

## **NORDIC NICKEL – INAUGURAL ESG REPORT**

### ***Baseline ESG Report outlines framework and principles for ESG reporting and development in line with global standards***

Nickel sulphide explorer, Nordic Nickel Limited (ASX: **NNL**; **Nordic**, or **the Company**) is pleased to release its inaugural Environmental, Social and Governance (ESG) Disclosure Report for 2022.

As an explorer targeting high-purity, Class-1 nickel sulphides in the Central Lapland Greenstone Belt in Northern Finland, Nordic Nickel is committed to discovering and developing sustainably and ethically sourced, traceable battery minerals based on best-practice ESG principles in accordance with the United Nations' Sustainable Development Goals.

Nordic Nickel is focused on creating long-term value for shareholders, stakeholders and the communities where it operates and recognises that the development and implementation of a ESG reporting framework is the most effective way of achieving this.

### **HIGHLIGHTS**

- **Nordic has prepared its inaugural Environmental, Social and Governance (ESG) Framework.**
- **The Company is committed to discovering and developing sustainably and ethically sourced, traceable battery minerals based on best-practice ESG principles.**
- **ESG disclosures are made in accordance with the World Economic Forum Stakeholder Capitalism Metrics (SCM).**
- **Nordic has engaged Socialsuite as its ESG consultant and is using their ESG Go platform for ongoing disclosure and monitoring of progress.**

To ensure the Company adopts sector-leading ESG principles and policies right from the outset, Nordic Nickel made a commitment in April 2022 to commence reporting on the ESG disclosures of the Stakeholder Capitalism Metrics (SCM) of the World Economic Forum (WEF).

As outlined in the attached Baseline ESG Disclosure Report, the Company is in the process of making ESG disclosures in the form of a set of universal, comparable ESG metrics focused on People, Planet, Prosperity and Principles of Governance that organisations can report on regardless of industry or region.

The attached report represents the Company's initial reporting against the 21 core metrics, which will be reviewed quarterly and updated periodically.

By adopting this universal ESG framework, Nordic Nickel can ensure that reporting on ESG performance is aligned with globally recognised ESG indicators, with key ESG metrics integrated into its governance, business strategy and performance management process.



## Management Comment

Nordic Nickel Managing Director Todd Ross said: *"We are committed to starting our journey as an international nickel sulphide explorer with a world-class ESG framework in place.*

*"The platform and reporting framework we have established, as summarised in the attached report, will ensure that we can track, report and share our key ESG disclosures right from the start of our journey and build robust ESG credentials even before we have a drill rig on the ground at our Pulju Nickel Project in Finland.*

*"We are committed to doing things right from the outset and to having the highest possible standards of environmental management, stakeholder and community engagement and governance across all aspects of our business. This inaugural ESG Report shows that we have a great foundation from which to build our Company moving forward."*

## About Socialsuite

Socialsuite is a global leader in impact technology. Founded in 2014 in Melbourne, today it has offices in Australia, the United States, and Canada. Socialsuite's purpose is to help organizations show the change they are making. To do that, it develops and provides technology solutions to measure and manage social impact and ESG reporting. A progressive and influential customer base around the globe is using Socialsuite's impact technology to simplify the complexity of measuring social impact and disclosing ESG metrics.

### **Authorised for release by: Todd Ross – Managing Director**

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**NORDIC NICKEL**

BASELINE  
**ESG**  
REPORT

# **ESG DISCLOSURE REPORT**

15 Sep 2022

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## Environmental, Social, and Governance (ESG)

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Nordic Nickel Ltd (“Nordic Nickel” or “the Company”) is committed to the principles of ESG as the most effective means of creating long-term enterprise value and addressing the societal priorities enshrined in the United Nations’ Sustainable Development Goals. In April 2022, we made a commitment to commence reporting on the Environmental, Social, and Governance (ESG) disclosures of the Stakeholder Capitalism Metrics (SCM) of the World Economic Forum (WEF).

