

Anti-Bribery and Anti-Corruption Policy

Nouveau Monde Graphite Inc.

September 2021



NOUVEAU MONDE GRAPHITE



ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

PURPOSE

Nouveau Monde Graphite Inc (the “**Company**”) is committed to conducting its business in accordance with all applicable laws, rules and regulations and the highest ethical standards. This commitment is embodied in the Company's Code of Conduct (the “**Code**”) and in this Anti-Bribery and Anti-Corruption Policy (the “**Policy**”).

It is the Company’s policy to conduct business in an honest, fair, and ethical manner. The Company does not tolerate bribery or corruption and is committed to acting professionally, honourably and with integrity in all business dealings and relationships. The Company does not permit any activity that reflects adversely upon the integrity and reputation of the Company.

The purpose of this Policy is to reiterate the Company's commitment to compliance with Canada’s *Corruption of Foreign Public Officials Act*¹ (“**CFPOA**”), the U.S. *Foreign Corrupt Practices Act*² (“**FCPA**”) and any local anti-bribery or anti-corruption laws that may be applicable. This Policy supplements the Code and all applicable laws and provides guidelines for compliance with the CFPOA, FCPA and the Company's other policies.

APPLICATION

This Policy applies to every employee of the Company, including senior executives and to members of the Company's Board of Directors (collectively referred to as “**Company Personnel**”). This Policy also reflects the standards to which the Company requires its agents to adhere when acting on the Company's behalf.

For the purposes of this Policy, “**agent**” includes any third-party individual or organization who has been legally authorized to represent the Company or to act for or on its behalf. This includes business associates, partners, agents, contractors, subcontractors and consultants.

This Policy is intended to supplement all applicable laws, rules, and other corporate policies. It is not intended to supplant any local laws.

POLICY

No Company Personnel nor agent shall, in order to obtain or retain an advantage during the conduct of business, directly or indirectly give, offer or agree to give or offer a loan, reward, advantage or benefit of any kind to a domestic or foreign public official or to any person for the benefit of a domestic or foreign public official:

- i. as consideration for an act or omission by the official in connection with the performance of the official's duties or functions; or
- ii. to induce the official to use his or her position to influence any acts or decisions of the domestic, foreign state or public international organization for which the official performs duties or functions.

For the purposes of this Policy, an “**official**” includes any member of a government body, public international organization, or judiciary. Bribes given through an agent or received by a party

¹ <https://laws-lois.justice.gc.ca/fra/Lois/C-45.2/index.html>

² <https://www.justice.gov/criminal-fraud/foreign-corrupt-practices-act>



other than an official are still prohibited if the goal is to influence an official by conferring a benefit.

Bribery and corruption can take many forms, including, without limitation, the provision or acceptance of cash payments, phony jobs or “consulting” relationships, kickbacks, political or charitable contributions, social benefits, or gifts, travel, hospitality, and reimbursement of expenses (this list is for illustrative purposes only – it is not exhaustive). If in doubt, please check with the Chief Legal Officer of the Company.

Reference should also be made to the Code as to acceptable practices with respect to entertainment and gifts.

COMMENTS

CFPOA and FCPA anti-bribery offences are very similar. Both forbid transferring or offering to transfer any type of benefit for the purpose of influencing a foreign public official to misuse his or her power or influence. The CFPOA and FCPA do not require that the public conveyance be direct; bribes given through an agent or received by a party other than an official are still prohibited if the goal is to influence an official by conferring a benefit. However, while the CFPOA and the FCPA require that the purpose of the bribery be to obtain or retain a business advantage, neither requires that the business arrangement in question includes the recipient of the bribe or that the bribe be successful. Finally, both the CFPOA and FCPA incorporate very similar definitions of “foreign public official”, which includes members of government bodies and public international organizations (and the CFPOA explicitly includes the judiciary).

RECORDS/PROCEDURES/AUDITS

The Company’s books and records must correctly record both the amount and a written description of any transaction. Company Personnel must ensure that there is a reasonable relationship between the substance of a transaction and how it is described in the Company’s books and records. Under the *Dodd-Frank Act*³ and other transparency initiatives, any and all payments to governments and government agencies are subject to disclosure and therefore careful record keeping must be kept.

It is contemplated that the Company will institute detailed procedures and standards related to training, due diligence, the recording of transactions and other areas to implement the terms of this Policy to address such items as:

- i. engaging third parties, including those who may interact with the government on the Company’s behalf;
- ii. contracting with state-owned entities;
- iii. sponsoring travel of government officials;
- iv. meals, gifts and entertainment for government officials; and
- v. donations and charitable contributions for government officials.

Audits of the Company's sites, operating units and contractors may be conducted periodically to ensure that the requirements of this Policy and applicable procedures and guidelines are being met. Audits may be conducted internally by the Company or externally by retained third parties. Audit documentation may include performance improvement action plans.

³ <https://www.cftc.gov/LawRegulation/DoddFrankAct/index.htm>



WAIVER

There is no permitted deviation or waiver from this Policy.

DISCIPLINE

Any Company Personnel who (i) violates the terms of this Policy, (ii) has direct knowledge of potential violations of this Policy but fails to report such potential violations to the Company's management or, (iii) misleads or hinders investigators inquiring into potential violations of this Policy, will be subject to disciplinary action. In all cases, disciplinary action may include termination of employment or removal from the Board of Directors, as the case may be.

Any agent who (i) violates the terms of this Policy, (ii) knows of and fails to report to the Company's management potential violations of this Policy or (iii) misleads investigators making inquiries into potential violations of this Policy, may have their contracts terminated.

The prevention, detection and reporting of bribes and other forms of corruption are the responsibility of all of those working for the Company or on its behalf.

Requests for additional guidance or interpretation regarding this Policy can be directed to the Chief Legal Officer of the Company (dtorralbo@nmg.com).

Approved by the Board of Directors on September 15, 2021



APPENDIX A

CONFIRMATION FORM

Please sign this copy of this Policy and return it to the Human Resources Department. It will be placed in your employee record.

I acknowledge that I have received a copy of the Anti-Bribery and Anti-Corruption Policy and reviewed it, and I agree to respect the Policy in its entirety.

Date

X

Name of employee