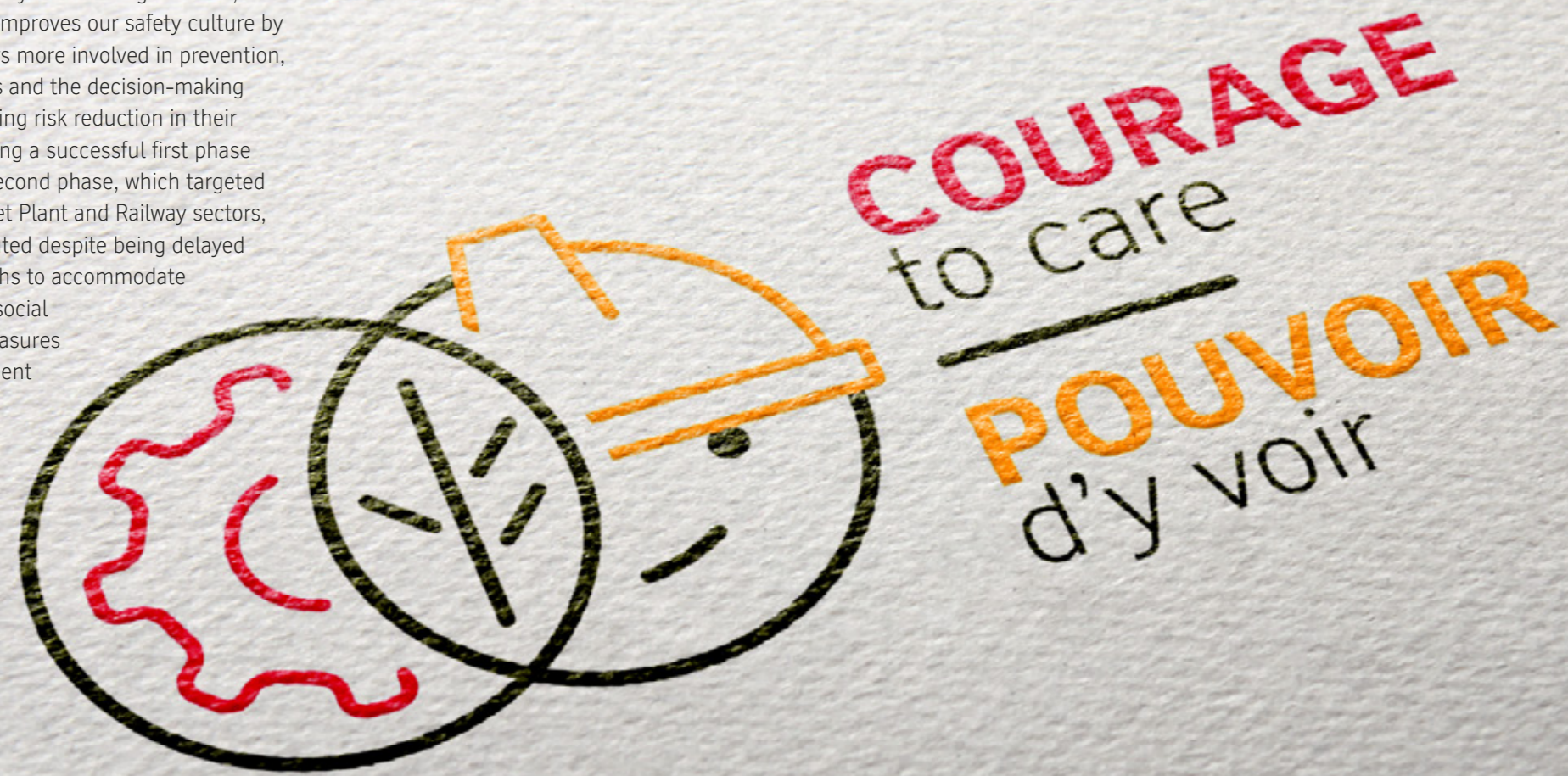


Visit from the RNC support dog

In August 2020, the Royal Newfoundland Constabulary (RNC) support dog and her handler, Constable Krista Fagan, met with our Domestic and Family Violence Awareness Champions, our Mental Health Taskforce and the members of our Human Resources and Emergency and Security Services teams. This visit helped us to understand how beneficial support dogs can be in helping individuals in need.

Courage to care

In 2019, we began to shift our approach to health and safety with Courage to Care, a program that improves our safety culture by getting workers more involved in prevention, risk awareness and the decision-making process involving risk reduction in their sector. Following a successful first phase in 2019, the second phase, which targeted the Mine, Pellet Plant and Railway sectors, was implemented despite being delayed by a few months to accommodate the rollout of social distancing measures and management of outside trainers.



Courage to Care involves the following:

Task
mapping



Risk
identification and
quantification



Prioritisation
of targeted
risks



Bowtie analysis for
solution selection
process



Follow-up
with project
managers

High- lights

As of December 2020, over 35% of employees had participated in Courage to Care.

