



NOUVEAU MONDE GRAPHITE

# 2023 ESG REPORT

## Driving Sustainability and Accountability into the rEVolution

Local, Ethical, Carbon-Neutral & Traceable Graphite Battery Materials to Power the Clean Energy Transition







## About the Report

### COVER

Josée, Philippe, and Eric, part of our Battery Materials Team, strike a pose at our Phase-1 purification facility during a technical work session on process optimization. NMG's proprietary purification technology offers a greener alternative to that currently used in traditional anode material production by leveraging clean hydropower rather than acid leaching with harmful chemicals.

### CONTENT

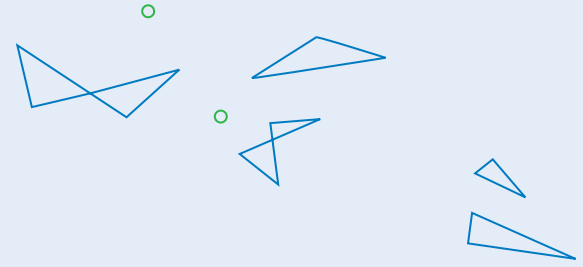
Information in this report relates to Nouveau Monde Graphite Inc.'s ("NMG", "we" or the "Company") activities in relation to the Company's Phase-1 operations, the planned Phase-2 Matawinie Mine and Bécancour Battery Material Plant, the contemplated Phase-3 Uatnan Mining Project, as well as corporate development.

Our environmental, social and governance ("ESG") report discloses data reported for the year ended December 31, 2023, with significant updates up to April 30, 2024. All monetary amounts included in this report are expressed in Canadian dollars ("CAD"), the Company's reporting and functional currency.

### PUBLISHING DATE

May 15, 2024

Questions and feedback on the report and NMG's sustainability efforts are most welcomed. You may communicate directly with Julie Paquet, our Vice President, Communications & ESG Strategy, at [jpaquet@nmg.com](mailto:jpaquet@nmg.com).



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# From our Leadership





**Arne H Frandsen**  
Chairman

**Eric Desaulniers**  
Founder, President & Chief Executive Officer

# TRENDS, RESILIENCE, & IMPACT: DISCUSSION ON ESG

**Arne H Frandsen, Chair of the Board of Directors, and Eric Desaulniers, Founder, President and CEO, discuss NMG’s progress along our ESG roadmap and key trends we are watching.**

2023 broke records. The warmest year since 1850, by far<sup>1</sup>. Extreme events around the globe, including massive wildfires destroying 45.7 million acres in Canada and impacting air quality across North America<sup>2</sup>. But also, never-seen-before investments in the clean energy transition – US\$1.8 trillion – and unprecedented adoption of EVs<sup>3</sup>. In this context of extremes, our senior leaders sat down for a chat on key ESG matters and NMG’s response.

**How has NMG integrated ESG considerations into its business strategy and how does this alignment contribute to long-term value creation?**

**ERIC:** From the start, I wanted to refresh the traditional mining model. Exploring new territories with novel technologies, extracting resources with never-before electrified heavy equipment, partnering with communities and First Nations from the inception to design projects based on local priorities, developing proprietary clean processing technologies and tailored battery material products to cater to a nascent North American market, collaborating seamlessly with customers, peers, and regulators to raise the bar on innovation and accountability. Examples go on and on, but the idea is the same: a new business model for a sustainable world – Nouveau Monde.

**ARNE:** And that sustainable-by-design value proposition continues to pull stakeholders, customers, and investors to NMG’s story. We are writing a unique chapter in the global energy transition movement. Leaders from different horizons – capital markets, battery/EV manufacturing, governments, suppliers, etc. – recognize this forward-thinking approach and understand the advantage of being at the forefront of this shift. It is set to translate into economic growth, security of supply, community vitality, expansion of intellectual property and technology performance, and resilience to climate change, among others.

<sup>1</sup> World Meteorological Organization, March 2024  
<sup>2</sup> National Centers for Environmental Information, January 2024  
<sup>3</sup> BloombergNEF, January 2024



### How do you ensure that ESG principles are embedded throughout the Company's operations and decision-making processes, rather than treated as a separate or peripheral issue?

**ERIC:** At NMG, sustainability is our main market differentiator. ESG principles are central to developing our products, innovating in our processes' development, and reducing the potential impact of building and operating our commercial facilities. It is also a rallying chant for our employees who are proud of doing things differently, with people and the planet in mind. Sustainability truly permeates every level of our activities and decision-making.

In addition, we have appointed a dedicated team who is tasked with understanding and managing our risks and opportunities, accompanying our employees, suppliers, and partners in elevating our practices, monitoring the regulatory landscape, and reporting our progress directly to the Board of Directors and to our shareholders and stakeholders via this very report. This team has *carte blanche* to interact within and outside NMG so as to amplify our impact.

### Can you provide examples of how prioritizing sustainability has led to tangible business benefits for the Company?

**ARNE:** Surely our multiyear offtake agreements with global leaders Panasonic Energy<sup>4</sup> and GM<sup>5</sup>, accompanied by equity participation and further committed investments, provide a strong testament. Being aligned with our customers' vision for sustainability, ensuring practices compliant with international standards,

and offering an ethical and carbon-neutral product all played a significant part in signing these structuring agreements. As governments adopt more stringent regulation on sourcing, carbon footprint, and transparent disclosure, NMG's attractiveness in the market continues to grow.

### In that regard, what steps has NMG taken to enhance supply chain transparency and resiliency in response to increasing scrutiny?

**ERIC:** Our flagship electrification initiative for the Matawinie Mine demonstrates our commitment to collaborating with our supply chain on adapted solutions. Through our definitive agreements with Caterpillar, a roadmap for the development of an integrated solution that covers a zero-exhaust emission fleet and supporting infrastructure is being deployed. Early Learner models and pilot units will be tested at our site to assess their adaptability and performance in a variety of weather, terrain, and operational conditions.

Beyond such innovative partnerships, we are implementing systems to properly assess and manage potential risks and impacts associated with our procurement. Adherence to NMG's Supplier Code of Conduct is now a requisite for doing business with us. Similarly, ESG criteria are being implemented into our tendering process to ensure compliance with environmental and social requirements. On modern slavery questions, we are also embedding systemized risk assessment and annual disclosure. Our objective is to raise the bar in our business ecosystem and provide a guarantee to our stakeholders and customers that our ESG promise extends throughout our value chain.



Eric and Arne discuss during a site tour at the Matawinie Mine.

<sup>4</sup> Panasonic Energy Co., Ltd. ("Panasonic Energy"), a wholly owned subsidiary of Panasonic Holdings Corporation ("Panasonic")

<sup>5</sup> General Motors Holdings LLC, a wholly owned subsidiary of General Motors Co. (collectively, "GM")





### How do you anticipate ESG considerations evolving and impacting your industry, and how is NMG preparing for these changes?

**ARNE:** Everything is dynamic, especially in today’s environment! Although practices vary depending on jurisdictions, ESG principles are generally integrated in the mining industry, due in part to the extractive nature of operations. But as the EV market expands and regulation strengthens, auto manufacturers are faced with new challenges to ensure compliance with requirements and end-users’ expectations, transparency and traceability over sourcing, measurement and data disclosure on key social and environmental indicators of battery components, circularity to secure supply and sustainability of critical materials, to name a few. The next chapter in the industry will be colored by these themes and performance will be closely tracked.

NMG has already gained a certain maturity in regard to its ownership, continuous improvement, and added value on these key ESG topics. We are entering the market with solid underpinnings, the agility to integrate additional practices in line with commercial and regulatory requirements, and the desire to collaborate on driving positive change in the industry.

### How does NMG’s business plan reconcile with emerging ESG-related trends or regulatory developments?

**ERIC:** In my view, the major ESG trends crystallizing relate to disclosure, energy, and biodiversity. The long-awaited convergence of sustainability disclosure standards, including Scope 3 disclosure, and their integration into financial reporting is a major win for the proper assessment of performance by stakeholders, investors, asset managers, and customers. Standardization and accountability will help solidify our position as an “industry-leading” natural graphite producer<sup>6</sup>.

Energy and decarbonization go hand in hand. The transition to renewable sources and clean technologies is powered by minerals. As this global shift accelerates – whether driven by environmental agendas or geopolitics – the demand for carbon-neutral active anode material continues to rise. NMG is

positioned at the forefront of the Western market thanks to our local, fully integrated, scalable, and ESG-aligned operations. With most of our Phase-2 production reserved, our Phase 3 expansion via the Uatnan Mining Project provides a clear path to business growth in line with the changing landscape.

And at last, biodiversity is fast emerging as the next urgency to address for the planet and communities’ wellbeing. Measuring and managing nature will be new to numerous industries and organization. At NMG, we have been clear on our commitment to no net loss. We are delivering through the sustainable design of our facilities, active protection measures, progressive reclamation, and proactive enhancement initiatives.

**ARNE:** Cheers to that! Being leaders and innovators has weaved our competitiveness and attracted like-minded employees, partners, and shareholders to NMG. May we continue on this path to expand the field of possibilities in responsible business.

Onwards,  
*En avant,*  
Wapita Nikanik,  
nik8nosada,  
Nikanitetau

**Arne H Frandsen**  
Chair of the Board of Directors

**Eric Desaulniers**  
Founder, President & Chief Executive Officer

<sup>6</sup> Benchmark Mineral Intelligence, November 2023





# NMG at a Glance

# CORPORATE OVERVIEW

Nouveau Monde Graphite is an integrated company developing responsible mining and advanced manufacturing operations to supply the global economy with carbon-neutral active anode material to power electric vehicles ("EV") and renewable energy storage systems.

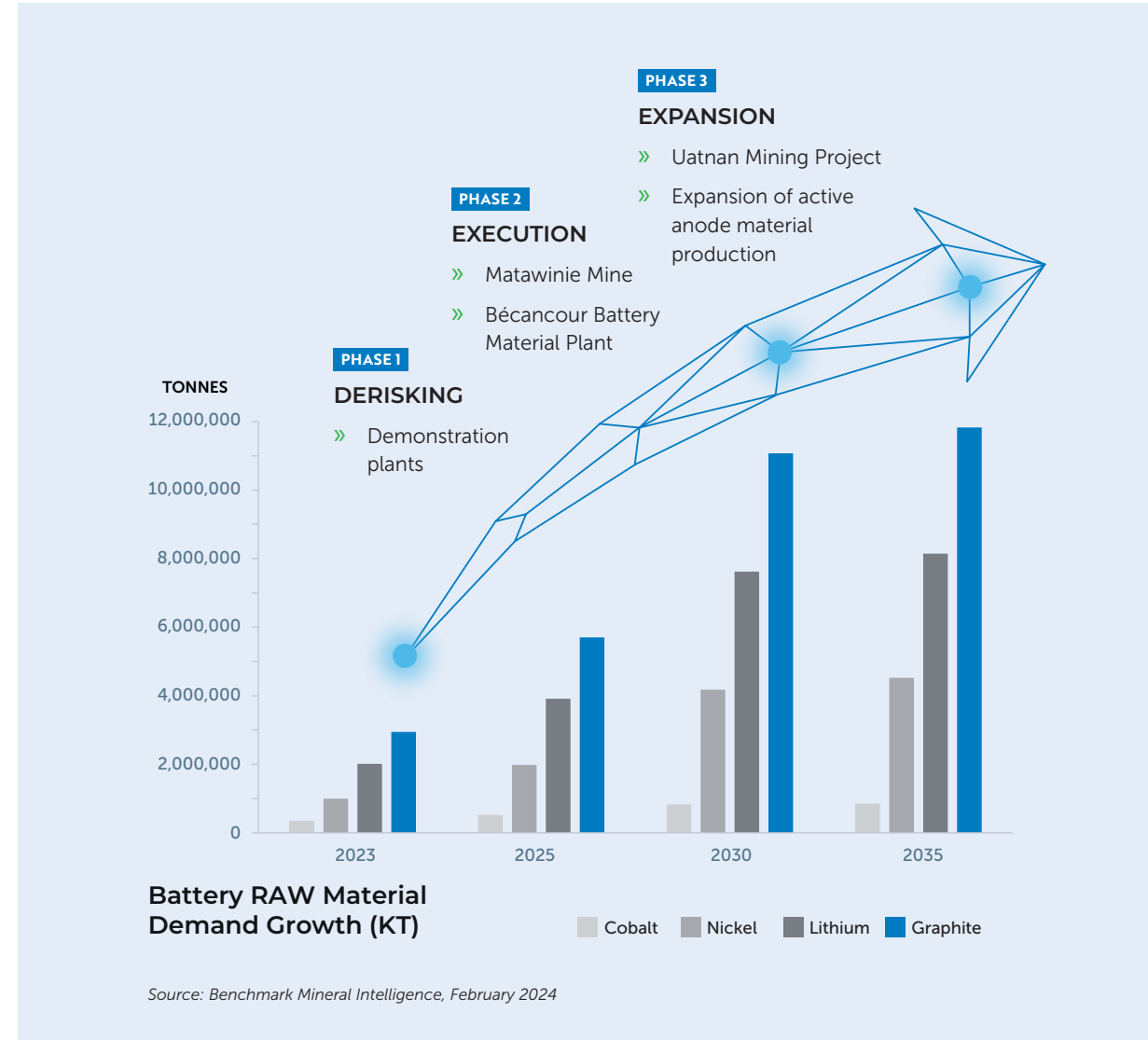
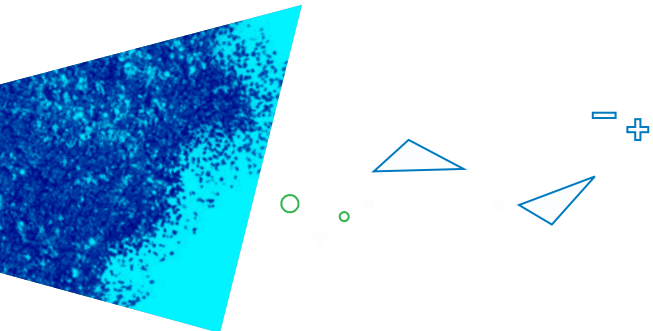
- + Vision** Drive the transition to a decarbonized and just future through sustainable graphite-based solutions.
- + Mission** Produce the greenest advanced graphite materials with a carbon-neutral footprint for a sustainable world.
- + Values** Caring, responsibility, openness, integrity, and entrepreneurial spirit.

