

Iron Ore Company of Canada

Sustainable Development Report 2025

RioTinto | IOC



About This Report



True to its commitment to sustainable development, Rio Tinto IOC places great importance on building trusting relationships with its employees, its partners, and the communities located near its operations.

We believe that open communication and transparency are essential to working together in an effective and positive way. In this report, we provide an update on the progress made in 2025 toward achieving our sustainability goals and present our economic, social, and environmental results.

We also invite you to visit the company's website to learn more.

Commitment to the Environment and Sustainability

We depend on healthy ecosystems to run a successful business and recognize our responsibility to mitigate the environmental impact of our operations effectively.

Healthy natural environments with functioning ecosystems are key to climate resilience. We are committed to protecting biodiversity and ensuring that the low-carbon transition remains at the heart of our business strategy.



A Message from our Chief Operating Officer

2025 was marked by significant change and the resilience of our teams. We addressed challenges related to pit health and asset health and will maintain this focus in 2026. In a demanding environment, we remained focused on our priorities: rigorous cost discipline and advancing our transformation, including our integration into Rio Tinto's Iron Ore product group. These outcomes reflect the commitment, collaboration, and openness demonstrated across the organisation. Change brings challenges, but also opportunities to strengthen performance. Through disciplined execution and adaptability, we achieved record results in safety—including our strongest Safety Maturity Model performance in 2025—as well as in operational performance, notably in rail transportation on the QNS&L network. These results demonstrate the strength of our systems and our commitment to continuous improvement.

2026 will be a pivotal year. We will continue to improve asset reliability to support safe, efficient, and sustainable operations. Our approach is anchored in clear priorities: strong economic performance, disciplined environmental management in line with regulatory requirements, and meaningful engagement with people and communities, supported by targeted social investment initiatives.

For nearly 75 years, our success has been built on our people. Their expertise and commitment are fundamental to delivering our priorities. I would also like to recognise the contribution of our contractors, Indigenous partners, and host communities. Their trust and collaboration remain essential to our long-term success.

Thank you to everyone for your contribution.

Ryan Harnden
Chief of operations



Our Company

The Iron Ore Company of Canada (IOC) includes:

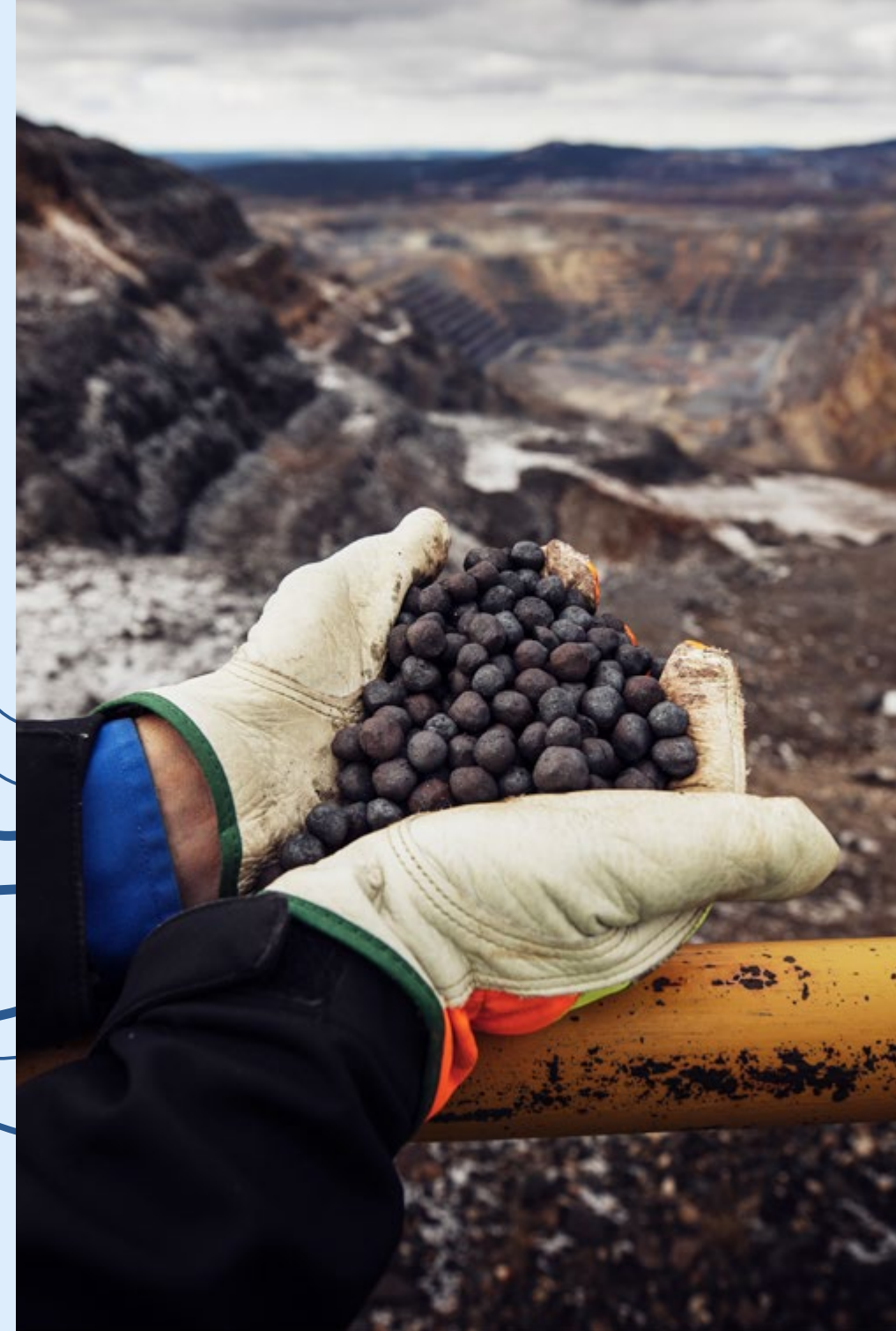
A mine in Labrador City with five operational pits and significant deposits for the supply of high-grade iron ore products