Some noteworthy improvements:

- **Ore delivery system:** New gantry installed for pullies 4 and 5 to help workers with heavy lifting.
- **Mine :** Leveling of the Smallwood fill station so that the fill valve could be accessed without risk of tripping and injury.
- **Sept-Îles Lab:** Daily integration of Courage to Care practices through the creation of a tracker file that standardised sample containers, reduced exposure to gas leaks and decreased the incidence of musculoskeletal disorders.



Projects and initiatives

Because of COVID-19, we had to adjust certain timelines so that we could focus exclusively on critical projects related to health, safety and environment, our licence to operate and critical asset integrity. The purpose of these projects was to allow us to continue to operate safely and thereby ensure the long-term sustainability of our company and our communities.

In 2020, IOC contributed C\$596 million in total payments to federal, provincial and local governments, mainly through corporate income tax, municipal taxes, social security taxes and customs duties.

Economic breakdown for 2020 (in M\$ CA)

452

WAGES AND SALARIES (INCLUDING BENEFITS)

2,810

NET ORE SALES REVENUE

2,970

TOTAL REVENUE

Highlights



Dialogue with our business partners

In November 2020, IOC's Partner to Operate strategy focused on dialogue with our current and potential contractors for our operations in Labrador West and Sept-Îles. To address IOC's expectations of its contractors and the potential work available in 2021, members of the procurement and operations teams participated in two forums: the IOC Contractor Forum in Labrador City and *Rendez-vous des grands donneurs d'ordre de la Côte-Nord*.



Adapting to the market

To respond to market demand during the pandemic, IOC focused on the agility of integrated operations and on adapting its product line to new markets. In particular, pellet production was scaled down and concentrate for sales (CFS) in Asia was increased.



Cost controlling within the company

For the first time in 10 years, operations were in line with projections. This was a great source of pride for us.

Environment and resources

Water Management

Surface water management program

IOC takes great care to ensure that surface water runoff from rainfall and snowmelt events does not impact the safety of its operations or the quality of the water originating from the site. Every year, the Operations, Dewatering and Environment teams identify areas of concern before snowfall begins in the fall and do the same in the spring before snow melt and spring runoff. In these areas control measures such as digging ditches, constructing berms, setting down clean stone and diverting water flow are implemented to prevent surface water with high suspended solids from entering bodies of freshwater. In some areas, the water is treated before it is discharged. IOC currently has four treatment units in place for mine operations.

To ensure that everything is working properly and that regulatory requirements are met, IOC maintains an extensive water quality monitoring program. In total, IOC has 41 monitoring sites in and around the mining facilities where water quality is monitored to ensure that there is no impact to the surrounding ecosystems and communities.

Dewatering wells in or near the pits minimise the amount of groundwater that enters the pits. This groundwater can impact operations and operational safety. Additionally, mining activities can impact the quality of the water that is pumped out of the pits and discharged into the environment. It is therefore important to keep water out of the mining pits.

In 2020, IOC activated two new groundwater wells and installed 21 new wells to monitor water levels and help determine locations for future wells. The Dewatering and Hydrogeology teams worked day and night to keep the pumps running around the clock, thereby optimising pit dewatering.

To maintain the water quality of Wabush Lake and minimise the company's ecological footprint, IOC adds a flocculent to its tailings. The flocculation system operates continuously to maintain the clarity of the water in Wabush Lake.

Luce Lake treatment system

A water treatment system is in place for dewatering purposes at Luce Lake. This system uses both coagulants and geotubes to reduce the quantity of suspended particles and ensure compliance with the standards for effluents.

Portable effluent treatment system

In January, a portable water treatment system that uses both flocculants and coagulants was put in place. This system allows IOC to treat sediment-laden water prior to discharging it into the environment. The trailer-mounted system allows for quick interventions that limit the amount of sediment that enters waterways.

White Lake diversion culvert

Discharge from White Lake was limited by the size of the culvert directing outflow from White Lake to the diversion channel and receiving water in Luce Lake South. By increasing the size of the culvert and adding sediment controls, IOC reduced the risk of sediment buildup following snowmelt and during other high-flow periods.

Hydroseeding at final effluent discharge points

Hydroseeding activities were carried out around the two final discharge points (FDP-MD30 and FDP-MP-06). Revegetation in these zones will stabilise the soil and limit sedimentation caused by erosion.

Cleanup of abandoned sites, a partnership project with the First Nations of Quebec and Labrador Sustainable Development Institute

A partnership was established with the First Nations of Quebec and Labrador Sustainable Development Institute with the aim of restoring abandoned sites along the railway. This project allowed the FNQLSDI, in partnership with the community of Uashat Mak Mani-Utenam, to call upon four Innu resources to dismantle the three abandoned sites. As part of this partnership, IOC offered to recover all hazardous materials as well as scrap metal. For the project, IOC and its Environment department provided logistical assistance, equipment for the recovery of hazardous materials and assistance with the transport of scrap metal by rail and with the delivery of equipment to designated sites. The project will continue into 2021 so that other abandoned sites along the railway can be cleaned up.