Based in Québec, Canada, NMG is focused on leveraging our world-class mineral assets and proprietary technology portfolio to develop what is projected to be North America's first, largest, and fully integrated natural graphite production.

Our team of over 100 talented employees from diverse backgrounds are actively engaged in supporting operations at our Phase-1 facilities, while preparing to bring the Phase-2 Matawinie Mine and Bécancour Battery Material to commercial success. Our recent acquisition of the Uatnan Mining Project provides a solid foundation for expansion beyond, as demand for active anode materials rises.

At the market's doorstep, our business strategy is underpinned by our premier graphite deposits, proprietary advanced manufacturing ecotechnologies, a mobilized and experienced team, clean hydroelectricity powering our operations, and a resolute environmental, social and governance ("ESG") mindset.

We are carrying out a phased-development plan to derisk our projects, advance toward commercialization, and prepare a roadmap for growth.





# On Our Way to Becoming NORTH AMERICA'S LARGEST INTEGRATED NATURAL GRAPHITE PRODUCER

Striving to establish a fully integrated, local, carbon-neutral, and traceable turnkey supply of active anode materials for the Western World



CANADA

QUÉBEC


Montréal

Detroit

New York


UNITED STATES

**Uatnan**  
**Mine & Concentrator**  
Mining project in development



**PHASE 3** Contemplated production of 500,000 tpa of graphite concentrate


**Matawinie**  
**Mine & Concentrator**



**PHASE 1** Operating

**PHASE 2** Planned production of 103,000 tpa of graphite concentrate

**Bécancour**  
**Battery material plant**



**PHASE 1** Operating

**PHASE 2** Planned production of 43,000 tpa of active anode material

# FROM ORE TO BATTERY MATERIALS

## Matawinie Mine

At the Matawinie Mine, located 120 km north of Montréal, we are advancing the development of our wholly-owned flagship Matawinie graphite property to produce about 103,000 tonnes per annum (“tpa”) of graphite concentrate over the 25-year life of mine. Large, quality mineral reserves coupled with a skilled workforce, existing infrastructure, proximity to urban centers, and a dynamic regional ecosystem provide a strong foundation for this operation.

In reinventing traditional practices to limit potential impacts and plan beyond the life of mine, NMG has developed the Matawinie Mine with environmental and social considerations at the forefront. Active collaboration with the Atikamekw First Nation and local community, combined with a commitment to become fully electric and integrate innovative practices position Matawinie as **a model for the future of mining.**

The project has been reviewed and approved by governmental authorities. We have since launched preliminary construction to build our dedicated 8-km access road, key environmental infrastructure, and the industrial platform for the concentrator. Detailed engineering, procurement activities, construction planning, and electrification development advance in parallel.

## Bécancour Battery Material Plant

The planned Bécancour Battery Material Plant in Bécancour, Québec, approximately 150 km northeast of Montréal, on the Saint Lawrence River, constitutes **NMG’s comprehensive advanced manufacturing platform for graphite refining.** This facility is set to provide the marketplace with about 43,000 tpa of active anode material plus other specialty products.

The majority of the Matawinie Mine’s production will be used as feedstock for this plant, hence capitalizing on operational efficiency, product traceability, and greater margins from NMG’s vertically integrated business model. Value-added transformation for active anode material is perfected in close collaboration with customers to match their unique battery specifications for optimal performance.

NMG’s 200,000-m<sup>2</sup> site, in the heart of the Québec Government “battery valley”, benefits from robust industrial infrastructure, access to clean and affordable hydroelectricity, a direct supply of required chemicals, a regional pool of skilled workforce as well as a multi-modal logistical base (international port, railway and expressway) in proximity to U.S. and European markets.

Engineering, process optimization, permitting, procurement, and stakeholder engagement are underway in preparation for construction.

## Uatnan Mining Project

Leveraging the large Lac Guéret deposit, now wholly-owned by NMG, the Uatnan Mining Project strengthens our long-term vision to be a dominant force in the supply of carbon-neutral active anode material for the Western market. Intended as NMG’s Phase 3 expansion, it is being planned with a focus on battery material feedstock to support our current commercial discussions and booming market conditions<sup>7</sup>.

Updated operational parameters for this property, including responsible mining practices, now target the production of approximately 500,000 tpa of graphite concentrate over a 24-year life of mine. The Uatnan Mining Project is currently one of the **largest projected natural graphite projects in development in the world.**

As we develop our relationship with the Innu First Nation of Pessamit, the community and local stakeholders, NMG will prepare subsequent studies. True to our values, we are committed to a responsible, sustainable, and inclusive process to bring the Uatnan Mining Project from opportunity to engineering, construction and commercial production.



Matawinie

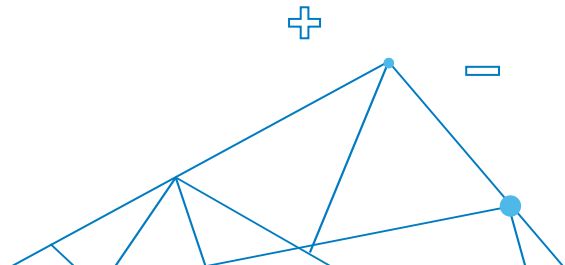


Bécancour



Uatnan

<sup>7</sup> Benchmark Mineral Intelligence, January 2024





## Exceptional Resources

From plant operations and R&D to administration, environmental management, and engineering, **our team unites diverse knowledge, capabilities, and profiles** to drive our operations forward. We consider our employees to be our greatest asset because they help advance our projects, bolster innovation, and elevate our vision.

The Matawinie and Lac Guéret deposits, the two largest graphite properties in North America, constitute a solid footing for our production model. With combined pit-constrained **mineral resources of nearly 186 Mt<sup>8</sup>**, these assets underpin long-term production capacity and high-quality graphite concentrate.

Among the greenest grid in the world<sup>9</sup>, Québec's **clean, affordable, and reliable hydroelectricity** provides a sustainable and attractive framework for our production. Hydropower is an exceptional linchpin for cost-competitive operations in our energy-intensive sector as well as for implementing our climate action strategy.

## Technologies

Thanks to proprietary transformation processes, NMG produces up to 99.99%-pure active anode material. From simple milling and flotation circuits at our Phase-1 Matawinie concentrator yielding 97%-pure flakes in a variety of sizes to our patent-pending thermochemical purification technology that avoids using hydrofluoric acid in favor of high temperatures, we have placed **clean processes** and products' environmental footprint at the center of our business model.

Each step of our integrated value chain is engineered to enhance the materials' properties, provide the capacity to tailor products to a variety of specifications, and align with market's requirements for high-performing graphite solutions. Our dedicated battery laboratory facility provides in-house capacity, flexibility, and speediness in testing advanced materials and specifications for customers.

Recognizing the rapid pace of cleantech development and striving to elevate the environmental and ethical DNA of its products, NMG maintains **a wide portfolio of R&D projects**. Elite research and close collaboration with academia, governments, technology transfer centers, and industry partners complement the efforts of our own R&D and Engineering teams.



<sup>8</sup> Matawinie's current mineral resource estimate, effective as of March 19, 2020, and Uatnan's current mineral resource estimate, effective January 10, 2023

<sup>9</sup> Hydro-Québec, 2023





# PHILOSOPHY & SUSTAINABILITY PROMISE

We are NMG; an ESG-minded company working to reimagine the traditional practices of the mining sector and the technologies underpinning battery material manufacturing to supply Western markets in the push toward decarbonization.

Climate action underpins our business model. Sustainability guides our ethics and development.

We are committed to a holistic approach to managing our strategy, operations, and relationships. Through robust governance, a mobilized and diverse team as well as our resolute ESG compass, we are advancing our projects and the Company's growth.

We understand the responsibility and unique privilege of developing large-scale mineral resources. In partnership with our team, business partners, communities, First Nations, and key stakeholders, we strive to be a model in the development of responsible mining operations and clean advanced material manufacturing.

**We seek to prevent, minimize, and manage environmental, occupational health and safety, and social risks that may arise from our activities while proactively advancing initiatives that can generate a positive impact. This caring approach guides our decisions, behaviors, policies, and operations to safeguard people, communities, and the environment's wellbeing.**

We hold ourselves accountable to that promise and aspire to drive greater sustainability into our sector and the industries we serve.





# Our ESG Compass



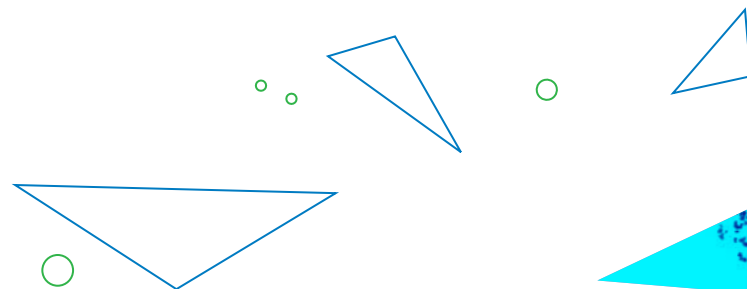
Since the Company’s inception, we have set our minds on sustainability, accountability, and continuous improvement. NMG invests time and effort at every level of the organization and stage of our development to integrate ESG-leading practices directed at minimizing our footprint and maximizing our contribution.

We employ ESG principles as a lens to check, measure, align, and enhance a sound business model. Hence, our performance in regard to environmental, social, and governance components is just as important as the financial parameters on which we build the Company.

We practice an open-door policy at our sites, inviting community members, regulators, shareholders, media, elected officials, and even opponents, to visit our facilities, engage with our team, and see for themselves how we live by our sustainability promise. Since 2020, we have also implemented public disclosure of our managerial approach, practices, and performance in line with recognized standards. We consider transparency as the cornerstone of trusting relationships with our stakeholders.

Building on this foundation, this report is part of our annual disclosure cycle. It has been written with reference to the Global Reporting Initiative (“GRI”), the Value Reporting Foundation (SASB Standards) for the Metals & Mining sector, and the Task Force on Climate-related Financial Disclosures (“TCFD”) recommendations. We have also included our contributions to the United Nation’s Sustainable Development Goals (“UN SDGs”) and our progress towards the UN Global Compact (“UNGC”) principles on human rights, labor, the environment, and anti-corruption practices.

NMG also voluntarily reports under the CDP to demonstrate its management of climate risks and opportunities, environmental performance, and greenhouse gas (“GHG”) reduction efforts, as well as climate action (see the [Ratings](#) subsection, p. 20, for additional information).