We are in the process of making ESG disclosures in the form of a set of universal, comparable ESG metrics focused on people, planet, prosperity and principles of governance that organizations can report on regardless of industry or region. This table represents our reporting against the 21 core metrics, being reviewed quarterly and updated periodically.

We use this universal ESG framework to align our mainstream reporting on performance against ESG indicators. By integrating ESG metrics into our governance, business strategy, and performance management process, we diligently consider all pertinent risks and opportunities in running our business. We continue to look for opportunities for further transparency on the topics which are material to our business.

To track our disclosure progress and demonstrate our sustainability performance against the WEF SCM framework we utilise Socialsuite’s ESG Go disclosure platform. ESG Go enables us to demonstrate our ongoing commitment to ESG by providing a dedicated solution to track, report, and share our ESG disclosures. With ESG Go we have started the journey of building robust ESG credentials.

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# Governance

## Governing purpose

### Setting purpose

Type: Full disclosure

Status: Verified

Updated: 28 Jul 2022

Nordic Nickel is committed to discovering and developing sustainably and ethically sourced, traceable battery minerals based on best practice Environmental, Social and Governance (ESG) principles.

## Quality of governing body

### Governance body composition

Type: Full disclosure

Status: Reported

Updated: 14 Sep 2022

Nordic Nickel's Board of Directors value the importance of a robust, independent, diverse and socially inclusive Board. The current Board composition includes a strong representation of technical, legal and commercial expertise together with ESG credentials and reflects the current phase of Nordic Nickel's development.

The role of the Board is to provide overall corporate governance of the business and oversight of management together with strategic guidance of the business.

The Board of Nordic Nickel acknowledges the need to expand the current small Board and commits to including greater gender and stakeholder diversity with relevant skills over time.

- See also**
- Nordic Nickel Board of Directors
  - Nordic Nickel - Corporate Governance Plan

## Stakeholder engagement

### Material issues impacting stakeholders

Type: Full disclosure

Status: Reported

Updated: 14 Sep 2022

Nordic Nickel has outlined a detailed process to identify, record and monitor material issues for the company and our stakeholders that impede our ability to meet our corporate objectives for sustainable and ethical development.

At the local level, stakeholder engagement has been with the Municipality of Kittila through the Mayor, with local land-users and the local community. At the government level, Nordic Nickel is engaged with each of the relevant authorities with respect to permitting, environmental management and land use.

We will continue to diligently engage with all stakeholders to resolve issues identified through our business activities and will provide updates on our progress in our quarterly ESG report.



## Anti-corruption

### Anti-corruption practices

Type: Full disclosure  
Status: Verified  
Updated: 14 Sep 2022

Nordic Nickel is committed to conducting all of its activities in a responsible, honest and transparent way and in compliance with all applicable laws, rules and regulations.

Nordic Nickel's board, management and employees are dedicated to high ethical standards and recognise and support the Company's commitment to compliance with these standards.

Nordic Nickel does not yet formally train its employees on anti-corruption or anti-bribery although all employees must follow the Company's Anti Bribery and Anti Corruption Policy and Code of Conduct and understand these related policies as employees and contractors of the Company

**See also** • [Nordic Nickel - Corporate Governance Statement](#)

## Ethical behavior

### Mechanisms to protect ethical behaviour

Type: Full disclosure  
Status: Reported  
Updated: 15 Sep 2022

Nordic Nickel has adopted the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

Nordic Nickel's Whistleblower Policy and Code of Conduct Form part of the Code of Conduct Plan and are in place to protect ethical behaviour.

Our Whistle-blower Policy has been established to ensure employees and Eligible Whistleblowers (as defined in the Whistle-Blower Policy) can raise concerns regarding any suspected or actual misconduct or improper state of affairs or circumstances (including unethical, illegal, corruptor other inappropriate conduct) without being subject to victimisation, harassment or discriminatory treatment.