New recycling stations at the Sept-Îles site

To improve the company's waste management performance, the Port and Rail sector acquired new waste and recycling bins. These colour-coded, labelled recycling stations will replace individual bins and encourage on-site waste sorting.

They have been installed in targeted locations in various IOC work areas, and the initiative may be expanded to other work areas, where it will improve the sorting of different recyclable materials on-site.

A poster of the team at Le Phare recycling centre, which is responsible for manually sorting the recyclable materials, was put up to remind everyone that the social and environmental dimensions are connected and to underscore the importance and the impact of the simple act of managing waste effectively.

Dismantling of petroleum tanks

IOC dismantled three oil tanks in the QNS&L railway camps (two in Tika and one in Oreway). The heating systems for the camp buildings were converted to electrical heating, using renewable energy from the SM-II hydro station operated by IOC. These changes helped to reduce IOC's ecological footprint related to non-renewable fossil fuel consumption and bolstered its efforts to reduce greenhouse gas emissions (GHG). The removal of this equipment also reduces the risk of spills and environmental contamination.

Other pieces of petroleum equipment in the camps were also upgraded to be more secure and reduce the risk of spills and environmental contamination. In particular, the fuel lines were reinforced with additional protection, overfill prevention valves were added to prevent tank overflow, and safety valves were installed.

Control dykes

IOC repaired 600 metres of the central control dyke and constructed additional control dykes at its tailings management facilities. This work was carried out to maintain the safety and stability of the structure and to continue to contain the discharge of tailings within the prescribed limits.

Bathymetric monitoring

The Wabush Lake bathymetric monitoring program was updated to increase frequency and scope and thereby ensure rigorous monitoring of tailings disposal in the lake.



Leila Wynn Dolomite Quarry rehabilitation

The Leila Wynn Dolomite Quarry has been closed since 2005. After its closure, IOC reshaped the slopes and revegetated the waste rock piles and surrounding areas to make the area safe to the public. IOC monitored the results of the stabilisation work for two years to ensure that the slopes would remain stable and intact when IOC was no longer custodian of the site. In June, IOC submitted its final monitoring report for the Leila Wynn Dolomite Quarry, and the site can now be turned over to the Government of Newfoundland and Labrador.

As part of our mining lease that allows extraction, IOC has a mine rehabilitation and restoration plan approved by the Newfoundland and Labrador government that commits to progressive rehabilitation and restoration of the land. IOC partners with local Indigenous communities and local, regional and provincial stakeholders to ensure that their concerns are heard and best practices are followed. By frequently exceeding rehabilitation requirements, IOC maintains the trust of its stakeholders and support within the communities.

Positive results in 2020 for the Cowboy Creek Fish Habitat Compensation Plan

Under the Fisheries Act and with authorisation from Fisheries and Oceans Canada, IOC completed its third year of a ten-year commitment to monitor the environmental impacts of the Cowboy Creek Fish Habitat Compensation Plan.

The field data collected in 2020 confirms that the work has progressed and the productivity of the stream habitat has increased since last year. Temperature regimes are regulating and fish populations are increasing.

It should also be noted that no incidents or injuries occurred in 2020 in the course of this work. This is a major achievement given that this is a remote location and technicians work in various weather conditions, and on rough terrain.

Trawling

IOC uses adapted trawling techniques to conduct scientific studies for its environmental monitoring program in large lakes, including Wabush Lake. Thanks to these innovative techniques, fish mortality dropped from 85% to 4% in 2020.

As part of the agreement made with Fisheries and Oceans Canada in 2007 to compensate for any loss of fish habitat in Wabush Lake, a long-term environmental monitoring program is currently in place and requires capturing numerous fish for study purposes. Fisheries and Oceans Canada encouraged IOC to explore the use of non-lethal fishing methods in its monitoring programs to minimise the impact of studies on fish populations.

Since 2018, IOC has been developing and perfecting the use of a trawl drawn by two boats as its primary non-lethal fishing technique. In previous monitoring programs, gill nets were used extensively to catch fish and collect data, resulting in very high fish mortality.

A total of 49 trawling operations were carried out in the lakes as part of the 2020 study. A number of adjustments were made to equipment and techniques to improve capture rates and reduce fish mortality. The result was a considerable decrease in fish mortality. IOC will continue to use this new technique in future regulatory studies.

Bat monitoring

During the development and implementation of IOC's new Biodiversity Conservation Strategy, knowledge and information gaps were identified with regard to the little brown bat, which is considered endangered under the *Species at Risk Act*.