Snowmobile trail built by NMG on the outskirts of the Matawinie Mine to segregate recreational activities and traffic in the sector.



## LOOKING AHEAD

With the adoption of International Sustainability Standards Board’s (“ISSB”) new standards IFRS S1 and IFRS S2 this year as well as the issuance by the Securities Exchange Commission (“SEC”) of a new rule on climate-related disclosures for investors, NMG is actively planning the gradual transition of our ESG disclosure into integrated financial reporting.



# ACKNOWLEDGING OUR IMPACTS

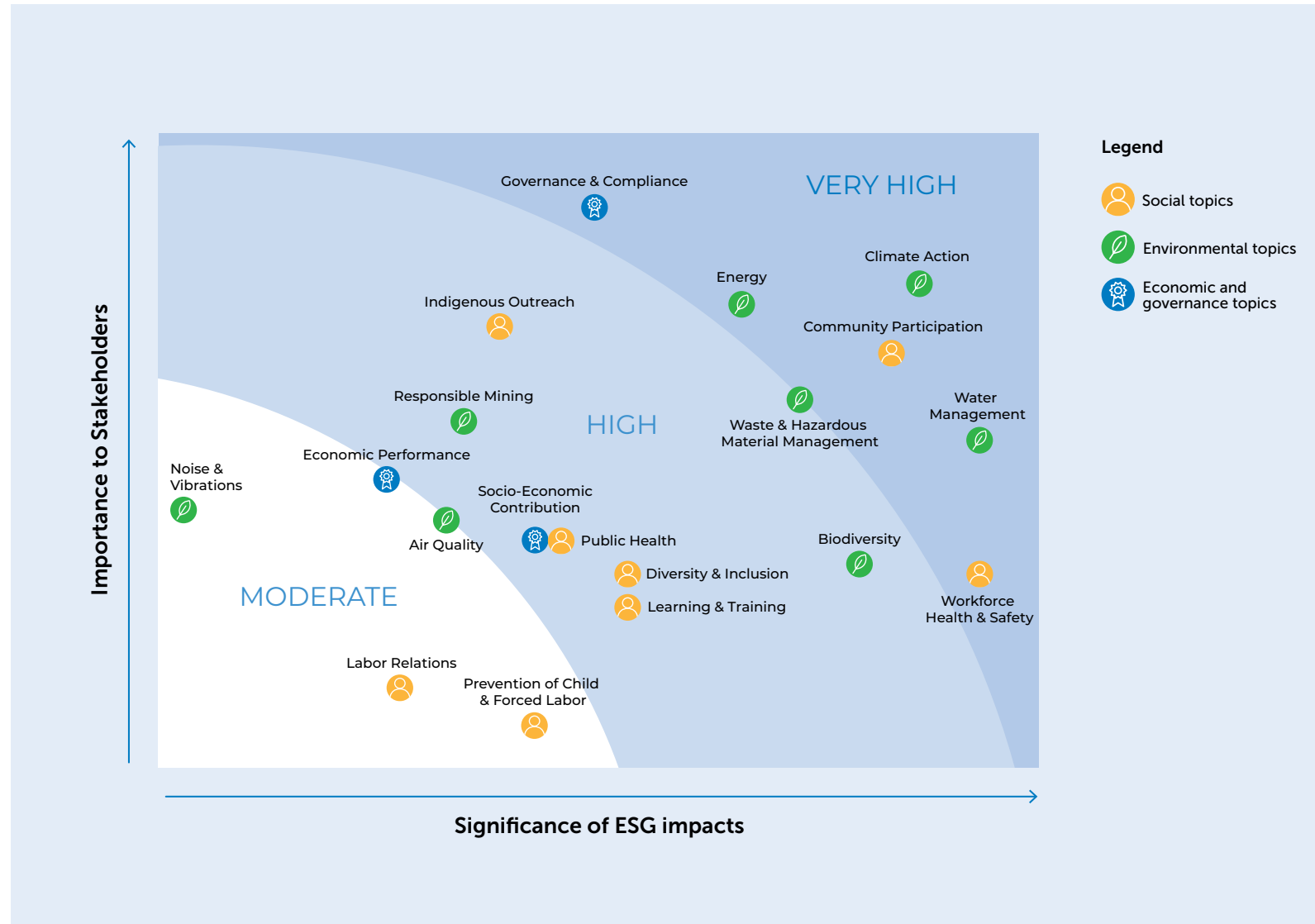
We assume responsibility for our present and long-term impacts on the people, environment, technology, and economy we engage with.

Understanding the natural milieu and socioeconomic fabric in which we operate, the priorities of our stakeholders and the footprint of our activities is the first step in designing a responsible business that avoids adverse effects and seizes the opportunities for shared benefits.

## Materiality Assessment

To create long-term value, NMG conducted materiality assessments to identify the most significant ESG risks and opportunities for our stakeholders<sup>10</sup>. These results guide our managerial approach, disclosure, engagement efforts, and sustainability journey.

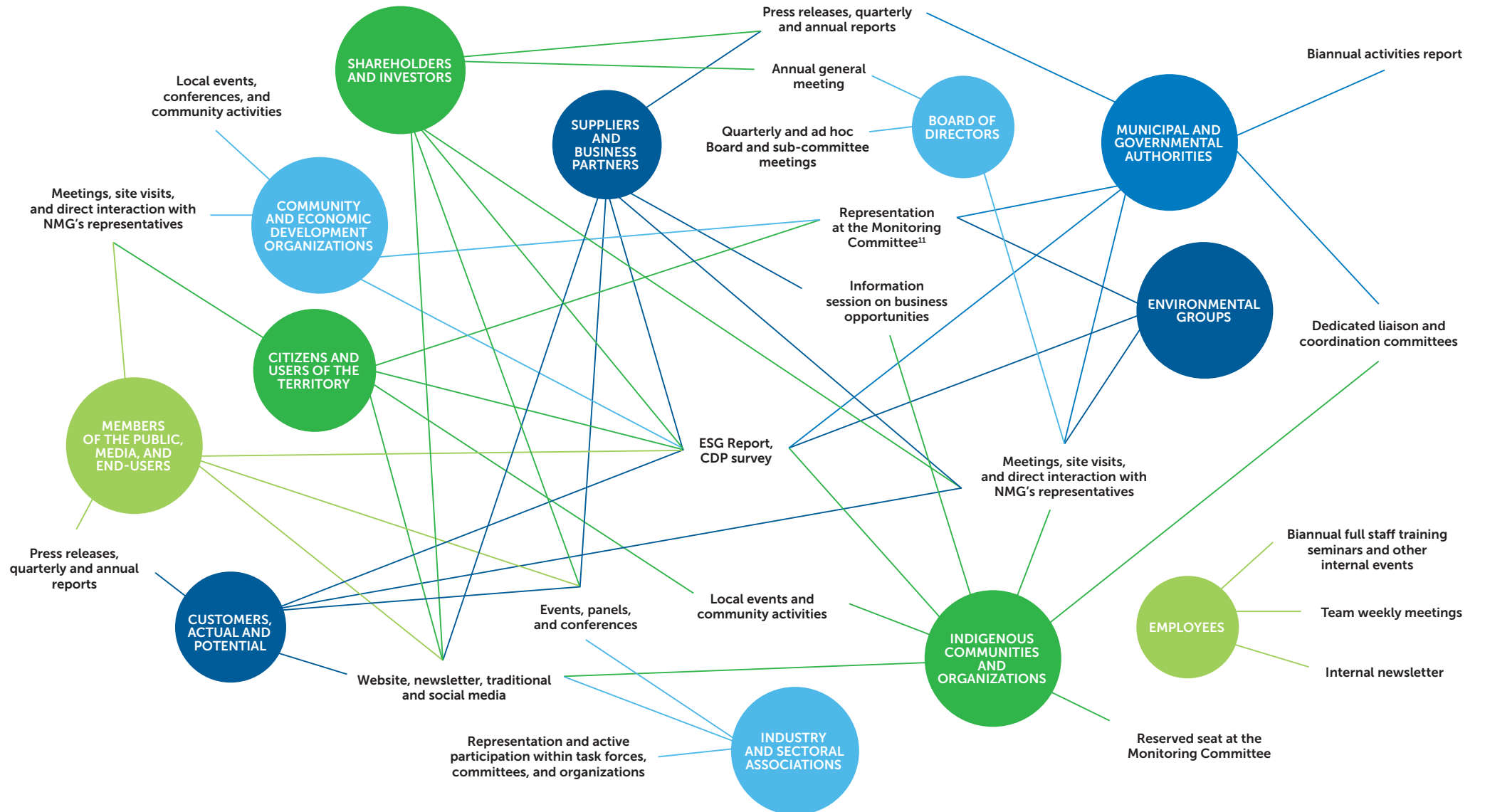
As our projects advance, NMG continues to collect feedback from stakeholders, monitor societal and market realities, as well as track trends and updates in sustainability, securities, and financial standards to further refine our understanding and management of key ESG topics.



<sup>10</sup> The methodology for conducting these assessments is detailed in NMG's 2022 ESG Report

# Stakeholder Engagement

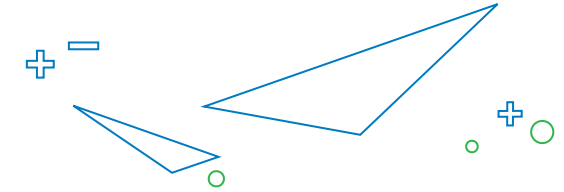
As part of our participative and bilateral engagement efforts, NMG is making a priority of communicating our progress and providing tailored information to all relevant stakeholder groups through various communication channels. Outreach efforts enable us to gather feedback, inform our management of key ESG topics and ensure that stakeholder expectations are reflected in our public reporting.



<sup>11</sup> Matawinie Mine monitoring committee (the "Monitoring Committee")



# MAPPING A SUSTAINABLE PATH FORWARD



## Progress on our ESG Roadmap

### Sustainability Action Plan

To advance our commitments to sustainability, NMG carries out a three-year action plan intertwining all business units and projects. Our ESG Strategy Team is responsible for driving and monitoring this roadmap. It collaborates closely with department leaders as well as technical, operational, and corporate teams to support the implementation of ESG-leading practices and achievement of our objectives. This includes identifying potential risks and opportunities, offering solutions, and adjusting when necessary to meet targets effectively.

This year, we completed our 2021-2023 Sustainability Action Plan that supported each pillar of our Sustainability Policy. Overall, 77% of the initiatives underpinning our objectives met their targets and 6% were postponed to match operational progress or new corporate priorities.

## 2021-2023 Sustainability Action Plan

CREATING SHARED VALUED		
<b>Advance zero-harm standards</b> within the Company and with construction and business partners through robust governance and exemplary practices in relation to health, safety, and the environment	<input type="checkbox"/>	Significant progress in implementing environmental stewardship policies, programs, and practices; continued efforts on health and safety to build a strong culture and develop management systems.
<b>Improve Indigenous participation</b> in the project and promote a shared perspective within the Company and community	<input checked="" type="checkbox"/>	Expanded relationships and initiatives with First Nations as well as Indigenous awareness, training and engagement within the Company.
<b>Maximize benefits for local community</b> and stakeholders	<input checked="" type="checkbox"/>	Focus on creating opportunities for workers and businesses, engaging with stakeholders, and participating in projects and initiatives that support regional priorities.
<b>Foster diversity and inclusion</b> within the Company	<input checked="" type="checkbox"/>	Advancement of a corporate strategy and enhancement of communications to ensure representation and inclusion.
<b>Execute business plan responsibly</b> to deliver on commitments to stakeholders, shareholders, and customers	<input type="checkbox"/>	Promotion of environmental and social awareness, enhancement of governance practices; continued efforts to implement management systems.

## POWERING A CLEANER FUTURE

<b>Attain carbon neutrality</b> for past and current operations, with plan for future activities	✓	Adoption of our Climate Action Plan, agreement with Caterpillar <sup>12</sup> for the mining fleet electrification, and carbon-neutral status maintained.
<b>Elevate environmental and ethical DNA</b> of the Company's products	■	Sustained R&D for the next generation of materials and responsible production; continued efforts on certification frameworks, optimization of processes and traceability system.
<b>Create synergy</b> with other industries in line with the circular economy approach	✓	Recycling partnership and industrial collaboration.
<b>Carry out responsible construction of commercial projects</b> through proactive waste management, infrastructure and logistics optimization, and sustainable design choices	🔄	Engineering of sustainable infrastructure and development of environmental management protocols for construction activities. Objective to be carried over and expanded in the 2024-2026 plan when full-scale construction is launched.