A processing centre with a Concentrator and a Pellet Plant, which allow us to transform our ore into high-grade iron ore products

A wholly owned 418-km railway, the Quebec North Shore and Labrador (QNS&L) Railway, 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.

A hydroelectric power plant, Sainte-Marguerite-2 (SM-2), which generates 17.6 MW of power connected to the port facility in Sept-Îles

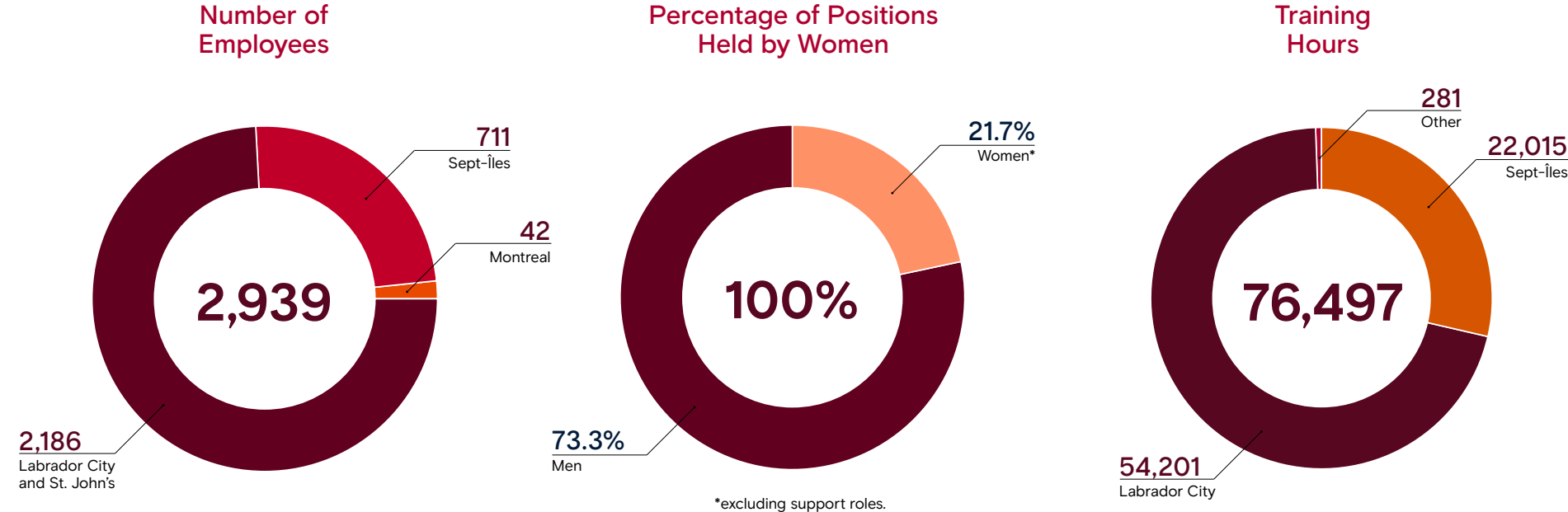


Our People

We are building an environment of trust, where everyone, everywhere feels safe, respected, and empowered to have a good day, every day. We do this by fostering a safe and inclusive workplace, working in a consistent way across our operations, and leading with our values in everything we do.