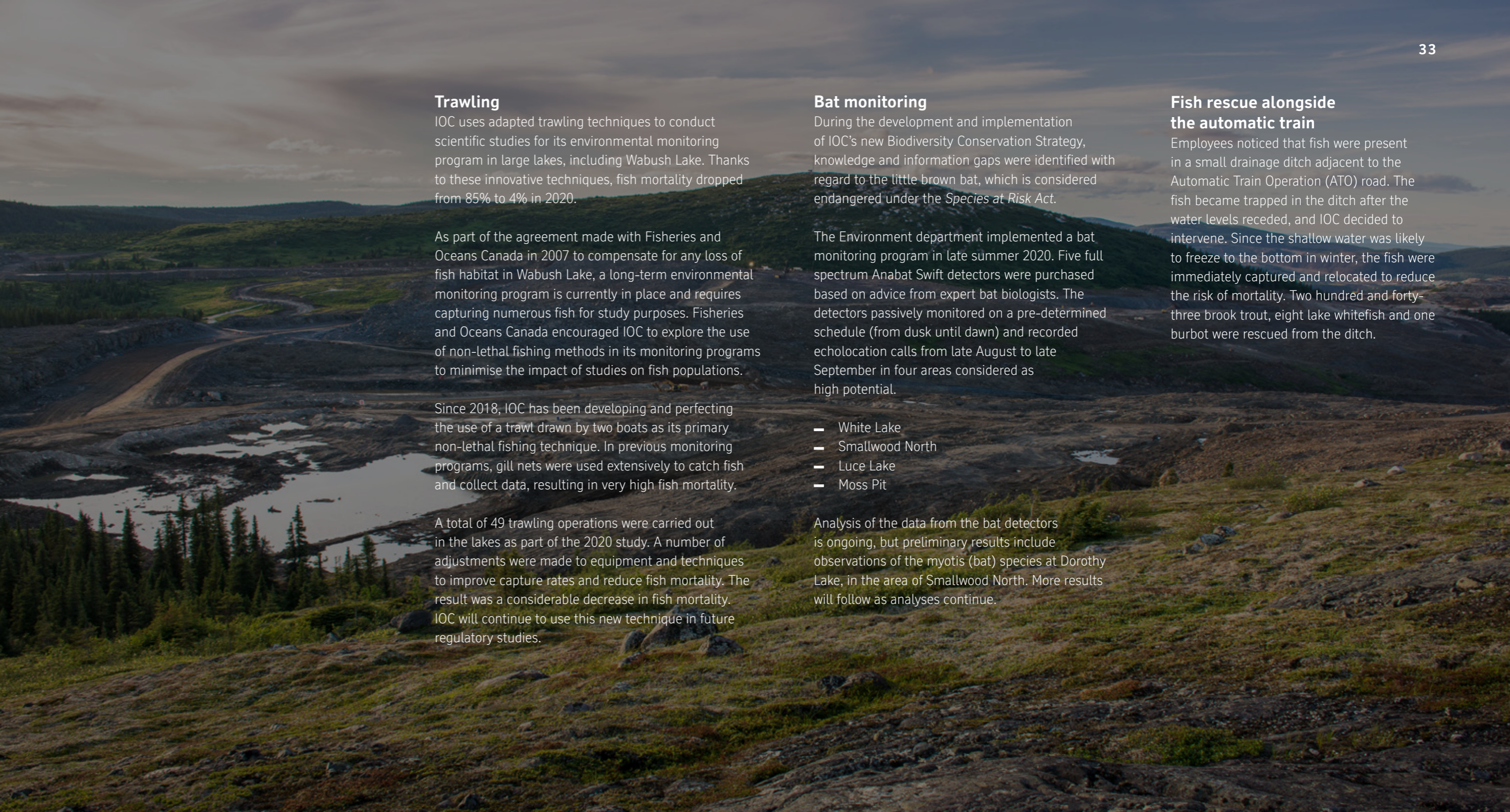
The Environment department implemented a bat monitoring program in late summer 2020. Five full spectrum Anabat Swift detectors were purchased based on advice from expert bat biologists. The detectors passively monitored on a pre-determined schedule (from dusk until dawn) and recorded echolocation calls from late August to late September in four areas considered as high potential.

- White Lake
- Smallwood North
- Luce Lake
- Moss Pit

Analysis of the data from the bat detectors is ongoing, but preliminary results include observations of the myotis (bat) species at Dorothy Lake, in the area of Smallwood North. More results will follow as analyses continue.

Fish rescue alongside the automatic train

Employees noticed that fish were present in a small drainage ditch adjacent to the Automatic Train Operation (ATO) road. The fish became trapped in the ditch after the water levels receded, and IOC decided to intervene. Since the shallow water was likely to freeze to the bottom in winter, the fish were immediately captured and relocated to reduce the risk of mortality. Two hundred and forty-three brook trout, eight lake whitefish and one burbot were rescued from the ditch.