## ACCELERATING THE WHEEL OF CHANGE

<b>Establish first-class approach</b> to ESG and transparent disclosure	✓	Disclosure strategy and ESG governance structure implemented.
<b>Invest in training, research, and leadership initiatives</b> to advance global sustainability agenda	✓	Active participation in sector efforts.
<b>Promote and call for sustainability</b> throughout our value chain, business ecosystem, and community	✓	Adoption and promotion of responsible practices, partnership with Caterpillar and offtake agreements with Panasonic Energy and GM.

<sup>12</sup> Caterpillar Inc. (Catterpillar\*)



## LOOKING AHEAD

The Company is mapping its 2024-2026 Sustainability Action Plan to further efforts and initiatives undertook in the previous plan and elevate practices ahead of full-scale commercial operations. Significant corporate growth and intense construction activities are expected during this period, emphasis will hence be given to the following pillars:

- High-Performing Team  
Nouveau Monde
- Responsible Execution of our Phase 2
- Operational Excellence
- Indigenous Relations & Partnerships
- Innovative Practices & Climate Action
- Recognized Governance Framework



## ESG Targets

To improve our ESG performance, NMG has set quantitative targets reflective of the development stage of the Company. Hence, our targets focus on immediate priorities for improving ownership and management of material topics as we progress toward the commercial stage<sup>13</sup>.

Here is the status of our advancement for the 2023 period:

**BEHIND** Achieve a recordable incident rate below 2, as per the OSHA calculation

NMG recorded an OSHA Recordable Incident Rate of 3.63 at the Company's facilities and 0 at contractors' work sites. Refer to [p. 34](#) for more information on how NMG manages health and safety.

**ACHIEVED** Maintain our major environmental incidents track record at 0

No major environmental incidents as per the Global Reporting Initiative's definition. Refer to [p. 47](#) for more information on NMG's environmental program.

**ACHIEVED** Meet 100% of quality standards for water treatment and final effluent at our Matawinie Mine, Phases 1 and 2

All samples at our final effluent complied with quality standards. Refer to [p. 48](#) for more information on our water monitoring program.

**ON TRACK** Maintain or improve the Company's A2 sustainability rating

NMG advances its roadmap to ensure our next Moody's<sup>14</sup> sustainability rating remains A2 or higher.

**ON TRACK** Maintain our carbon neutrality status and transition to Net Zero by 2030

NMG maintained its carbon-neutral balance through reduction efforts and verified carbon credits. Refer to [p. 52](#) for more information on our compensation strategy and our action plan to reach Net Zero.

**ACHIEVED** Provide training on Indigenous awareness and unconscious bias to 100% of employees by the end of 2023

Specific training on Indigenous Peoples' history, culture, and modern realities was offered to all employees and Board members; 95% completed the program by year end. Refer to [p. 41](#) for more information on how NMG engages with Indigenous Peoples, communities, and organizations.

**BEHIND** Progressively increase diversity representation on the Board of Directors and Management Team by 2025

Slight decrease in representation indicators among leadership. Refer to [p. 36](#) for more information on our diversity, equity and inclusion efforts.

**ON TRACK** Engineer low-carbon infrastructure, deploy an all-electric fleet by year 5 of the Phase-2 Matawinie Mine, and adopt clean energy sources and technologies in every other area of our operations as they become available

NMG continued to progress in Phase-2 infrastructure engineering and signed definitive agreement with Caterpillar for an all-electric fleet at the Matawinie Mine.

**ACHIEVED** Complementary to our Environmental Policy, adopt a Water Stewardship Policy to strengthen our governance and practices by the end of 2023

We adopted our Water Stewardship Policy this year. Refer to [p. 48](#) to learn more about our current policies.

**BEHIND** Confirm 100% of our suppliers and contractors' adherence to our Supplier Code of Conduct by end of 2023

At year end, 86% of active suppliers had confirmed their adherence to NMG's Supplier Code of Conduct or demonstrated equivalent standards. For more information on our responsible procurement practices, refer to [p. 30](#).

**ACHIEVED** Increase our biodiversity leadership by ensuring compliance with our protocols from both our employees and contractors, launching site reclamation initiatives, and identifying opportunities for additional ecosystem compensation projects by end of 2023

Environmental program implemented, site reclamation initiatives launched, biodiversity protection and monitoring deployed, and additional opportunities identified. Refer to [p. 50](#) for more information on our biodiversity practices.

**ON TRACK** Partner with at least 3% of suppliers that are Indigenous-owned, hire Indigenous labor and/or subcontract to Indigenous businesses as of 2025

NMG partnered with 1.4% of suppliers that are Indigenous-owned, hire Indigenous labor, and/or subcontract to Indigenous businesses in 2023. The Company advances targeted efforts to integrate Indigenous businesses and workers in our procurement practices. Refer to [p. 41](#) to learn more.

With some ESG targets achieved or coming to an end during this period, additional targets will be set in 2024 in line with our 2024-2026 Sustainability Action Plan and best practices.

<sup>13</sup> Long-term targets are not adapted to the Company's development stage since we would be relying on projections instead of actual baselines

<sup>14</sup> Moody's ESG Solutions ("Moody's"). The Sustainability Rating was originally conducted by V.E, which is now part of Moody's ESG Solutions

## Towards Sustainable Mining

We continue to advance the implementation of practices aligned with Mining Association of Canada's Towards Sustainable Mining initiative ("TSM"), a globally recognized performance system that assists mining companies in evaluating and managing their environmental and social responsibilities. NMG has already completed a gap analysis against the eight protocols, designated internal leads, and identified opportunities to reinforce our stewardship ahead of the Company's commercial-scale Phase 2.



Employees participate in a fire extinguisher practice as part of safety training.

## Ratings

### Benchmark Sustainability Index

NMG topped Benchmark Mineral Intelligence's Sustainability Index as the only natural graphite producer in the "Industry Leading" category ahead of all Western, African, and Chinese producers. Steered by Benchmark Mineral Intelligence's team of expert analysts and life cycle assessment ("LCA") practitioners, the ESG assessment of the natural graphite industry examines the sustainability credentials of over 60 flake graphite companies. The Sustainability Index is a composite index measuring the ESG transparency of natural graphite industry players and their commitments to best practices. Companies are assessed against 79 ESG indicators across 26 ESG topics of concern and classified into four tiers.

### CDP

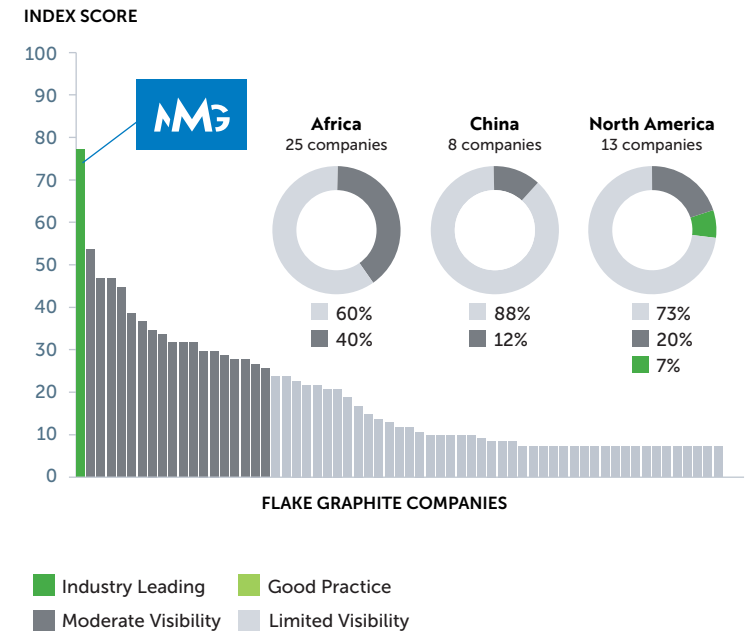
We voluntarily report under the CDP's Climate Change annual survey to demonstrate our management of climate risks and opportunities, environmental performance, GHG reduction efforts, as well as climate action. In 2023, NMG maintained a global C rating, in line with the industry average, while it received a supplier engagement rating of B-. The Company's rating and detailed survey responses are publicly available on CDP's platform.

### Moody's

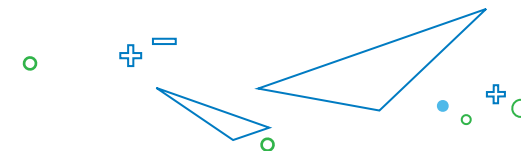
After a thorough review of our sustainability approach, practices, and efforts, Moody's ESG Solutions<sup>15</sup> ("Moody's") provided a Sustainability Rating of A2 ('Robust'), the second-highest grade on its rating scale, to NMG. The detailed results were published in early 2022 on the Company's website. NMG intends to carry out a new rating assessment in 2024.

<sup>15</sup> The Sustainability Rating was originally conducted by V.E, which is now part of Moody's ESG Solutions

### Benchmark Sustainability Index of Flake Graphite Companies



Source: Benchmark Mineral Intelligence, November 2023





# Contribution to Global Efforts

## UN SDGs

NMG has the opportunity to contribute to most of the United Nations' 17 interlocking global goals for equitable, socially inclusive, and environmentally sustainable economic development.



We make it a priority to protect the environment and our communities, and to provide a safe workplace for our employees through health and safety programs, benefits, and employee assistance services.

In parallel, our products are intended to enable the energy transition and can help significantly reduce air pollution associated with fossil fuels, which represents a major threat to public health.



We promote education and continuous learning, with special initiatives for the Indigenous and local workforce, through work-study programs, internship opportunities, and training.



We promote gender equality at all levels of the Company, including in leadership and management positions. We are committed to building an organizational culture that is free of any gender-based discrimination and where women feel empowered.



Water protection is a priority that we carefully and diligently address by proactively managing tailings to prevent acid mine drainage, treating and analyzing our effluent discharges, and reducing our freshwater consumption using recirculation systems.



Our active anode materials enable clean energy technologies. Through our carbon offsetting strategy, we also invest in clean energy solutions in developing countries.



We stimulate economic growth in our communities and nearby First Nations and quality jobs.



Leveraging renewable energy and ecotechnologies, we are producing and supplying high-performing, traceable, and carbon-neutral advanced graphite materials that support electrification. We work to enhance the environmental and ethical footprint of our products through our extensive R&D program.



We promote an inclusive workplace with equal opportunities for all our employees and extend this philosophy to our business and community relationships. We have a zero-tolerance approach toward discrimination.



We are meaningful when it comes to adopting sustainable practices and efficiently managing natural resources. We are committed to monitoring our environmental and social impacts to reduce our footprint, improving our processes and products, responsibly sourcing our materials, equipment, and services, and promoting circularity.



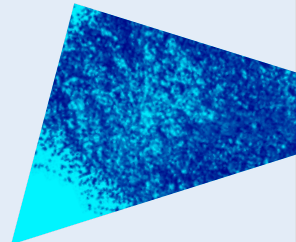
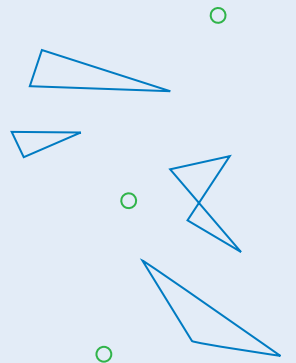
We are committed to transitioning from our current carbon-neutral status to Net Zero by 2030 while maximizing our products' contribution to global decarbonization efforts.