Our Employees

Rio Tinto IOC is a major employer in the Labrador West and Sept-Îles communities. Backed by the skills and dedication of hundreds of men and women, we're determined to achieve our goals. We're proud to count on a team of nearly 3,000 employees in Labrador West, Sept-Îles, St. John's, and Montreal who keep our operations running smoothly and safely.



Investing in Our Talent Through Training

Developing our talent remains a priority. Throughout the year, we continued to invest in training and development opportunities to support employee growth and strengthen our operational capabilities.

In Labrador City

- Ongoing electrical safety training to ensure compliance with current standards.
- Advanced mobile equipment training for heavy-haul truck operator students and new hires.
- Training for drill operators on new equipment added to the fleet.

In Sept-Îles

- Continued partnership with the Cégep de Sept-Îles to develop technical training manuals for the rail sector.
- Deployment of Rio Tinto's Leadership Development Program for superintendents, including the participation of four superintendents in a pilot project.
- Personalized coaching provided to 13 frontline supervisors in the fall of 2025, with the program set to continue in 2026.

These initiatives reflect our commitment to developing the skills of our workforce and preparing the next generation of talent to meet the current and future needs of our operations.

Career Opportunities

A Successful Hiring Initiative

In 2025, Mine Operations, Talent Acquisition, and Training partnered to launch a new recruitment initiative aimed at increasing gender diversity across our workforce. The project focused on creating a pool of qualified female candidates for future Mine Operations roles, particularly haul truck operators.

In support of this effort, we hosted two dedicated assessment centres in Labrador City, specifically designed for women with no prior experience. Before each event, the Training team provided haul truck simulator sessions, along with trainer evaluations and observations, to help identify candidates with strong potential. Interested applicants were invited to apply online to be considered for the opportunity.

36 women participated across both events

28 women were hired

Summer Student Employment Program

In the summer of 2025, Rio Tinto IOC welcomed students at our operating sites in Labrador City and Sept Îles across a variety of areas critical to supporting our operations throughout the summer months. This included driving haulage trucks and performing key tasks in our processing plants and port terminal.

The summer student program helps us continue safe production throughout the peak holiday season and is considered an important enabler to attracting future talent while providing meaningful income to students and their families in the communities in where we operate.

We are very proud that 47% of the students we welcomed were young women (20/40 in Sept-Îles; 63/135 in Labrador City).



Our 2025 Success Stories

Peer Support: Rio Tinto IOC continues to give Peer Support training. We have 27 resources trained for both sides.

Employee Benefits – What’s New: Rio Tinto IOC employees and their families (18+) now have access to HALEO, a virtual sleep clinic that helps treat insomnia. The programme is therapist-led and covered by employee benefits for psychological health (within the annual maximum). This is a great addition to our benefits list, considering the schedules and reality of our employees.

Enhancements to the Employee Assistance Program (EAP): In 2025, we enhanced our Employee Assistance Program (EAP) by adding a six-week therapist-guided Cognitive Behavioural Therapy program. Available on a voluntary basis and delivered entirely online, the program allows participants to progress at their own pace. Topics covered include anxiety, depression, burnout, adjustment to change, social anxiety, trauma, and grief. This addition reflects our commitment to providing flexible and accessible solutions that support the mental well-being of our employees.

Partnership with Unions: We created a Joint Benefits Committee, which is a partnership between Rio Tinto IOC and our Sept-Îles union leaders (9344 and 1843). We also implemented a Harassment and Violence Prevention Policy. The policy aims to ensure a safe workplace and is an addition to our Everyday Respect program.

Health, Safety, and Well-Being

Our commitment to safety shines through in our leadership, risk management, work execution, and continuous improvement. Safety is our top priority. Through our employees' collaboration and active participation in the Rio Tinto Safe Production System (SPS), Safety Maturity Model (SMM), and Courage to Care program, we have the tools and guidance needed to support our efforts.