IOC GHG Emissions profile

Total GHG emissions from IOC operations from Mine to Port total approximately one million tonnes of CO2eq. annually. For 2020, total GHG emissions of 981kt CO2eq. had the following breakdown:

- Mining operations represented 130 kt of CO2eq (13.2% of IOC total) primarily related to Heavy Mine Equipment fuel and explosives.
- The Concentrator produced 18.7M tpa of product and emitted 16 kt of CO2eq through steam and heat production via fuel boilers.
- The majority of IOC emissions is from the Pellet Plant where a portion of the concentrate produced is converted to pellets via travelling grate furnaces. The pelletizing process also uses bentonite as a binding agent and fluxes are added to produce various pellet types. 2020 emissions from the Pellet Plant totalled 728 kt of CO2eq. (74% of IOC total). The emissions are generated from furnace heating (combustion of fossil fuels), naturally occurring carbonates from the orebody, and additives including fluxes. Emissions from carbonates and fluxes are not controllable and represented 178 kt of CO2eq.
- The Rail and Port including shipment of saleable product from Labrador City to Sept-Iles accounted for 108 kt of CO2eq.

The combustion of fossil fuels represented 82% of IOC total GHG emissions.

RT commitment

As part of the Rio Tinto group, IOC is committed to reduce its total GHG emissions by 15% and its GHG emission intensity by 30% by 2030 as compared to 2018 levels. This commitment is one of the most ambitious in the Mining sector and will require a daily engagement of all IOC employees, from Mine to Port.

To achieve these targets, a long term decarbonisation roadmap has been developed, combining incremental actions (energy efficiency) and the implementation of step-change technologies.

IOC engagement with Newfoundland & Labrador

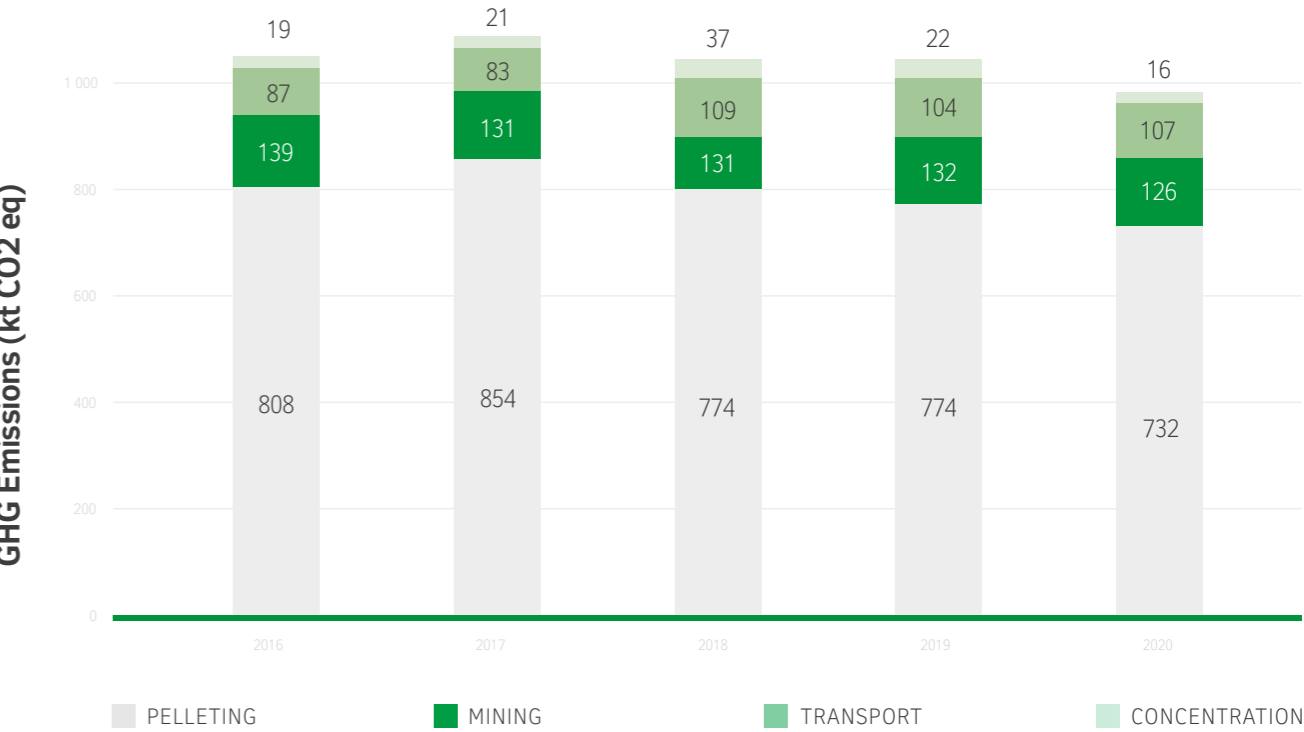
Beyond these internal targets, IOC has engaged a constructive dialog with the NL government over the last decade to properly tackle the GHG challenge of the Province. As the 3rd largest emitter within the province of NL, we have worked with the provincial authorities to define a challenging but achievable framework. This framework has been approved by the Federal government as part of the Pan Canadian Framework and has defined a “made-in-NL” Carbon Pricing mechanism.