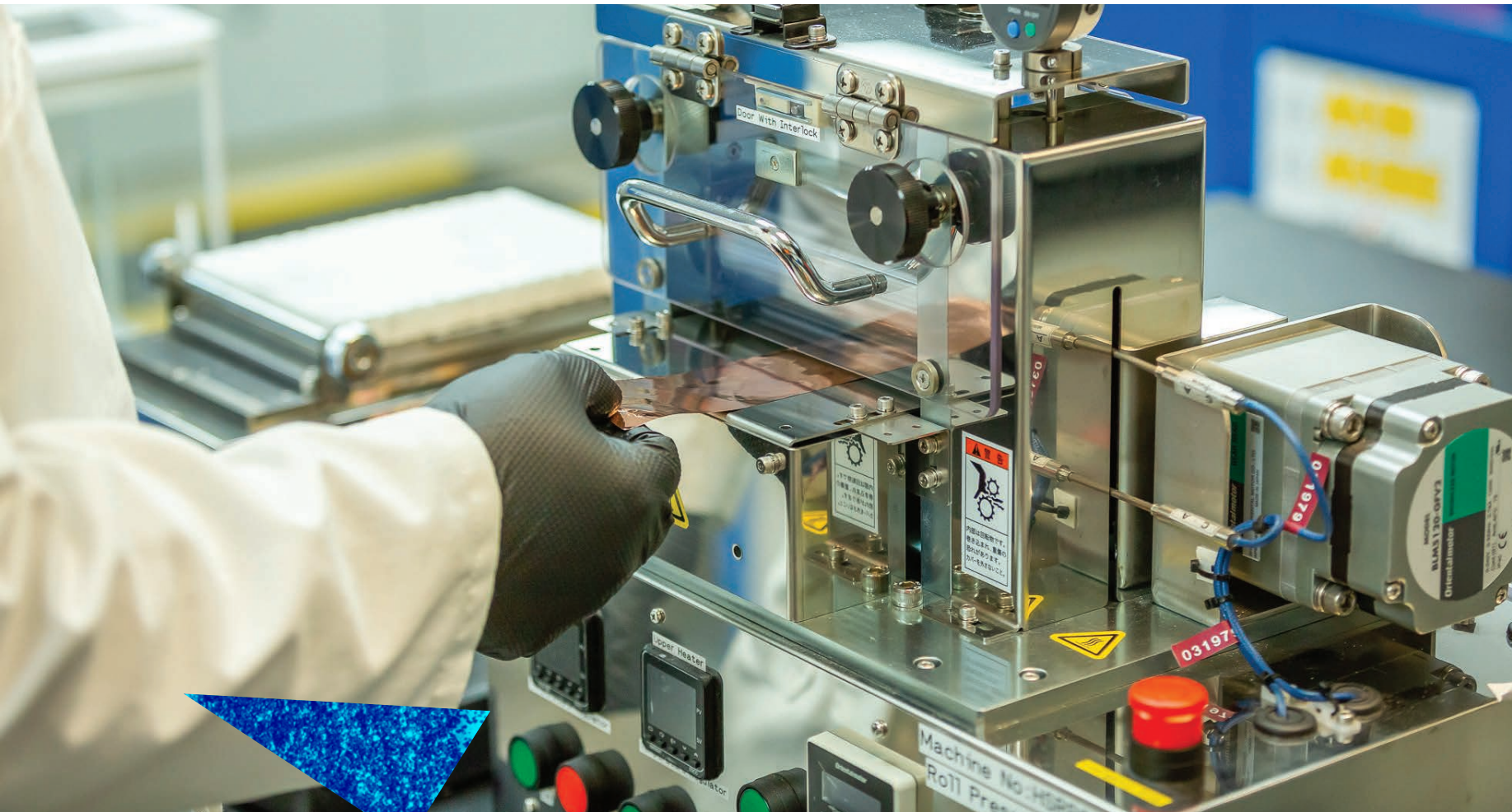


We work to safeguard ecosystems by using the mitigation hierarchy and protecting biodiversity and at-risk species. Through our carbon offsetting strategy, we invest in protecting, restoring, and/or enhancing natural ecosystems in our regions as well as developing countries.



We partner with civil, public, and private organizations across the globe to advance technology development and ESG standards for our sector.





## Global Battery Alliance

NMG is an active participant of the World Economic Forum's Global Battery Alliance ("GBA") which aims to establish a circular and sustainable battery value chain through public-private leadership and partnerships.

We participated in documenting traceability application at the mining level and informing the development of the GBA's Battery Passport to attest to the environmental and social compliance of a battery throughout its value chain. A proof of concept of the Battery Passport was launched in 2023, demonstrating the viability of having a digital twin for physical batteries to track and disclose key information about all sustainability and lifecycle standards.

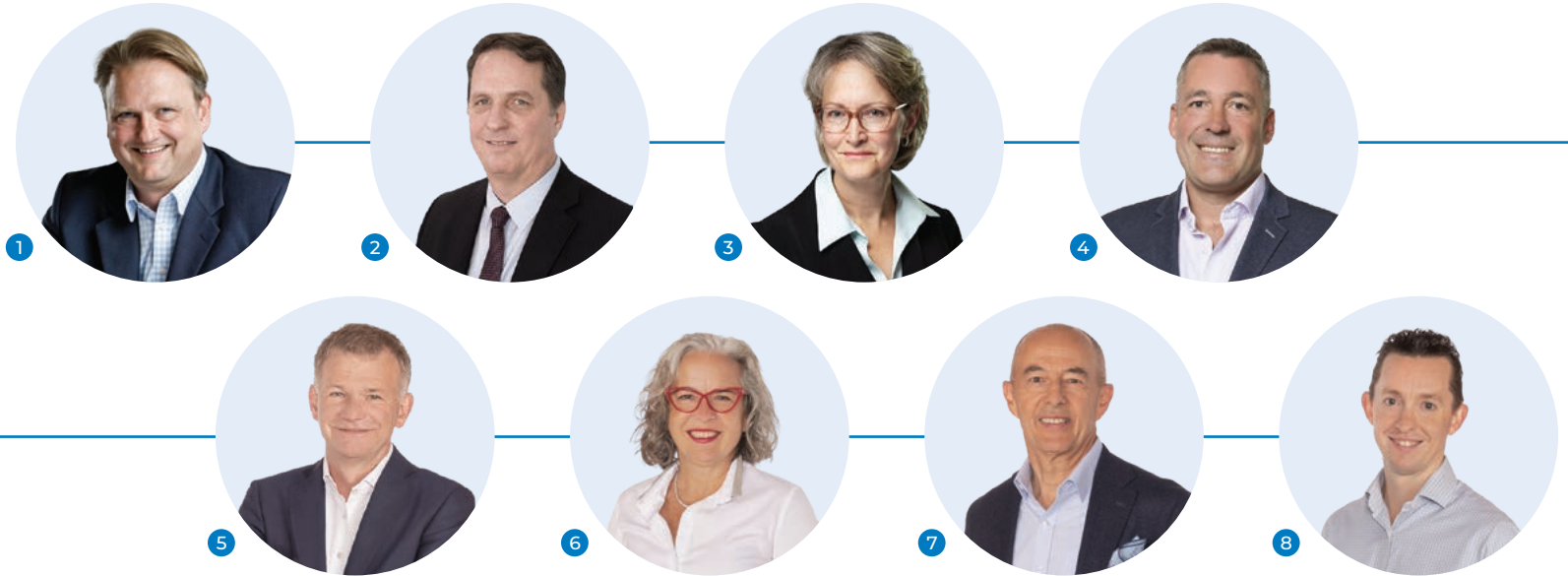






# Sound Governance

Corporate governance lays a strong framework of ethics, oversight, structure, and accountability that is reflected in all aspects of our business. As NMG grows, we are implementing policies and practices to strengthen our commitment towards transparency, fairness and equality, and governance. We maintain high standards of integrity and seek to mitigate risk and protect stakeholders when executing our business strategy.



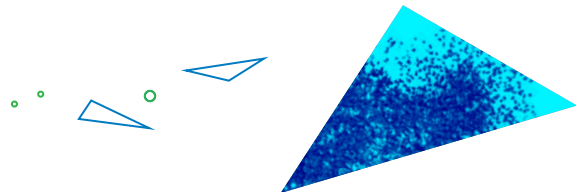
# STRUCTURES & OVERSIGHT

The Board of Directors and the management team recognize the importance of strong corporate governance and the need to adopt leading standards in social, economic, and environmental responsibility.

## Board of Directors

Our Board of Directors oversees the Company’s business conduct and management’s responsibilities for the daily operations and corporate development. It upholds the Company’s long-term vision with stakeholders in mind, weighing in on business orientation and performance, capital strategy, oversight of risks and opportunities, and ESG principles integration.

An international collective of business executives with a wealth of expertise and experience constitutes our Board of Directors. It is currently comprised of eight directors, five of whom are independent.



- 1 Arne H Frandsen**  
Chair of the Board of Directors and the Human Resources Committee, and member of the Corporate Governance Committee as well as the ESG Committee
- 2 Daniel Buron**  
Lead Independent Director, chair of the Audit Committee, and member of the Human Resources Committee as well as the Corporate Governance Committee
- 3 Stephanie Anderson**  
Director and member of the Projects and Development Committee
- 4 Eric Desaulniers**  
Director, President and CEO
- 5 Jürgen Köhler**  
Director, chair of the Projects and Development Committee, and member of the Audit Committee
- 6 Nathalie Pilon**  
Director, chair of the ESG Committee, and member of the Audit Committee as well as the Projects and Development Committee
- 7 James Scarlett**  
Director, chair of the Corporate Governance Committee, and member of the Human Resources Committee as well as the ESG Committee
- 8 Andrew Willis**  
Director and member of the Projects and Development Committee



NMG recognizes that an inclusive environment that cherishes the diversity of thought, background, skills, and experience, improves oversight, decision-making, and governance in the Company's best interests.

Directors are elected, through a nomination, every year at the Company's Annual General Meeting of Shareholders. The Corporate Governance Committee, which is responsible for recommending director nominees to the Board of Directors, seeks to attract high-quality individuals. In assessing potential candidates, the Committee seeks to complete the Board's skillsets and considers the candidates' merit based on a balance of skills, abilities, personal qualities, educational qualifications, professional experience, and the diversity of their backgrounds. We are working towards increasing the presence of minority groups and the depth of expertise on NMG's Board of Directors to guide its corporate growth.

Directors have the opportunity to engage directly and regularly with the executive team and key managers within the Company to monitor and guide crucial developmental efforts, projects, and corporate matters. As per tradition, Directors took part in a special two-day site visit to see the Company's facilities, interact with employees, and better grasp the environmental, social, and technological realities of each project.

## Directors' Profile

- 25% are women
- 37.5% have Sustainability experience and 62.5% have Corporate governance skills



## Board Committees

We ensure a continuous review of the Board structure and governance practices to reflect best practices and the Company's evolving nature.

- » **The Audit Committee** assists the Board of Directors in its oversight of the integrity of the financial statements and financial reporting process, the appointment and performance of the external auditor, disclosure, and internal controls, as well as risk management processes. The Committee also provides an avenue for communication between the external auditor, management, and other employees of the Company, as well as the Board of Directors, concerning accounting and auditing matters.
- » **The Corporate Governance Committee** is responsible for the review, development, and implementation of effective corporate governance policies and compliance with legal and regulatory obligations. It assists the Board of Directors in ensuring that it is comprised of directors with the necessary skills to effectively discharge its oversight responsibilities relating to the Company's activities. It is also responsible for assessing the performance, effectiveness and contributions of the Board, Committees, and Directors.
- » **The ESG Committee** provides corporate direction, monitors, and reviews health and safety, well-being, and other management systems, policies and programs, and targets to assist the Board of Directors in overseeing the Company's performance in these areas. It also oversees the Company's initiatives and approach to matters related to the environment, transition to Net Zero and climate change, human rights, Indigenous relations, stakeholder and community engagement, transparency and communication related to sustainability matters, and government relations. It reviews the Company's material reports about ESG performance, including the content of this report.