Safe Production System

Our mission is to make Rio Tinto the most valued metals and mining business. Most valued by our people, our shareholders, our communities, and our customers. Our culture is all about finding better ways for everyone, everywhere, every day. Our SPS provides us with a framework of best practices, mindsets, and behaviours to empower our people to deliver value safely.

In 2025, we took a bolder step in rolling out SPS across our Rio Tinto IOC site, from Operations to Functions, with key best practices to make it The Way We Work. We want to be simpler, stronger, sharper—so we roll out best practices based on business needs to deliver the most value.

Safety Maturity Model

2025 showed what disciplined leadership and teamwork can achieve. We closed the year with an AIFR of 0.34, successfully meeting our target and improving from last year. Combined with progress in the Safety Maturity Model that improved the score from 4.8, this reflects a clear and sustained focus on embedding proactive, high-performing safety behaviours across the business.

Courage to Care

Since 2019, we have strengthened our health and safety culture through the implementation of the Courage to Care program. This initiative aims to shift mindsets by actively involving employees in prevention, risk awareness, and decision-making processes related to risk reduction within their work areas.

The program was designed to drive a significant transformation in our safety culture by engaging both employees and leaders in the proactive identification of risks and the implementation of concrete mitigation measures.

In 2025, the program marked its sixth anniversary and continued to mobilize frontline employees by reinforcing risk awareness and fostering a strong sense of individual accountability.



Highlights of Our Courage to Care Initiatives

Mine Operations

Water truck fill station

Water truck operators were required to frequently exit their cab to operate a manual valve, increasing the risk of slips, trips and falls, as well as electrical failures caused by water spills. In response, a remote-controlled valve was successfully installed in 2025 and will be rolled out to all stations in 2026, along with extended hoses to better control water flow and reduce spills.

Processing Operations

Thickener underflow pump isolation

Access to isolation points on air lines P11 and P12 posed fall hazards and complicated lockout procedures due to restricted access and deteriorated labeling. To improve safety and efficiency, new, more accessible solenoid cabinets were installed, featuring clear labeling, integrated lockout points, and weather protection. The installations were also prepared to support future upgrades to pumps P11 and P12.

Rail and Port Operations

Car shop floor repairs

Floors on tracks 1, 2 and 3 in the railcar shop presented trip hazards due to concrete damage caused by molten metal over time. The damaged sections were repaired, and more durable metal plates were installed to improve safety and facilitate future maintenance.

Our Projects and Initiatives

We've made significant investments to improve our operational efficiency over the years. These projects and initiatives are necessary steps toward securing Rio Tinto IOC's future in a sustainable way.



40 MW Electric Arc Boiler for Steam Production

The 40 MW electric arc boiler is a key enabler of Rio Tinto IOC's sustainable operations, electrifying steam production using low carbon hydroelectric power. This investment significantly reduces reliance on heavy fuel oil, lowers operating costs while preventing approximately 45 kt of CO₂ emissions annually. It also improves energy efficiency and resilience by providing a stable, electrified steam supply. This initiative supports IOC's decarbonisation objectives while strengthening long term operational sustainability. It was recognized with a global Rio Tinto award in 2025 in the Impeccable ESG category, highlighting its operational excellence, resilience, and spirit of collaboration.



450 L Burner Upgrade

The 450 L high efficiency burner upgrade improves the sustainability of IOC's pelletizing operations by reducing heavy fuel oil consumption in induration furnaces. The new burner design improves combustion efficiency, lowering fuel intensity while maintaining product quality and throughput. This initiative reduces emissions and operating costs without requiring additional power infrastructure. Overall, it is a low capital, high return step that supports IOC's near term decarbonisation and energy efficiency goals.

Constraint Utilization Rate Optimization Tool

The constraint utilization rate optimization tool improves the efficiency of IOC's processing and pellet operations by unlocking latent capacity within existing assets. By identifying and actively managing system constraints in real time, it increases throughput, stabilizes operating rates, and reduces inefficiencies. This enables higher production without additional capital or energy intensive expansions, supporting safer, more efficient, and lower emissions operations across the value chain

RailVu

Rail plays a critical role in enabling sustainable operations at Rio Tinto IOC, supporting reliable, efficient mine to port transport using existing infrastructure. Through improved planning and AI-enabled optimization, rail operations can reduce variability, improve on time performance, and better align maintenance and operations. This increases capacity and asset life while reducing energy use and unplanned disruptions, supporting higher volumes with a lower environmental and cost footprint.