This scheme is an hybrid approach, combining a Carbon Tax on fossil fuels and a Performance Standard approach for industrial activities. As of today, 91% of IOC emissions are covered by this Performance standard approach, which sets an ambitious target for our Labrador City operations. This implies a reduction of 12% of the stationary GHG emission intensity (i.e. the industrial GHG emission intensity from fossil fuels combustion) between 2019 and 2022, with a reference value based on the average of the 2016 to 2018 period. More specifically, from 2020 on, these targets are defined as such:

2020 GHG Emissions Intensity

Product	Unit	2020		
		GNL Target	Actual	Variation
In Pit Mining	kg CO ₂ eq/kt	1 373	1 481	-8%
Concentrate	kg CO ₂ eq/kt	1 150	865	25%
Pellets	t CO ₂ eq/kt	58,8	56,8	3%

Total IOC GHG Emissions



✓ Self-assessed

☑ Externally verified

AAA Excellence and leadership

AA Integration into management decisions and business functions.

A Systems/processes are developed and implemented.

B Procedures exist but are not fully consistent or documented

C No systems in place; activities tend to be reactive ; procedures may exist but they are not integrated into policies and management systems.

Performance data

Table 1: Performance data

Environmental stewardship	
Energy use MWh	4 750 278
Absolute greenhouse gas emissions (Scope 1 and 2) tonnes of CO ₂ e	981 339
Emission intensity tonnes of CO ₂ e / tonnes of total saleable product	0.0554
Land rehabilitated ha	3
Social well-being	
All injury frequency rate (per 200,000 hours worked)	0.94
Lost time injuries	15
Medical treatment cases	19
New cases of occupational illness	0
Number of employees exposed to an 8-hour noise dose above 85 dB(A)	600
Community advisory panel or similar community meetings	5
Economic Prosperity	
Number of employees	2 668
Community investments	715 000\$
Municipal, provincial and federal taxes	264 M\$
Total ore sales	2 810 M\$
Sales including QNS&L Railway	2 970 M\$
Wages and benefits	452 M\$

Environmental certification program

Towards Sustainable Mining

Towards Sustainable Mining (TSM) is a program developed by the Mining Association of Canada (MAC) to improve the industry’s social and environmental performance. As a member of MAC, IOC adheres to its guiding principles and is committed to the implementation of extensive management processes in the MAC’s TSM performance areas.

Table 2: TSM performance indicators ✓

Energy & GHG Management	
Energy use management system	A
Energy Use reporting system	AA
Energy intensity performance targets	A
Tailings Management	
Tailings management policy & commitment	A
Tailings management system	A
Assigned accountability and responsibility	A
Annual tailings management review	A
Operation, maintenance & surveillnce manual	A
Aboriginal And Community Outreach	
Community of interest (COI) identification	AAA
Effective COI engagement and dialogue	AAA
COI response mechanism	AAA
Reporting	AAA

Table 3: Crisis management ✓

Preparedness	Yes	Review	Yes	Training	Yes
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Safety & Health

Policy, Commitment & Accountability	A
Planning, Implementation & Operation	AA
Training, Behavior & Culture	AAA
Monitoring & Reporting	AA
Performance	AA

Biodiversity

Corporate Biodiversity Conservation Policy, Accountability & Communications	A
Facility-level Biodiversity Conservation Planning & Implementation	A
Biodiversity Conservation Reporting	A

Water Stewardship

Water Governance	A
Operational Water Management	B
Watershed Scale Planning	AA
Water Reporting and Performance	A

Green Marine is a voluntary environmental program through which marine industry companies commit to improving environmental performance in tangible and measurable ways, above and beyond regulatory requirements. Continuous improvement is one of Green Marine’s fundamental principles.

In February 2020, IOC completed and submitted a self-assessment as part of its participation in the Green Marine program.

Continuous improvement is one of Green Marine’s fundamental principles. Every two years, an external auditor conducts a performance audit to validate the accuracy of self-assessment results. For IOC, the next audit will be in 2021.

The program focuses on a variety of environmental issues, broken down into six categories.



Environmental leadership



Greenhouse gas emissions



Garbage and waste management



Prevention of spills and leakages



Community impacts



Dry bulk handling and storage

Each category has five performance levels, with five being the highest:

1

MONITORING OF REGULATIONS

2

BEST PRACTICES

3

INTEGRATED MANAGEMENT SYSTEMS AND QUANTIFIED IMPACTS

4

NEW TECHNOLOGIES AND REDUCTION TARGETS

5

EXCELLENCE AND LEADERSHIP

Summary table of 2019-2020 results

Environmental issues	2019 self-assessment results	2020 self-assessment results
Greenhouse gases	3	3
Leak and spill prevention	5	5
Dry bulk handling and storage	5	5
Harmonisation of uses	5	5
Environmental leadership	5	4
Waste management	3	3

Communities and social performance



Activities connected to community relations and social performance support, enhance and ensure our long-term relationships. These efforts involve all of our stakeholders, including our employees, unions, suppliers, communities, government partners and Indigenous partners. Our business planning reflects the clear link between business and community objectives.