Refer to attached Whistle-Blower Policy in the Corporate Governance Plan (Schedule 11) for additional details.

**See also** • [Corporate Governance Plan](#)

## Risk and opportunity oversight

### Risk framework and processes

Type: Partial disclosure  
Status: Verified  
Updated: 28 Jul 2022

Nordic Nickel does not currently have a separate Risk Committee however a Risk Report is currently included as part of the bi-monthly Board Meeting.

The Nordic Nickel Board is reviewing its current risk strategy & register in the context of its ESG framework and is proactively looking beyond traditional risks and opportunities to the business, identifying specifically emerging economic, environmental and social issues.

Nordic will provide updates on the progress of the Company's risk framework and process in the quarterly ESG report.



# Planet

## Climate change

### Greenhouse gas (GHG) emissions

Type: Full disclosure  
Status: Reported  
Updated: 15 Sep 2022

As an early phase exploration company, Nordic Nickel's GHG impact is limited to contractors and consultants engaged by Nordic to assist in the project exploration planning. In 2023, when exploration drilling commences the GHG impact will be more applicable.

Understanding the key role Nordic Nickel can play in contributing to emission reduction in Finland and globally, the Company is in the early stages of implementing a process to identify risks associated with GHG constraints and cost-effective reduction opportunities, set GHG targets and begin measuring and reporting on our GHG emissions.

### TCFD implementation

Type: Explanation  
Status: Verified  
Updated: 5 Aug 2022

While use of the TCFD framework is currently voluntary in Australia, there is an increasing expectation from investors, governments, stakeholders and the community that businesses assess and disclose climate-related risks.

Nordic Nickel is investigating early disclosure of climate risk in accordance with the recommendations of the TCFD framework as they relate to both physical risks, and transition risks (and opportunities).

## Nature loss

### Land use and ecological sensitivity

Type: Explanation  
Status: Verified  
Updated: 5 Aug 2022

Nordic Nickel does not currently measure the impact on land use and key biodiversity areas as the disturbance has been minor to date. Before the exploration program commences in 2023 Nordic Nickel will conduct a land use baseline review as per the conditions of the exploration permit and will continue to monitor and report on the impact.

## Freshwater availability

### Water consumption

Type: Explanation  
Status: Verified  
Updated: 5 Aug 2022

Water consumption (including full value chain) is considered immaterial at the current time. This may change as Nordic progresses key projects. Initial assessments will be conducted where Nordic's future operational plans dictate they are relevant.



# People

## Dignity and equality

### Diversity and inclusion

Type: Partial disclosure

Status: Verified

Updated: 5 Aug 2022

Nordic Nickel is committed to empowering and promoting social and economic inclusion, irrespective of diversity.

The Company has identified the breakdown indicators relating to economic inclusion and diversity, though has not yet begun reporting this indicator.

### Pay equality

Type: Partial disclosure

Status: Verified

Updated: 15 Sep 2022

Nordic Nickel recognises that pay equality reflect an organisation's culture and helps bridge diversity gaps, attract talent and drive long-term competitiveness.

The Company reports remuneration of Directors and Key Management Personnel in the Full Year Statutory Accounts And our Diversity Policy is inclusive of pay equity.

At this time, the Company has not begun reporting key indicators in this category.

**See also**

- Nordic Nickel - Corporate Governance Plan
- FY22 Annual Report

### Wage level

Type: Explanation

Status: Verified

Updated: 5 Aug 2022

Nordic Nickel recognises that fair compensation and benefits contribute to the economic well-being of employees, since the distribution of income is crucial for eliminating inequality and poverty.

At this time, the Company has not yet begun reporting this indicator.