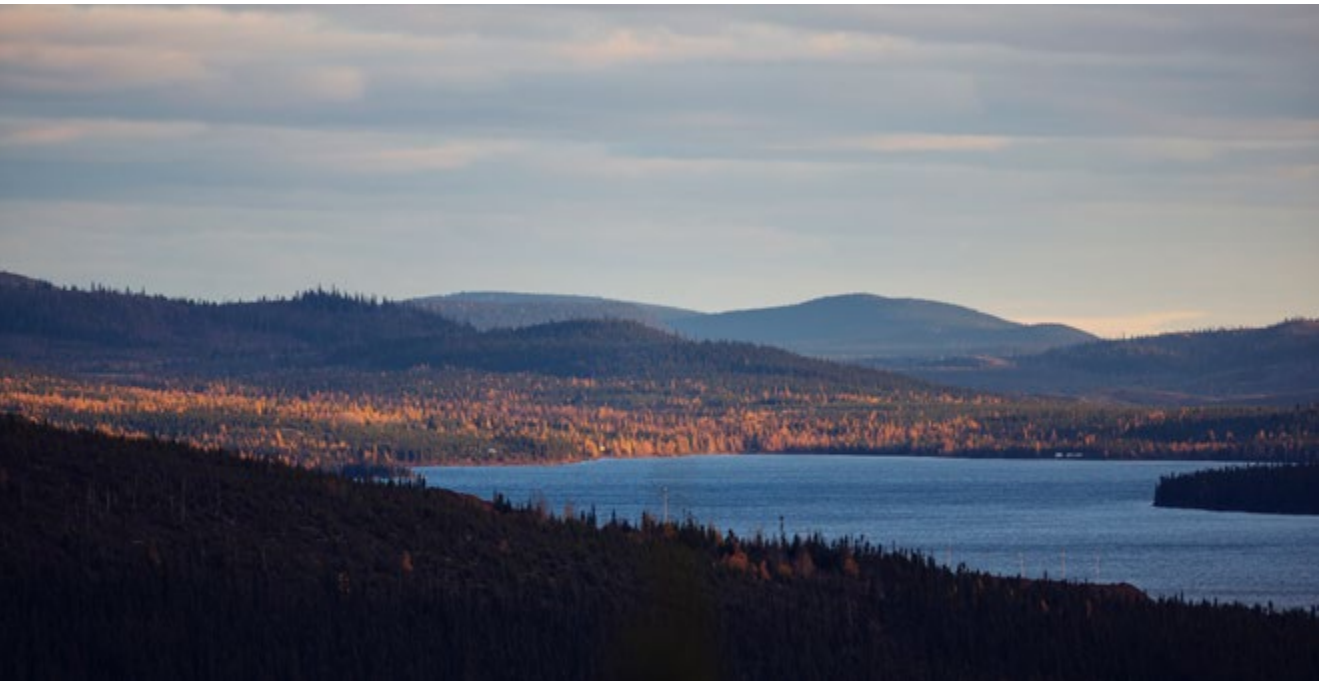
Environment

We recognize the importance of conserving biodiversity. Healthy natural environments are vital for our host communities and key to building climate resilience.

Biodiversity

Rio Tinto IOC’s commitment to biodiversity and conservation is based on a Three-Year Strategic Plan, which guides all research, environmental monitoring, and species-at-risk protection activities across its facilities, including the Labrador City operations (Newfoundland and Labrador), the QNS&L Railway, and the IOC Port located in Sept Îles, Quebec.

This plan enables a structured, long-term approach to better understanding the environmental impacts of operations, ensuring rigorous ecosystem monitoring, and continuously adapting operational practices to protect and conserve biodiversity.



2025–2027 Three-Year Strategic Plan

Study Area	Annual Monitoring Programs
Labrador City	Bat monitoring project Bank swallow monitoring project Waterfowl nest box project Wetland education program Breeding bird surveys Bat roost tree surveys Rare flora surveys Site-wide progressive rehabilitation and diversification
Sept-Îles	Osprey nest platform monitoring Seabirds report
QNS&L Railway	Beaver management plan Salmon Redd survey sponsorship
All	Bi-annual review and updates

Study of Bats

At Rio Tinto IOC, we welcome the opportunity to contribute to the study of bats, often-overlooked nocturnal species that rely on echolocation to locate their prey. Since 2021, passive acoustic monitoring technology has been used to develop an inventory of bat species present on company property in Labrador West. This monitoring also enables the tracking of bat activity across a range of habitats, including both industrialised and naturalised areas influenced by mining operations.