We are committed to providing and maintaining a work environment where people are treated with respect and consideration, and where the dignity, abilities and contributions of each person are valued.

IOC is focused on employing more individuals from historically under-represented groups. At the end of the year, individuals from these groups represented 29% of the company's total permanent workforce.

Another priority of ours is to involve more Indigenous partners in our procurement activities. At the end of 2020, 3.79% of our total spending was with Indigenous businesses. This indicates that we still have work to do on this front.

A key aspect of community relations and social performance is understanding the risks involved and recognising opportunities to cultivate strong partnerships with communities. In 2020, we conducted a social risk analysis across all company sectors, from mine to port, in compliance with Rio Tinto standards. By having a solid understanding of our key stakeholders and associated social risks, we can effectively support our partners and the company in the areas of community relations and social performance. IOC also performed a self-assessment of its track record in these areas, which highlighted our role as a partner in host communities and ways to strengthen our commitment to minimising social risks.

As we overcame the challenges of the pandemic, we successfully maintained our ongoing engagement with stakeholders through regular industry updates with the Town of Labrador City and the Newfoundland and Labrador Department of Industry, Energy and Technology. The updates are an opportunity to take stock of IOC's five priorities (safety, people, partnerships, cash and growth) and identify opportunities to work together. Our Community Advisory Panel in both Labrador West and Sept-Îles helps to keep us informed about what is happening on the ground and align the company and communities on a set of mutually agreed upon objectives.

Community Investments



IOC's annual commitments

List of partner organisations in Labrador City and Sept-Îles

- A.P. Low Primary School
- Air Daffodil
- Association baseball mineur Sept-Îles
- Association de protection de la Rivière Moisie
- Association de Ringuette de Sept-Îles
- Association for New Canadians
- Carol Curling Club Curl for Cancer (Air Daffodil)
- Cegep de Sept-Îles
- Centraide Duplessis
- Centre d'amitié autochtone de Sept-Îles
- Centre d'hébergement Tipinuaikan
- Centre d'intervention le Rond-Point
- Child Youth and Family Services
- Club de football Husky
- Club de golf Ste-Marguerite
- Club de gymnastique de Sept-Îles
- Club Optimiste
- Club Richelieu féminin
- Comptoir alimentaire de Sept-Îles
- École de ballet de Sept-Îles
- École Maisonneuve
- Élyme des sables
- Envol – Maison de la famille
- Festival des Hivernants
- Fondation régionale Hôpital Sept-Îles
- Gallixtrème
- Greffe-toi à nous
- Grenfell Foundation (LWHC)
- Hommes Sept-Îles
- Hope Haven
- Indigenous Service Centre
- Indoor Play Labrador Inc.
- J.R. Smallwood Middle School
- Labrador Institute of Memorial University
- Labrador West Association for Community Living



- Labrador West Childcare Inc.
- Labrador West Ground Search and Rescue
- Labrador West Ministerial Food Bank
- Labrador West Ministerial Association
- Labrador West Pride Inc.
- Labrador West Trap & Skeet Club
- L'Âtre de Sept-Îles
- Maison des femmes de Sept-Îles
- Maison des greffés Lina Cyr
- Menihek Nordic Ski Club
- Mothers Against Drunk Driving
- Northern Lights Swim Club Swim for Hope (NL Cancer Society)
- Canadian Ski Patrol
- Ressource de réinsertion Le Phare
- Ronald McDonald House NL
- Rotary Club of Labrador City & Wabush
- RSEQ Côte-Nord
- Scouts Sept-Îles
- Snowbird Gymnastics
- Multiple Sclerosis Society of Canada - Côte-Nord
- Tamarack Golf Club
- Town of Labrador City - Regional Trail Network
- Town of Wabush - Mike Adam Recreational Complex
- Transit Sept-Îles
- Twin Cities Senior 50+ Club
- Université du Québec à Chicoutimi
- White Wolf Snowmobile Club

Rio Tinto COVID-19 fund

List of organisations that have received a donation in connection with the Rio

- A.P. Low Primary School
- Centre d'amitié autochtone de Sept-Îles
 - Centre d'hébergement Tipinuaikan
 - Child, Youth and Family Services
 - Comptoir alimentaire de Sept-Îles
 - Élyme des sables
 - Envol - Maison de la famille
 - Fondation régionale Hôpital Sept-Îles
 - Grenfell Foundation – Labrador-Grenfell Health
 - Gymnastics Club Inc.
 - Hope Haven
 - Indoor Play Labrador Inc.
 - J.R. Smallwood Middle School
 - Labrador City Fire Department
 - Labrador West Dental Clinic
 - Labrador West Indigenous Service Centre
 - Labrador West Association for Community Living
 - Labrador West Day Care
 - Labrador West Health Care Centre
 - Labrador West Ministerial Food Bank
 - Maison des femmes de Sept-Îles
 - Menihek Nordic Ski Club
 - Naskapi Nation of Kawawachikamach
 - Répît-Richelieu
 - Ressource de réinsertion Le Phare
 - Royal Newfoundland Constabulary
 - Tamarack Golf Club
 - Transit Sept-Îles
 - Twin Cities Senior 50+ Club



Rio Tinto women's shelter fund

On the International Day for the Elimination of Violence Against Women, Rio Tinto announced a \$360,000 donation to 12 women's shelters and local organisations across Canada.

