

HUMAN RESOURCES, DIVERSITY,  
EQUITY AND INCLUSION, AND  
COMPENSATION COMMITTEE  
CHARTER



**NOUVEAU MONDE** GRAPHITE



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## I. GENERAL

### 1. MANDATE AND PURPOSE OF THE COMMITTEE

The purpose of the Human Resources, Diversity, Equity and Inclusion and Compensation Committee (the “**Committee**”) is to assist the board of directors (the “**Board**”) of Nouveau Monde Graphite Inc. (the “**Company**”) in discharging its oversight responsibilities relating to the compensation of directors, and the compensation and retention of executive officers having the skills and expertise needed to enable the Company to achieve its goals and strategies at a fair and competitive compensation, including appropriate performance incentives, and to support and monitor the Company’s diversity, equity, and inclusion initiatives.

### 2. AUTHORITY OF THE COMMITTEE

- (a) The Committee has the authority to delegate to subcommittees, provided however that the Committee shall not delegate any power or authority required by any law, regulation, rule or listing standard to be exercised by the Committee as a whole.
- (b) The Committee has the authority, and the Company will provide it with proper funding to enable it, to:
  - (i) engage independent counsel and other advisors, including search firms, as it determines necessary or advisable to carry out its duties and to set and pay the compensation for any such advisors;
  - (ii) conduct or authorize investigations into or studies of matters within the scope of the Committee’s responsibilities; and
  - (iii) to obtain information it requires from employees, officers, directors and external parties.
- (c) The Committee shall be directly responsible for the appointment compensation and oversight of the work of any compensation consultant, independent legal counsel or other advisor retained by the Committee.
- (d) In selecting independent counsel or another advisor, the Committee shall consider all factors relevant to that advisor’s independence from management, though nothing herein requires such advisor to be independent, only that the Committee consider relevant independence factors before selecting or receiving advice from the advisor.

## II. PROCEDURAL MATTERS

### 1. COMPOSITION

The Committee shall be comprised of at least three members, a majority of whom shall be independent directors within the meaning of applicable Canadian and United States securities laws and the NYSE corporate governance standards (the “independent directors”).

### 2. MEMBER APPOINTMENT AND REMOVAL

Committee members will be appointed by the Board upon the recommendation of the Corporate Governance and Nomination Committee. The members of the Committee will be appointed promptly after each annual shareholders’ meeting and will hold office until a successor is appointed, they are removed by the Board or they cease to be directors of the Company.

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board upon the recommendation of the Committee and will be filled by the Board if the membership of the Committee falls below three directors.

### 3. COMMITTEE STRUCTURE AND OPERATIONS

#### (a) Chair

The Board will appoint one Committee member to act as its chair (the “Chair”), provided that if the Board does not so designate a Chair, the Committee, by a majority vote, may designate a Chair. The Chair may be removed at any time at the discretion of the Board. The incumbent Chair will continue in office until a successor is appointed or he or she is removed by the Board or ceases to be a director of the Company. If the Chair is absent from a meeting, the Committee will, by majority vote, select another Committee member to preside at that meeting.

#### (b) Meetings

The Chair will be responsible for developing and setting the agenda for Committee meetings and determining the time, place and frequency of Committee meetings, provided that any two members of the Committee may call a Committee meeting.

#### (c) Notice

Notice of the time and place of every Committee meeting will be given verbally or in writing to each member of the Committee at least 24 hours prior to the time fixed for such meeting.

**(d) Quorum**

A majority of the Committee constitutes a quorum. No business may be transacted by the Committee except by resolution in writing signed by all the Committee members or at a Committee meeting at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. At Committee meetings, Committee actions shall require approval of a majority of Committee members.

**(e) Attendees**

The Committee may invite any directors, officers and senior management of the Company and any advisors as it deems appropriate from time to time to attend Committee meetings (or any part thereof) and assist in the discussion and consideration of matters relating to the Committee, provided that the Chief Executive Officer (the “CEO”) of the Company may not be present during any portion of a Committee meeting in which any deliberation or vote regarding his or her compensation occurs. The Committee will meet *in camera* at each meeting, where only the independent directors will be present.

**(f) Secretary**

The Committee will designate a person who need not be a member of the Committee to act as secretary or, if the Committee fails to designate such a person, the Corporate Secretary of the Company will be secretary of the Committee. The agenda of the Committee meeting will be prepared by the Chair of the Committee, working with the Corporate Secretary and, whenever reasonably practicable, circulated to each member prior to each meeting.

**(g) Records**

Minutes of Committee meetings will be recorded and maintained by the Committee’s secretary and will be presented to the Chair for review. Minutes of each meeting shall be approved by the Committee at the next Committee meeting or otherwise, as soon as practically possible.