## Human rights

### **Risk for incidents of child, forced or compulsory labour**

Type: Explanation

Status: Reported

Updated: 15 Sep 2022

Nordic Nickel Limited is a listed company on the ASX and has an operational footprint across a district-scale landholding of highly prospective nickel sulphide tenements in the world-class Central Lapland Greenstone Belt (CLGB) of Finland, with a trusted and experienced network of suppliers and contractors across its value chain. The Company however recognises that Modern Slavery is a real problem for millions of people around the world, including many in developed countries, who are being kept and exploited in various forms of slavery.

Nordic Nickel upholds the highest moral, ethical and legal standards in all we do, especially surrounding human rights and modern slavery.

Nordic Nickel does not condone, support or contribute, either directly or indirectly, to Modern Slavery and is working towards formalising this statement in a Modern Slavery Policy.

Whilst every company is at risk of this through its own operations and its supply chain, at this early stage of Nordic Nickel's operations, the topic is not considered a material issue, so at this time, the company has not begun reporting this indicator. However the Board is committed to reviewing this on an annual basis, including any regulatory obligations/ jurisdictional requirements and Risk assessment in relation to child, forced or compulsory labour.

## Health and well-being

### **Health and safety**

Type: Full disclosure

Status: Verified

Updated: 5 Aug 2022

Maintaining strong standards of health, safety and labour rights can improve employee productivity and operational efficiency and enhance employee well-being.

Nordic reports monthly on Lost Time to Injury and activities on site to the Department of Mines in Finland, Industry Regulation and Safety's – Safety Regulation System (SRS).

## Skills for the future

### **Training provided**

Type: Explanation

Status: Verified

Updated: 5 Aug 2022

Although Nordic Nickel provides staff training, the Company has not begun reporting this indicator.



# Prosperity

## Employment and wealth generation

### Rate of employment

Type: Partial disclosure  
Status: Verified  
Updated: 5 Aug 2022

Employment and job creation are key drivers of economic growth, dignity and prosperity, and provide a basic indication of a company's capacity to attract diverse talent, which is key to innovate new products and services.

Nordic Nickel is undertaking a full review of all staff including contractors and consultants and will provide details of absolute number and rate of employment in future quarterly updates.

### Economic contribution

Type: Full disclosure  
Status: Verified  
Updated: 15 Sep 2022

Disclosure in relation to the total monetary value of financial assistance received from the Finnish government has been made on the Company's ASX Announcement Platform.

Disclosures relating to revenues, operating costs, wages & benefits, payments to providers of capital, payments to government, and monetary support from government appear in the Company's Full Year Statutory Annual Report, as well as in the Quarterly Activity Report & Appendix 5B, which can be found on the Company's ASX Announcement Platform and Website.

**See also**

- FY22 Annual Report
- Q2 Quarterly Report

### Financial investment contribution

Type: Full disclosure  
Status: Verified  
Updated: 5 Aug 2022

The Company operates in the mineral exploration and development field with the objective to provide the planet with environmentally sustainable products.

The Company undertake capital expenditure in the form of mineral exploration and development activity. It discloses its total capital expenditures (less depreciation) and how it relates and supports the Company's growth strategy in the Full Year Statutory Annual Report, as well as in the Quarterly Activity Report & Appendix 5B.

The Company does not have a share buyback policy and does not currently pay dividends



## Innovation of better products and services

### **Total R&D expenses**

Type: Full disclosure

Status: Verified

Updated: 15 Sep 2022

The Company's Full Year Statutory Annual Report, Quarterly Activity Report & Appendix 5B disclosure of expenditure and activity in relation to Pulju and Maaninkijoki Projects reflects the level of R&D costs during each relevant reporting period.

**See also**

- FY22 Annual Report
- Q2 2022 Quarterly Report

## Community and social vitality

### **Total tax paid**

Type: Full disclosure

Status: Verified

Updated: 5 Aug 2022

Please refer to the Full Year Statutory Annual Report, Quarterly Activity Report & Appendix 5B for disclosure of the total level of tax paid during the relevant reporting period.



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