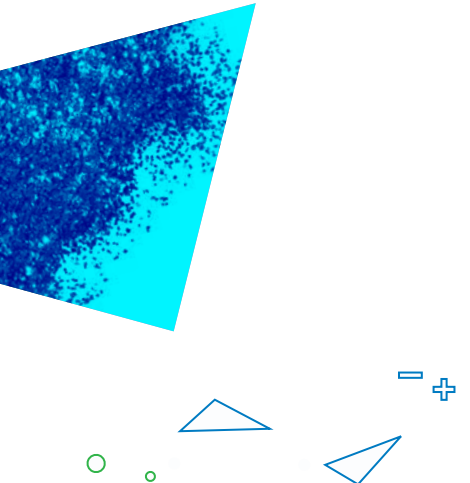
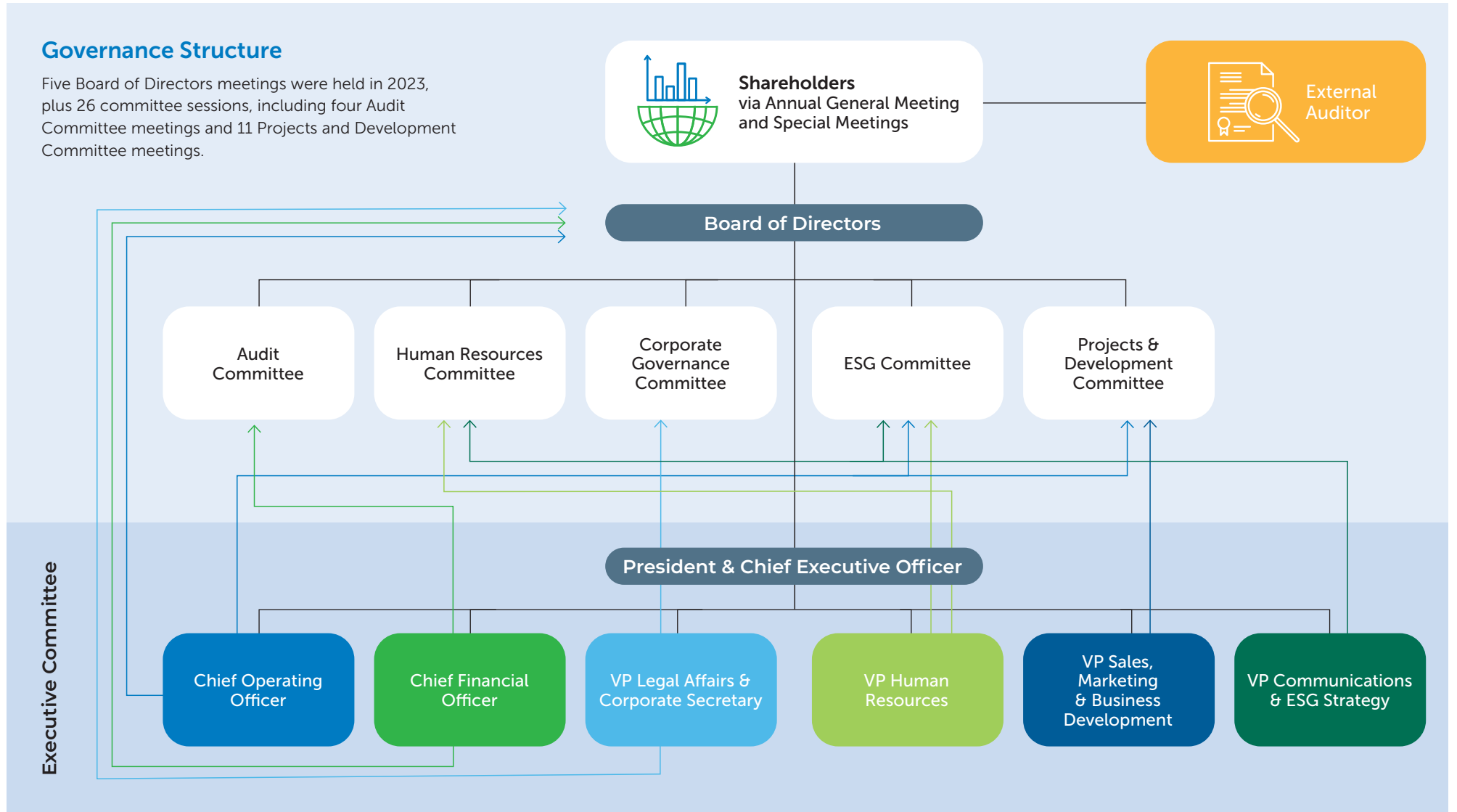
Members of the Board of Directors and the Executive team at the Matawinie Mine during a site tour on the sidelines of Board meetings.

- » **The Projects and Development Committee** works closely with management and oversees the development and construction plans related to its mining and industrial projects. It serves as an "advisory counsel" regarding technical matters and economic considerations related to the Company's projects.
- » **The Human Resources Committee** supports the Board of Directors regarding the compensation strategy and retention of key senior management employees having the skills and expertise needed to enable the Company to achieve its goals and strategies at a fair and competitive compensation. It also looks after the Company's efforts and performance related to diversity, equality, and inclusion.

The Board of Directors oversees ESG risks and opportunities, including climate-related risks and opportunities, mainly at its ESG Committee, at its Human Resources Committee, and at its Audit Committee which is responsible for the enterprise risk management system ("ERM"). These committees meet every quarter, or more often if specific matters arise, and report on their activities and progress to the Board of Directors.

### Governance Structure

Five Board of Directors meetings were held in 2023, plus 26 committee sessions, including four Audit Committee meetings and 11 Projects and Development Committee meetings.





## Management

### Senior Management Team

With a proven track record and innovative mindset, NMG leadership combines the right skillset of strategic management and in-house technical knowledge. Our extended team is dedicated to elevating the Company's performance at every level.

TOP ROW, FROM LEFT TO RIGHT

- 1 **Philippe Legault**  
Vice President,  
Human Resources
- 2 **Marc Jasmin**  
Director, Investor  
Relations
- 3 **Jean Cayouette**  
Vice President,  
Metallurgy & Process
- 4 **Josée Gagnon**  
Vice President, Legal Affairs  
& Corporate Secretary
- 5 **Anoop Singh**  
Vice President,  
Mining Projects
- 6 **Eric Desaulniers**  
Founder, President &  
Chief Executive Officer
- 7 **Patrice Boulanger**  
Vice President, Sales,  
Marketing & Business  
Development

BOTTOM ROW, FROM LEFT TO RIGHT

- 8 **Julie Paquet**  
Vice President,  
Communications  
& ESG Strategy
- 9 **Charles-Olivier Tarte**  
Chief Financial Officer
- 10 **Stéphane Imbeault**  
Vice President,  
Bécancour Project
- 11 **Martine Paradis**  
Vice President,  
Environment & Sustainable  
Infrastructure
- 12 **Bernard Perron**  
Chief Operating Officer



### ESG Direction

Sustainability is fundamental to NMG's business model, driving decision-making and growth.

Reporting to the President and CEO, our Vice President, Communications and ESG Strategy leads efforts to embed sustainable practices across all aspects of our business and empower employees, at every level of the Company, to participate and innovate in that regard.

She is responsible for the identification, management, and mitigation of NMG's impacts on the economy, environment, and people in collaboration with colleagues in Environment, Human Resources, Operations, Finance, and other corporate functions. She leads and supports initiatives across the Company, our communities, and our industry to help us reach our sustainability goals. She accounts for the Company's initiatives, performance, risks, and opportunities at the Board of Directors' ESG Committee as well as Human Resources Committee.

She is supported by our Manager, Carbon Neutrality Program, our Manager, Indigenous Relations, and our Strategic Advisor, Sustainability.

### Engagement

ESG matters are discussed and coordinated with the President and CEO and reviewed with our executive team composed of senior management across all business divisions. NMG's executive team looks after the overall business strategy, oversees day-to-day business activities and operations, and assists the Board of Directors in the fair governance of the Company by identifying strategic priorities and monitoring risks and opportunities.



Julie Paquet leads a discussion with entrepreneurs in the Bécancour region to explain business opportunities and ESG requirements associated with the construction of NMG's Phase-2 Bécancour Battery Material Plant.

The Company sets targets on priority issues, structures ESG efforts via our overarching Sustainability Action Plan, plus tracks implementation and performance with more granularity for certain goals. Policies, programs, and initiatives are presented at employee summits and weekly meetings. These activities help generate alignment and engagement, reinforce our internal culture, and elevate our impact.

NMG aspires to consider its stakeholders' perspectives and interests in managing the Company. Feedback from stakeholders is documented and reflected in the Company's governance framework through its ESG Committee, its Matawinie Mine Monitoring Committee at the community level, shareholder meetings, and active engagement of executives within the Company, communities, and industry.

16 Transparency International, Corruption Perception Index 2023, March 2024

## Regulatory Framework

As a Canadian company operating in a tier-1 jurisdiction with recognized standards, laws, and programs charting extractive industries and general business activities, NMG abides by high standards of corporate stewardship. NMG complies with Canada and Québec's applicable regulations on environmental management, health and safety, human rights, child labor, lobbying, corruption, and taxes among key precepts. Canada ranks 12<sup>th</sup> out of 180 countries independently assessed on their level of perceived corruption<sup>16</sup>.

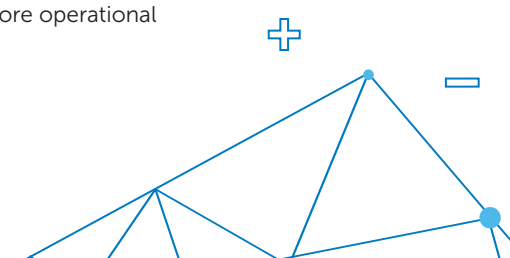
In our jurisdiction, human rights are formalized by Québec's *Charter of Human Rights and Freedoms*, and the *Canadian Charter of Rights and Freedoms*. Québec's *Charter of Human Rights and Freedoms* is a fundamental law that supersedes all other Québec laws, including employment laws regulating working conditions. Prohibited grounds of discrimination under Québec's *Charter of Human Rights and Freedoms* include race, color, sex, gender identity, pregnancy, sexual orientation, civil status, age, religion, political convictions, language, ethnic origin, social condition, and disability. New disclosure requirements were adopted in 2023 under Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. Starting in 2024, the Company will file an annual report demonstrating its compliance with the regulation and efforts to prevent or reduce the human rights risks in its supply chain.

We adopt the *United Nations Declaration on the Rights of Indigenous Peoples* as a framework for collaboration and reconciliation, and apply its principles, norms, and standards to our corporate values and core operational

activities involving Indigenous Peoples and their lands and resources. Refer to the [Indigenous Relations](#) section on p. 41 for further information on NMG's approach and practices in that regard.

Québec legislates GHG emissions and has had a carbon market since 2013, linked to the California market as part of the Western Climate Initiative ("WCI"). NMG has aligned its activities in parallel to this GHG emission cap-and-trade system as it is not subject to this program since its emissions are below the thresholds.

At last, NMG is listed on the TSX.V and NYSE, and thus complies with securities control and disclosure requirements, including *Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings*, to protect shareholders and the general public from errors and fraudulent practices, and to improve the accuracy of corporate disclosures. We have deployed an extensive program to design, test, implement, and audit processes and associated controls across the Company.





# LEADERSHIP IN ACTION

## Business Ethics

NMG 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, its Supplier Code of Conduct, and its Anti-Bribery and Anti-Corruption Policy. It is our policy to conduct business in an honest, fair, and ethical manner. We do not tolerate bribery nor corruption, and we are committed to acting professionally, honorably, and with integrity in all business dealings and relationships.

Employees at all levels of the Company are encouraged to seek guidance if they have questions about how to comply with our values and policies. The Code of Conduct and policies are made available internally to our employees and provided to new employees and Directors, as part of our onboarding process, in addition to being posted on our website for key governance charters and guidelines.

As NMG grows, we are implementing policies and practices to strengthen our commitment to sustainability, transparency, fairness, and equality.

## ✦ PHASE 2 IN SIGHT: SCALING UP FRAMEWORKS

In preparation for our Phase 2 – the Matawinie Mine and the Bécancour Battery Material Plant – we undertook an upgrade of various policies, programs, and mechanisms this year. With forecasts of up to 900 workers on construction sites during peak periods and close to 400 new employees to recruit and train in the coming years, robust systems are required to ensure proper monitoring, standardized practices, effective management, and compliance with regulation.

The Company is set to implement an environmental and social management system aligned with key industry standards such as Towards Sustainable Mining, the International Finance Corporation, the Initiative for Responsible Mining Assurance, the Equator Principles, and the International Council on Mining & Metals.

To this end, we worked on refining our stakeholder engagement strategy, our complaint management policy to include all NMG activities and operations, our emergency

preparedness and crisis management plan, and our environmental programs. We also commissioned an external firm to complete an assessment of the impact of our activities on human rights.

The execution strategy for each site is being detailed with internal Project teams and our pre-construction manager, Pomerleau Inc., to embed these policies and programs into the construction management. Such efforts support responsible operations and provide assurance to our communities, lenders, and customers of our robust ESG framework.



## Accountability

The Company has a Whistleblower Policy and a third-party-managed confidential hotline to report potential violations and unethical conduct.