In our communities, we supported Hope Haven in Labrador City, Maison des femmes in Sept-Îles and Centre d'hébergement Tipinuaikan in Uashat mak Mani-Utenam, each of which received \$25,000.

The contribution allowed these organisations to continue providing a variety of support services to women and their families, including safe shelters, education and training resources, counselling, workshops and activities for kids.



Indigenous peoples

At IOC, we are committed to providing sustainable support to Indigenous peoples with training, education, employment and business opportunities. Our approach to Indigenous relations will continue to strengthen our partnerships with the five Indigenous groups that claim Indigenous rights in the regions where we live and operate, namely Labrador and Quebec.

In 2020, we offered Indigenous Cultural Awareness Training to all of our hourly employees. This training, which is now mandatory for all employees, teaches Indigenous history and provides information about job opportunities at IOC for Indigenous peoples.

COVID-19

Faced with the challenges of the pandemic, our Indigenous partners continued to move forward by engaging regularly with us, sharing their experiences and keeping us informed about the evolving situation in their communities. We learned how each group adapted to new ways of working and living by providing elders with meals, supplying community members with masks and restricting community access to ensure the health and safety of the population. IOC supported Indigenous community organisations through in-kind donations, such as providing needed materials, in addition to financial contributions. This made it possible to provide personal protective equipment to members of the NunatuKavut Community Council and food to people in need through the Centre d'amitié autochtone de Sept-Îles. We would like to extend a big thank you to all the essential workers who continued to offer services to their communities during this time.

In addition, IOC sponsored and participated in numerous Indigenous community events, including:

- Annual Great Gathering of New Innu High School Graduates organized by the Tshakapesh Institute.
- Third Annual Indigenous Recognition Gala, organised by the First Nations Human Resources Development Commission of Quebec and sponsored in large part by IOC. The virtual event allowed Innu graduates to celebrate their academic achievements and receive their diploma in various professional streams. IOC proudly awarded bursaries to two of the graduates.
- IOC was a major sponsor, with the Innu community of Uashat Mak Mani Utenam, of the annual Christmas concert of musician Florent Vollant in Sept-Îles. The virtual event allowed approximately a thousand spectators from across Quebec and the world to connect with the musicians and to appreciate the talent highlighted in this beautiful show. The accompanying artists were Matiu (Innu), Elisapie Isaac (Inuk) and Scott Pien-Picard (Innu).

In 2020, we reached a significant milestone with the signing of the Ussiniun ("renewal") agreement with the Innu communities of Uashat Mak Mani-Utenam and Matimekush Lac-John. Despite pandemic restrictions, all parties did an incredible job of moving our relationship forward. The Ussiniun agreement lays the foundation for mutually beneficial relationships based on dialogue, collaboration and trust between the company and the two communities over the coming decades. It will facilitate greater community participation in IOC activities such as training, development, employment, collaboration on environmental projects and procurement partnerships.

Recognition



Awards

Chief Executive Pioneering Excellence Award

The fibre optic project with the Naskapi Nation and the partnership with Ressource de réinsertion le Phare won the Chief Executive Pioneering Excellence Award in 2020 in the Partnership category.



Inclusion Award

The Coalition of Persons with Disabilities Newfoundland and Labrador selected IOC as the winner of their annual Inclusion Award in the Business category.



Finalists

Finalist for the Mining Association of Canada's Community Engagement Excellence Award



Nominated for the Chief Executive Award for the ore storage project

Tell us what you think

About this sustainable development report

Produced jointly with IOC's Environment, Communications and External Relations departments, this publication is a tool for sharing our sustainable development initiatives and outcomes. Our teams aim to produce a report that accurately reflects our performance.

At IOC, we are committed to operating our business in a sustainable way to secure our future and the future of the communities where we work and live. Feedback from stakeholders is essential to improving our social, environmental and economic performance and to preparing our sustainable development report.

Please feel free to email us at iocfeedback@ironore.ca to provide us with feedback about our performance and help us to identify areas where we can improve.

2020 Sustainable Development Report

IRON ORE COMPANY

Thank you!

We could not be a thriving company without the engagement of our people. In this spirit, the Iron Ore Company of Canada would like to thank all of its employees, who demonstrate their know-how and uphold health, safety and environment standards each and every day.

We also wish to express our gratitude towards all of our partners, including our contractors, the residents and municipal councils of Labrador West and Sept-Îles, the federal and provincial governments and First Nations members. Thanks to your collaboration, we can aspire to be a leader in the mining industry.

RioTinto