To date, four bat species have been detected, including two resident and two migratory species, expanding our understanding of their geographic distribution in the region: the Little Brown Bat, the Northern Myotis, the Hoary Bat, and the Silver-haired Bat. To further support bat conservation, ten bat boxes compliant with Canadian Wildlife Federation standards have been installed and are monitored each summer. Through continued monitoring and habitat enhancement efforts, IOC is strengthening its understanding of these protected species and adapting site practices to better support their long-term conservation.



Monitoring of Bank Swallows

Bank swallows are a protected migratory species that may occasionally nest at mining sites where exposed substrates resemble natural riverbanks. While these environments can appear suitable, they are often unstable and may pose risks to the species, particularly during active mining and blasting activities.

Since 2019, comprehensive surveys have been conducted across the IOC site to assess habitat suitability for bank swallows. Based on the results, a habitat suitability heat map was developed to identify areas with the highest potential for nesting. These mapped areas now form the focus of annual bank swallow surveys and ongoing monitoring efforts.

An ongoing awareness program further supports these efforts by enabling employees to recognize bank swallows and report potential nesting activity, contributing to timely protection measures. Rio Tinto IOC is currently in its eighth consecutive year of bank swallow monitoring, reflecting a sustained commitment to safeguarding this species and continuously improving conservation practices.





Land

Progressive Rehabilitation Program

IOC’s Progressive Rehabilitation Program for Mine and Tailings Sites aims to restore landforms to a condition consistent with surrounding natural landscapes or otherwise suitable to meet regulatory requirements. It stabilizes landforms by minimising the potential for erosion and thus reducing sediment loadings from surface water run-off. It also helps reduce fugitive dust while enhancing biodiversity.

A total of 38.75 ha of rehabilitation was carried out in mining and tailings disposal areas in 2025, along with 26.62 ha of re-fertilization. In the tailings area, direct broadcast seeding accounted for 3.83 ha of rehabilitation, while fertilization accounted for 26.62 ha. In the mine waste rock dump areas, the broadcast seeding method was used to rehabilitate 13.9 ha. Earthworks were also completed through dump re-sloping in preparation for next year’s rehabilitation program. The locations of the rehabilitation work completed in 2025 are shown in the attached figures, for the mine and tailings areas respectively.



Air Quality

Rio Tinto IOC has been measuring air quality in Labrador City for over 12 years using three Air Quality Monitoring Stations (AQMSs), providing a comprehensive dataset of air quality information. AQMSs deliver near real-time results that can be viewed online and measure sulphur dioxide, nitrous oxide, particulate matter (dust), and weather data. They provide a reliable indication of the air quality in Labrador West, allowing comparisons with other regions.

To support air quality improvement initiatives, Rio Tinto IOC has added additional monitoring stations to help determine what direction gases or particulates are coming from and how they are moving. The new sensors are less precise, but they are easier to use and portable. They sample for sulphur dioxide, nitrous oxide, and particulate matter (dust). The information from these sensors will supplement the information from the AQMSs by indicating the source of any pollutants with elevated levels. This improved understanding enables Rio Tinto IOC to prioritize mitigation efforts in the most impacted areas.

Economy

In 2025, Rio Tinto IOC demonstrated its commitment to sustainable development by making significant contributions to the financial well-being of communities and governments. Through various channels, IOC contributed a total of \$185 million to federal, provincial, and local government budgets. These contributions primarily consisted of corporate income tax, municipal taxes, payroll taxes, and customs duties.



Economic Breakdown for 2025

\$634M

Wages
(including benefits)

\$2,364M

Net ore
sales revenue

\$2,672M

Total
revenue

All values are in Canadian dollars (CAD).

Communities and Social Performance

Rio Tinto IOC continued to advance its Environmental, Social and Governance (ESG) commitments by integrating sustainable development principles into its regional engagement activities and decision-making processes. Through structured stakeholder engagement mechanisms, including the Community Advisory Panel (CAP), as well as participation in regional forums and community leadership breakfast meetings, Rio Tinto IOC fostered transparent governance, strengthened collaborative relationships, and aligned its activities with the shared social and economic priorities of the Labrador West and Sept-Îles regions.

Through its community investment program, Rio Tinto IOC supported several impactful projects in 2025.