**0 whistleblowing for violations or unethical conduct in 2023**

**0 incidents of corruption**

**0 legal actions for anti-competitive behavior practices**

To increase transparency around payments made to governments and deter corruption, we comply with Canada’s *Extractive Sector Transparency Measures Act*. This disclosure is publicly available on our website and the Government of Canada’s, in addition to being included in our annual ESG reports.

**In 2023, NMG paid \$421,247 to the municipality of Saint-Michel-des-Saints in relation to taxes and its collaboration and benefit-sharing agreement signed as part of the development of the Matawinie Mine.**

We consistently disclose our lobbying mandates in the Québec's lobbyists registry Carrefour Lobby. NMG employees interact with several government representatives, namely due to the permitting processes for its projects, the vested governmental interests in the Company being a shareholder via its Investissement Québec branch, and both the provincial and federal governments' strategies to develop a battery value chain and promote the extraction and processing of strategic minerals. NMG is also an active member of business and sectoral associations that represent industrial interests.

**No financial or in-kind political contributions were made by NMG in 2023.**

## Risk Management

As any company, NMG is exposed to a number of risks associated with its activities, business environment, corporate strategy, project development, technologies, commercial relationships, regulatory and securities obligations, financial conditions, climate change, etc. NMG has implemented an ERM framework to better monitor its exposure, control its risk position, and shape its strategic approach. Environmental, social, and climate risks are reflected in this assessment. Via the Audit Committee, the Board of Directors along with the management team review annually the Company's risk management plan.

The Company has initiated the gradual integration of the TCFD framework into the assessment, management, and disclosure of its climate risks and opportunities. See the [Climate Resilience](#) section on p. 54 for additional information.

## Responsible Procurement

We value the relationships with our suppliers and contractors as they are critical to the Company's success. In many ways, our suppliers constitute an extension of our business in their interactions with our communities and stakeholders and represent an important lever for environmental stewardship and socioeconomic development. With this in mind, we set clear expectations regarding compliance, business dealings, labor, and human rights, health and safety, protection of the environment, and community and Indigenous engagement.

- **All new suppliers must confirm their adherence to the Supplier Code of Conduct upon starting to do business with NMG.**
- **At year end, 86% of active suppliers had confirmed their adherence to NMG's Supplier Code of Conduct or demonstrated equivalent standards.**



As we transition to the construction of our Phase-2 facilities, special attention is given to our contracting strategy and associated ethical and environmental requirements.

## ✦ DRIVING IMPACT AND COMMITMENT THROUGHOUT OUR SUPPLY CHAIN

Adopted in 2022, our Responsible Procurement Policy, along with several other Company's policies, agreements with community and First Nations, as well as corporate commitments, establishes the foundation for ethical, inclusive, and environmentally responsible business partnerships and purchasing. This policy namely includes a commitment to reducing our carbon footprint, promoting local economic development as well as fostering partnerships with Indigenous communities. At the beginning of the year, employees entitled to make purchase requisitions were trained on our policy to ensure their understanding of and adherence to our commitments.

We have incorporated numerous practices into our procurement process, starting with the mandatory adherence of contractors and vendors to our Supplier Code of Conduct, which dictates high standards for human rights, prohibits forced labor, promotes fair business dealings, and requires health, safety, and environment stewardship.

As the Company advances its development, ESG criteria will be further integrated in the selection and management of suppliers via pre-qualification, incentives for exemplary practices and training on major ESG themes. Control measures such as reporting on key environmental and social indicators, identification of at-risk suppliers, additional qualification requirements and/or audits will also be deployed to ensure full compliance with our standards and regulation such as *Canada's Forced and Child Labour in Supply Chains Act*.

When meeting entrepreneurs ahead of the construction phase, these elements are discussed to ensure businesses can prepare ahead of call for tenders. Our Procurement, Projects, Legal, and ESG teams are actively collaborating in this effort to raise the bar on supply chain engagement. With these measures, NMG is advantageously positioned to ensure responsible procurement across its entire purchasing chain.





# People Centered



# TEAM NOUVEAU MONDE

From plant operations and R&D to administration, environmental management, and engineering, our team unites diverse knowledge, capabilities, backgrounds, and expertise to advance our projects, bolster innovation, and elevate our vision.

A strong purpose, transparent communication, and a healthy work environment are at the heart of our human resources strategy. By supporting training and internships, expanding employees' responsibilities and opportunities, promoting from within, and recruiting new talents, we create opportunities for individuals to thrive and contribute to NMG's success.

## Workforce Profile

By the end of 2023, Team Nouveau Monde was composed of 104 permanent employees, all working full-time.

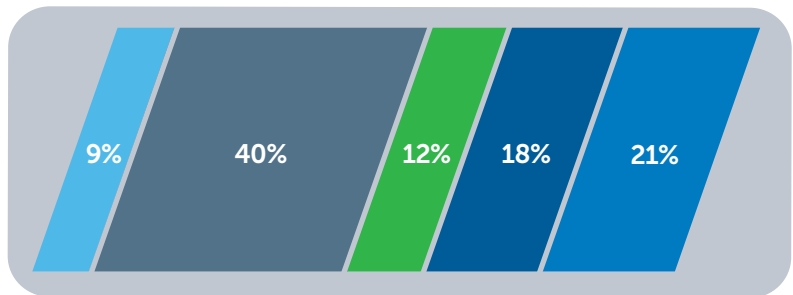
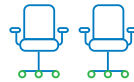
**43%**  
Saint-Michel-des-Saints  
Matawinie Mine



**18%**  
Bécancour Battery  
Material Plant



**39%**  
Corporate offices (Head  
office, Montréal, Québec City  
and working from home)



- Environment & Mining
- Operations
- Laboratory and R&D
- Corporate Services
- Management







NMG is committed to protecting the rights and interests of workers and communities across our business and our entire supply chain. Our recruitment processes are conducted transparently and in accordance with the principles of the International Labor Organization, Québec’s *Labor Code*, Québec’s *Charter of Rights and Freedoms* as well as Canada’s *Charter of Rights and Freedoms*.

In building a performing team, NMG is committed to promoting equal opportunity and employment through local training and recruitment efforts, as well as adapted career management efforts like internships, coaching, continuous learning, and internal promotions. Leveraging the existing pool of labor and proximity to urban centers, we strive to hire locally and avoid “drive-in-drive-out”-type practices as much as possible.

NMG recognizes that attraction, engagement, and retention of human capital pose challenges in today’s tight labor market. We see this challenge as an opportunity to collaborate with our communities to improve services and social infrastructure that can help attract families, partner with educational organizations on developing a pipeline of talents, and reinforce our culture and practices to align with evolving work attitudes. Hence, we have and continue to position NMG as an employer of choice and a purpose-driven company in our communities, industries, and academic circles.

## AN INNOVATIVE APPROACH TO WORKFORCE DEVELOPMENT

NMG collaborated with education and industrial partners in the Bécancour region, which is home to a rapidly growing battery industry including our Bécancour Battery Material Plant, to support the implementation of a customized training program to equip the local workforce with qualifications and training for green processing jobs.

The first cohort of the Attestation of Collegial Studies (“ACS”) program in green tech industrial processes began at the Cégep de Trois-Rivières at the end of January 2024. The paid alternating work-study program spans over 15 months. With a robust curriculum designed around NMG’s and other employers’ specific workforce needs, the program allows students to apply what they have learned at an actual plant, become accustomed to working in an industrial environment, and build relationships with their future colleagues.

We are supporting five students within this first cohort who will work at our Phase-1 plants throughout their training period and are on track to become permanent employees upon their graduation.

This mutualization approach to developing training services echoes the formula that NMG developed with stakeholders in Saint-Michel-des-Saints to create a diploma of vocational studies (“DVS”) in production equipment operation. Launched in 2021, this DVS supports NMG’s training and recruitment efforts for the Phase-1 operations at the Matawinie Mine. A tenth cohort of this program is currently underway; a significant mark of its success and impact!

NMG’s initiative stands as an example to innovative human resources practices ensuring the availability of job-ready professionals and driving significant benefits for businesses and their local communities. Plus, the combination of academic learning and hands-on experience offers an attractive training format for the new generation and workers seeking to enter a new sector.

## Health, Safety and Well-Being

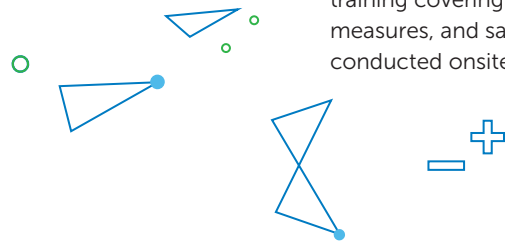
The safety and well-being of our employees, contractors, families, and communities is paramount. Our caring approach underpins our activities and management to guide our decisions, behaviors, policies, and operations to safeguard our people. In that matter, NMG’s safety governance extends from the Board of Directors to the operators via a responsibility framework that drives awareness, alignment, prevention, and action.

We initiated a culture-shaping initiative in 2023 that is set to extend and expand as the Company prepares and launch construction of its Phase-2 sites, and later starts operational readiness planning. As part of a Company-wide training and development session, NMG employees adopted the following culture statement to guide their day-to-day activities and future operations:

### Powering a sustainable future rallies Team Nouveau Monde

**To succeed, we are determined to take care of our colleagues, our partners, our customers, and the planet. Caring is central to our business philosophy. Enhancing the value of graphite by respecting the environment; protecting our colleagues and business partners; creating value for our communities and First Nations; producing safe quality active anode material for our customers and end-users who adopt clean technologies.**

**We are creating a new world – Nouveau Monde – where living and working coincide with powering the future!**



All principles and commitments defined in our Health and Safety Policy apply to our contractors via our procurement and contracting protocols as well as our visitors via site inductions and supervision of tours. While management is ultimately accountable for occupational health and safety, the adoption of safe work practices is a shared responsibility between management, employees, and contractors.

Hence, we promote mechanisms for bilateral communication and active participation in management of health and safety matters. At our Phase-1 facilities, daily toolbox meetings precede each shift and a Joint Health and Safety Committee, composed of employees from different departments and management, meets once a month.

Employees must complete a safety analysis booklet before commencing new tasks. Regular job safety analyses are conducted to update and improve the Prevention Program, ensuring its efficacy in incident and injury prevention. This is essential due to operational variations, contractor/visitor presence, and seasonal factors impacting the working environment. We encourage all employees, contractors, and visitors to report hazards or unsafe conditions. Safety training covering hazard recognition, control measures, and safe work practices are regularly conducted onsite.

We also carry out management review of our health and safety program to assess the effectiveness of our policies and procedures. Based on the review findings, corrective actions to improve our processes and mitigate risks are identified and implemented.

- **In 2023, our Occupational Safety and Health Administration (“OSHA”) recordable incident rate was 3.63 due to minor incidents (slips and falls). The Company is paying increased attention to slippery surfaces and raising awareness and training of workers.**
- **The OSHA recordable incident rate of on-site contractors was 0 for the period.**
- **No fatality, either for NMG’s employees or contractors’ workers.**
- **1,342 hours of training on health and safety provided in 2023.**



In the event of an incident or a significant near-miss, an investigation is conducted to document and evaluate the nature of the event, its causes, and corrective actions. Additionally, a debrief meeting involving all relevant employees, concerned managers, the Chief Operating Officer, and the President and CEO takes place. Quarterly, reports are escalated to the Board of Directors’ ESG Committee.

Considering the nature of our operations, special attention is given to respiratory protection due to the generation of crystalline silica during graphite extraction and transformation processes. Public health authorities were consulted during the program development and periodic third-party inspections are conducted. Additionally, the Company ensures regular medical examinations, particularly focusing on pulmonary health, for employees who interact with our graphite products.





NMG strives to provide employees with a safe, positive, rewarding, and enviable work environment. We are invested in the well-being and development of our workforce. We support a healthy work-life balance and strive to embed adapted measures when possible. We facilitate work-study alternation and offer flexible working hours and a hybrid workplace model for most positions outside operational jobs.

Recognizing that our employees' success is multifactorial, we strive to look after our employees holistically:

- » 100% of our employees are covered by an Employee Assistance Program and have access to telemedicine services, including mental health and well-being consultations, for them and their families.
- » 100% of our employees have a benefits plan, including insurance coverage and health and dental care, that can be extended to their families.
- » Employees, regardless of their gender, have access to a paid parental leave program as per Québec's *Parental Insurance Plan* (18 weeks for a mother, 5 weeks for a father, and 32 weeks to be used by either parent).