#### **4. COMMITTEE AND CHARTER REVIEW**

In conjunction with the Corporate Governance and Nominating Committee, the Committee will annually review and assess its performance, effectiveness and contribution, including an evaluation of whether this Charter appropriately addresses the matters that are and should be within its scope. The Committee will conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board, including any recommended changes to this Charter.

#### **5. REPORTING TO THE BOARD**

The Committee will report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

### **III. RESPONSIBILITIES**

#### **1. GENERAL**

In addition to such other duties and responsibilities as may from time to time be expressly assigned to the Committee by the Board, the Committee is:

- (a) overseeing the Company's overall compensation philosophy as presented by management;
- (b) overseeing matters related to executive officers and directors' compensation;
- (c) reviewing management's assessment of existing management resources and succession plans;
- (d) reviewing directors' and executive officers' compensation disclosure before the Company publicly discloses this information; and
- (e) overseeing the Company's diversity, equity, and inclusion ("DEI") strategies, policies, programs, and targets to strengthen the Company's values, performance, and ESG alignment.

#### **2. EXECUTIVE OFFICERS' COMPENSATION**

The Committee is responsible for:

- (a) reviewing the goals and objectives of the Company's executive officers' compensation plans and amending, or recommending that the Board amend, these goals and objectives if the Committee deems appropriate;

- (b) having regard to the Company's goals and objectives with respect to executive officers' compensation plans, reviewing such plans and amending existing plans or adopting new plans, or recommending that the Board do so, if the Committee deems appropriate;
- (c) having regard to the goals and objectives established by the Board, evaluating the CEO's performance and, based on such evaluation, determining and recommending the CEO's annual compensation, including, as appropriate, salary, bonus, incentive and equity compensation and, if it deems appropriate, discussing the CEO's compensation with the Board;
- (d) reviewing the evaluation process and compensation structure for the Company's executive officers and making recommendations to the Board with respect to the compensation of the executive officers, including, as appropriate, salary, bonus, incentive and equity compensation;
- (e) assessing annually the competitiveness and appropriateness of the Company's policies relating to the compensation of executive officers;
- (f) reviewing and, if appropriate, recommending to the Board the approval of, any adoption, amendment and termination of the Company's incentive and equity-based compensation plans and overseeing their administration, including discharging any duties imposed on the Board by any of those plans to the extent such duties may be delegated to the Committee;
- (g) reviewing and recommending to the Board the employment contracts and other hiring or termination packages to be entered into with the CEO and other executive officers; and
- (h) to the extent the Committee deems appropriate, overseeing the selection of any peer group used in determining compensation or any element of compensation.

### **3. DIRECTORS' COMPENSATION**

The Committee will:

- (a) review periodically the adequacy, amount and form of compensation package to be paid to the directors and the Chairs;
- (b) consider whether that compensation adequately reflects the time commitment, responsibilities and risks of the directors; and
- (c) make recommendations to the Board as appropriate.

Information on compensation for directors at comparable companies provided through surveys and proxy analysis is utilized to gauge competitive levels and components of the total director compensation package. The Committee has the authority to retain consulting firms to assist it in carrying out its responsibilities.

The Committee may also make recommendations to the Board on minimum Company share ownership requirements for directors.

#### **4. MANAGEMENT SUCCESSION PLANNING**

The Committee is responsible for reviewing with the CEO management's assessment of existing management resources and succession plans for the executive officers as well as any other key senior management and reporting on this to the Board as appropriate.

#### **5. DISCLOSURE**

The Committee is responsible for reviewing directors' and executive officers' compensation disclosure information in accordance with applicable laws, regulations, rules and listing standards before the Company publicly discloses this information and, if appropriate, recommending to the Board the approval and disclosure of such information.

#### **6. DIVERSITY, EQUITY, AND INCLUSION**

The Committee is responsible for supporting the Company's diversity, equity, and inclusion initiatives, and monitoring performance thereof.

#### **7. LIMITATION ON DUTIES OF THE COMMITTEE**

The Committee shall discharge its responsibilities and shall assess the information provided by the Company's management and any external advisors in accordance with its business judgment. Committee members are not full-time Company employees. Committee members are entitled to rely, absent knowledge to the contrary, on the integrity of the persons from whom they receive information and, on the accuracy, and completeness of the information provided.

Nothing in this Charter is intended or may be construed as to impose on any Committee member or the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject under applicable law. This Charter is not intended to change or interpret the Company's amended articles of incorporation or by-laws or any law, regulation, rule or listing standard to which the Company is subject, and this Charter should be interpreted in a manner consistent with all such applicable laws, regulations, rules and listing standards. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to



civil liability to Company securityholders or other liability whatsoever.

**This Charter was amended and restated by the Board on September 13, 2023.**