Among these was the inauguration of the Rio Tinto IOC Research and Innovation Pavilion at the Cégep de Sept-Îles, a project that promotes specialized training, applied research, and regional workforce development.

The company also contributed to the development of the new Sept-Îles arena as its first private partner, helping enhance quality of life for families and improve access to modern and inclusive recreational facilities.

In Labrador West, Rio Tinto IOC supported the expansion of the Lil Snowflakes Daycare Centre, increasing the number of available childcare spaces and improving access to quality childcare services.

To help address the realities faced by remote communities, Rio Tinto IOC also established a partnership with Hope Air, a charitable organization that provides free travel and accommodation services to individuals who must travel to access essential medical care.

Finally, the company continued its efforts to promote cultural awareness and reconciliation by participating in various initiatives alongside its Indigenous partners, including activities held during National Indigenous History Month, the National Day for Truth and Reconciliation, and the first Mining and Metallurgy Trade Show organized by the Innu community of Uashat mak Mani-utenam.



Total Social Investment for 2025

\$3.8M

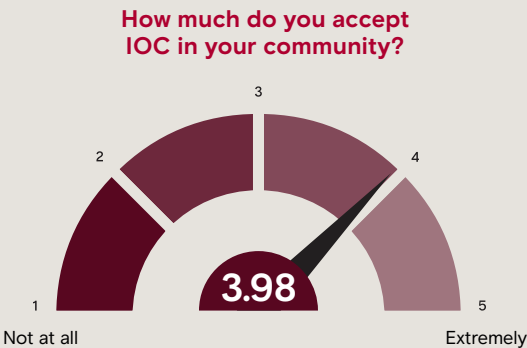
invested in 90 different organizations

The Local Voices research initiative measures community sentiment towards Rio Tinto IOC and supports annual decision-making processes. Sharing results externally and acting in response to what we learn through this engagement process is crucial for building trust and acceptance in the community.

The program provides Rio Tinto IOC with community feedback, helping to improve our engagement strategies and enhance our social license to operate. The 2024 survey established baseline trust and acceptance levels, while the 2025 survey assessed our progress and areas for improvement.

Overall Trust and Acceptance of Rio Tinto IOC

The community rated their trust and acceptance of IOC with scores of **3.05** and **3.98** out of **5**, respectively. This is consistent with scores of 2024 survey.



2025 Performance Data

Table 1: Performance Data

Environmental Stewardship

Energy use (MWh)	4,795,957
Absolute greenhouse gas emissions (Scope 1 and 2) (t CO ₂ eq)	953,843
Emission intensity (t CO ₂ eq/tonnes of total saleable product)	0.0615
Land rehabilitated (ha)	17.73

Social Well-Being

All-injury frequency rate (per 200,000 hours worked)	0.34
Lost time injuries	2
Medical treatment cases	12
New cases of occupational illness	3
Number of employees exposed to an 8-hour noise dose above 85 dBA	61
Community complaints	7

Economic Prosperity

Number of employees	2,939
Community investments	\$3.8 million
Municipal, provincial, and federal taxes	\$185 million
Sales	\$2,364 million
Sales (including QNS&L Railway)	\$2,672 million
Wages and benefits	\$634 million

MAC TSM Sustainability Targets and Key Objectives

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 implementing extensive management processes in the MAC TSM performance areas.

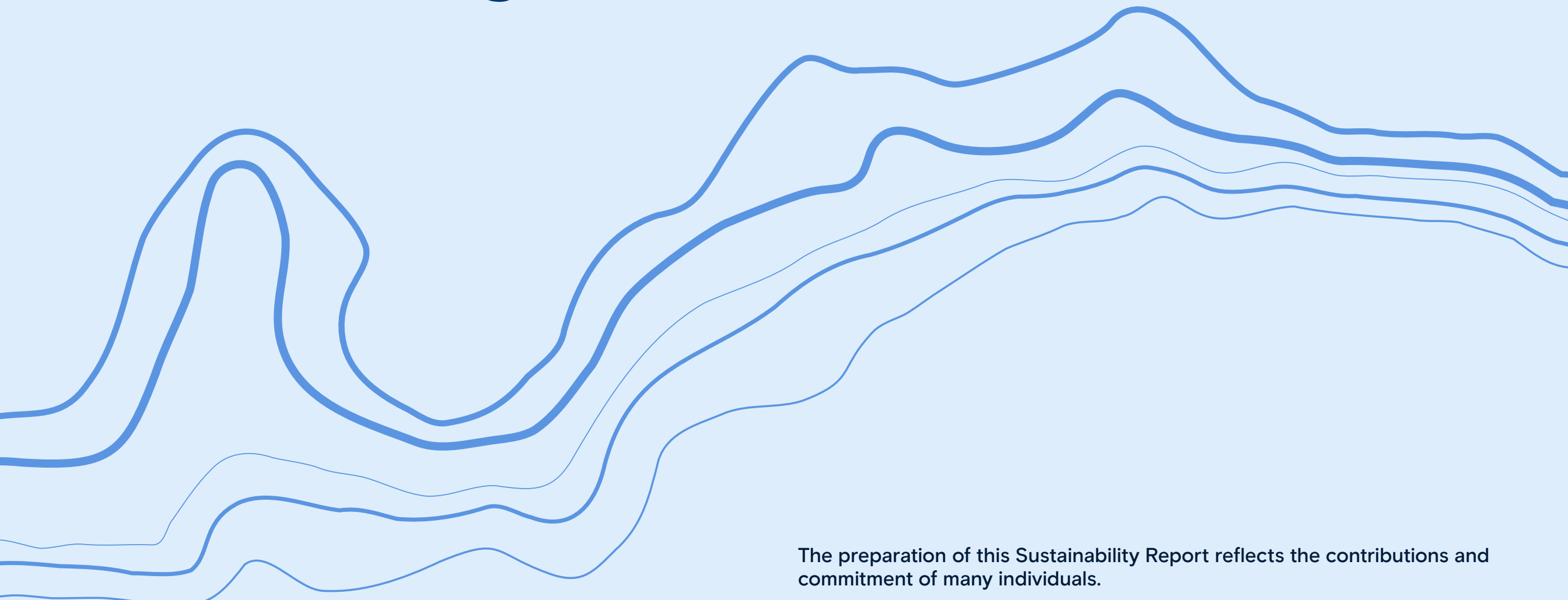
Scale

- AAA Excellence and leadership
- AA Systems and process are integrated into management decisions and business functions
- A Systems and processes are developed and implemented
- B Procedures exist but are not fully consistent or documented; systems and processes are planned and being developed

Table 2: TSM Performance Indicators
MAC TSM Self-Assessment Results

Indigenous and Community Relationships	2025	Safe, Healthy, and Respectful Workplaces	
Community of Interest (COI) Identification		Commitments and Accountability	AA
Effective COI Engagement and Dialogue	AAA	Safety and Health Management Systems	AA
Effective Indigenous Engagement and Dialogue	AAA	Psychological Safety and Respectful Behaviour	A
Community Impact and Benefit Management	AAA	Training, Behaviour, and Culture	AAA
COI Response Mechanism	AAA	Monitoring and Reporting	A
		Physical Safety and Health Performance	AA
Climate Change		Equitable, Diverse, and Inclusive Workplaces	
Corporate Climate Change Management	A	Leadership and Strategy (Corporate Criteria)	AA
Facility Climate Change Management	B	Advancing Equity, Diversity, and Inclusion (Facility Criteria)	AA
Facility Performance Targets and Reporting	B	Monitoring, Performance, and Reporting (Facility Criteria)	A
Biodiversity Conservation Management		Tailings Management	
Corporate Biodiversity Conservation Commitment, Accountability, and Communications	AA	Tailings Management Policy and Commitment	AA
Conservation Planning and Implementation	AAA	Tailings Management System and Emergency Preparedness	AA
Reporting	AAA	Assigned Accountability and Responsibility for Tailings Management	AA
		Annual Tailings Management Review	AA
		Operation, Maintenance, and Surveillance (OMS) Manual	AA
Water Stewardship		Crisis Management and Communications Planning	
Water Governance	A	Crisis Management and Communications Preparedness	Yes
Operational Water Management	A	Review	Yes
Watershed-Scale Planning	AA	Training	Yes
Water Reporting and Performance	B		

Acknowledgements

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The preparation of this Sustainability Report reflects the contributions and commitment of many individuals.

Rio Tinto IOC would like to express its sincere appreciation to all employees for their continued involvement, as well as to its stakeholders, including contractors, citizens, the municipal councils of Labrador City, Wabush and Sept-Îles, provincial and federal governments, and Indigenous community partners. Their collaboration and trust are essential to advancing our sustainable development efforts.

Thank you!