NMG offers Company-wide training on its Harassment Prevention Policy, which comprises a mechanism for reporting, investigating, and addressing discriminatory behaviors, including sexual, physical, and mental harassment.

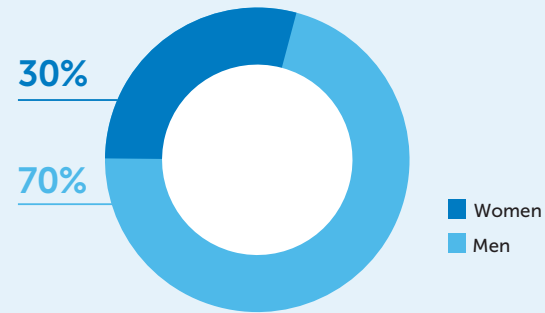
- » 0 complaints of harassment in 2023.

## Diversity, Equity, and Inclusion

We regard diversity as an important driver of our strategy and business performance. As such, we are committed to creating an inclusive and culturally safe environment for minority groups. Our diversity data is collected through a voluntary self-identification survey<sup>17</sup>.



### Percentage of Employees by Gender<sup>18</sup>



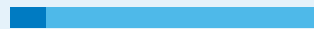
#### Environment and Mining

44% women / 56% men



#### Operations

11% women / 89% men



#### Laboratory and R&D

50% women / 50% men



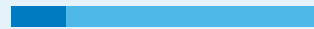
#### Corporate Services

67% women / 33% men

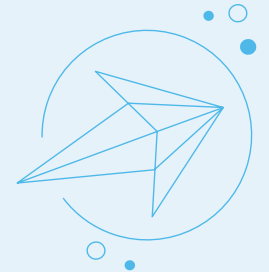
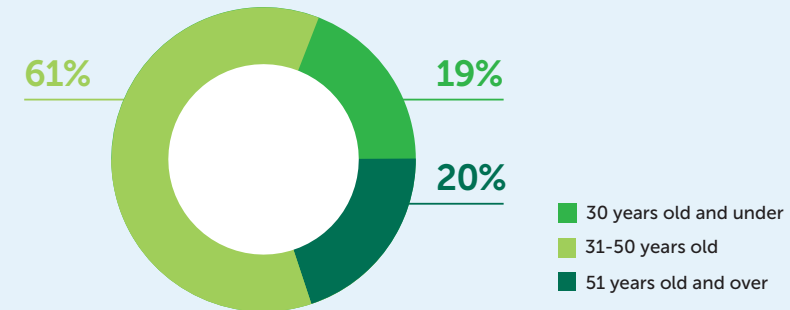


#### Management

18% women / 82% men



### Percentage of Employees by Age Group



### Some key indicators of our team's diversity

**4%**  
of employees have a disability

**3%**  
of employees identify as Indigenous

**3%**  
of employees identify as an ethnic minority<sup>19</sup>

**12%**  
of employees identify as a visible minority<sup>20</sup>

<sup>17</sup> Our response rate is currently 96%; some of our employees have chosen not to provide such information. To remain transparent, we choose to calculate our diversity indicators based on our total employee population. This means that the representation of our minority groups may slightly differ

<sup>18</sup> Binary gender data represented as a result of having no employee having identified themselves otherwise

<sup>19</sup> Persons, other than Indigenous or visible minority persons, whose first language is neither English nor French

<sup>20</sup> Persons, other than Indigenous, who are non-caucasian in race or non-white in skin color, regardless of place of birth or citizenship



## ✚ CURIOSITY AND ADAPTATION: MADHU'S REMARKABLE JOURNEY

Born in India, Madhu Prabha embarked on her academic journey at the age of 17, leaving her homeland to pursue higher education in the UK. Facing the challenges of a new culture and an unfamiliar environment by herself, Madhu displayed courage and determination that set the foundation for her career.

From there, Madhu ventured to Canada to pursue a Master's degree in Aerospace Engineering at McGill University. A year after her graduation, she joined Team Nouveau Monde, ignited by our sustainable values and keen to have a positive impact on the planet. Since then, Madhu has flourished at NMG, where she has progressed from the R&D team to Research Manager in processing, then Process Lead, Battery Materials and now Associate Technical Director, Battery Materials, in addition to being the technical resource for clients. Her adaptability and intellectual curiosity have led her to delve into mining and battery materials, and assume a leadership position, while learning French through classes offered by NMG.



As an engineering graduate, Madhu thinks that:

**“One should not hesitate to step out from their comfort zone and seize opportunities without fearing the accompanying challenges, as it is the obstacles that make one stronger!”**

This philosophy has guided her in her life's journey from India to Canada.

Madhu highly values the opportunities and growth NMG has provided and looks forward to continuing to contribute to the green transition.

The Company recognizes that a balanced representation of minority groups in management positions is supportive of driving change and fostering the development of proactive and engaged leaders at every level of the organization. We intend to continue progressively expanding diversity representation across the Company, with special attention given to the Board of Directors and Senior Management Team composition.

Throughout 2023, we continued our efforts to implement the initiatives outlined in our Diversity, Equity and Inclusion (“DEI”) action plan, focusing on corporate culture, training, recruitment, retention, and inclusion.

- » Training on Indigenous realities and unconscious prejudices offered to all employees.
- » Systematic inclusion of content related to diversity, equity, and inclusion topics in our internal communications to promote the benefits of a truly open workplace.
- » Participation to an international recruitment mission in collaboration with Québec International and its partners, to support the recruitment of specialized manpower from Morocco for our Bécancour Battery Material Plant.
- » Representation of our diverse workforce in corporate material. For example, the revision of our Careers web page to feature career paths of people from diverse backgrounds at NMG.
- » New web page translated into Atikamekw and Innu-Aimun for Indigenous candidates seeking employment or training and adapted application form for candidates.
- » Organization and promotion of thematic cultural activities (e.g., National Indigenous People Day, Manawan Pow Wow, Women’s Day, national celebrations of our employees’ ethnic communities, and more).
- » Meetings with local, Indigenous, and non-Indigenous entrepreneurs to foster business opportunities with various groups.

## Learning and Professional Development

We are committed to offering our employees a stimulating work environment where entrepreneurship, initiative, professionalism, and leadership are encouraged and recognized. NMG sets up career management mechanisms that enable learning, professional development, and internal promotion opportunities to ensure employees reach their full potential. Through on-site training, all-staff conferences, and continuous education, employees are offered multiple opportunities to learn and develop their competencies.

**14,981 hours dedicated to development training in 2023, representing about 7.6% of payroll expenditures reinvested into our people.**

**4,919 hours of training were also provided to interns and students at our facilities.**

Throughout the year, we support the development of employees through goal setting, supervision, coaching, and special projects. NMG's performance review process ensures effective management of both organizational and individual performance, clarifying each employee's role and contribution to our objectives. At the beginning of each year, employees and their manager discuss achievements, technical skills, and engagement at work and define performance objectives to set expectations for the year to come. Managers provide constructive feedback and guide employees toward relevant training opportunities to address skills gaps if needed.

### + MEET JONATHAN: BETTERING SKILLS, PROCESSES AND LEARNING

A proud resident of the Mauricie region which is home to the fast-developing Québec battery industry, Jonathan Daneault joined Team Nouveau Monde in 2022 after more than a decade in the machinery sector. His motivation stemmed from the emerging energy transition landscape.

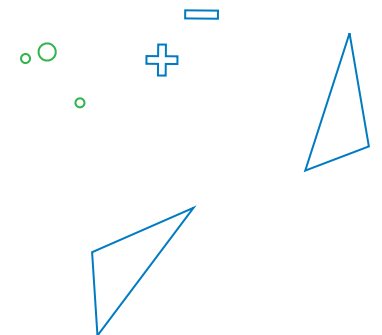
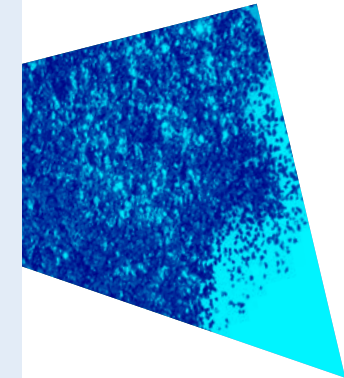
As a Process Development Operator, Jonathan supported the production optimization efforts at our Phase-1 purification plant in Bécancour. Working in a startup environment has given him the opportunity to put forward his ideas for the development of the Company's processes and learn new skills along the way.

His natural leadership and expanding knowledge of our technologies and operations quickly shined through. Jonathan is now supporting training activities at our Bécancour plant, from onboarding and shadowing new employees to supporting cursus-based teaching via our work-study programs in collaboration with educational local institutions.



**“What stimulates me the most about my job is the opportunity to train and mentor students in the professional and collegial training programs that NMG is supporting, develop something new, and enjoy the fresh perspective that comes with it.”**

He is especially proud of contributing to the development of the battery sector, which is of great benefit to his region.



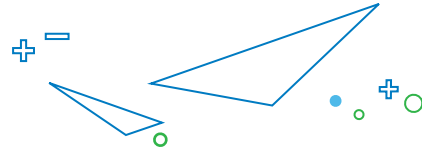


# STAKEHOLDER ENGAGEMENT

Our projects are embedded in different and dynamic territories, marked by unique heritages, communities, interests, and priorities. We promote a tailored approach to stakeholder engagement, respectful of First Nations' rights and context on their ancestral land, and drawing citizens, community and environmental groups, elected officials and governmental branches, business owners, socioeconomic organizations, etc., into proactive consultation and continued communication.



NMG sponsored six brave participants from the Manawan community for the First Nations Expedition, a 3,230-km snowmobile journey across Québec promoting a message of reconciliation and paying tribute to children from residential schools, missing Indigenous women, and the late Joyce Echaquan.



## Community Outreach

NMG makes it its responsibility to be transparent and proactive with local stakeholders. We promote an open-door policy and set-up multiplatform mechanisms for individuals and organizations to access information and engage with our team.

To inform the development of the Matawinie Mine, the Bécancour Battery Material Plant, and the Uatnan Mining Project, we have organized and taken part in over 120 information activities, including public sessions, consultations, and open-house events, since the early exploration phase. We strive to adapt our engagement strategy to the cultural and social realities of residents, First Nations, cottage owners, organizations, and environmental groups, with the objective of fostering transparent and constructive dialogue.

Developed with the Monitoring Committee, Complaint Management Policy provides citizens with a robust framework for grievance mechanism for comments and complaints associated with our operations. All complaints received are recorded in the Company's complaints register and reviewed at the Matawinie Mine Monitoring Committee meetings. A quarterly summary of the complaint register is made available on the Company's website.

**0 complaints and 3 formal requests for information in 2023**

NMG is also an active participant within local communities and associative networks where our projects are located, working to advance training, employment and economic opportunities associated with our operations and support regional priorities. We seek to create synergies and improve our communities' quality of life.





## Matawinie Mine

In addition to Company-led consultation efforts, NMG presented the Matawinie Mine project at Québec's Bureau d'audiences publiques sur l'environnement ("BAPE") public hearings, an independent commission responsible for consulting stakeholders and assessing the project based on sustainability principles. Following the governmental environmental assessment procedure and BAPE process, we have implemented continued engagement activities and follow-up mechanisms to monitor and communicate our progress regarding our obligations and commitments.

In the heart of the Saint-Michel-des-Saints village, NMG has established its headquarter and a community office. Our Community Relations Manager is on-site on weekdays to meet citizens, contractors, potential employees, and local partners who may stop by seeking information. A showroom with informational posters, a 3D model of the mine site, videos, drill cores, graphite samples, and documentation on the project is accessible to visitors.

Since 2017, a committee has been overseeing the progress of the Matawinie Mine. Composed of residents, business representatives, and community organizations, the committee plays a pivotal role in helping NMG address stakeholders' concerns and identify areas for improvement as the project advances. The committee serves as both an advisory body and a platform for monitoring NMG's environmental and social practices; it will continue its activities until the post-closure monitoring phase of the mine.

- » Four meetings held in 2023; minutes from the committee meetings are public on NMG's website.
- » Subjects reviewed and monitored include: project development, monitoring program, community relations, complaints, environmental protection, and territory integration plan.
- » 90% of committee members are satisfied with the format, themes, and management of the committee. The attendance rate at committee meetings is 85%.

In 2023, we initiated the process to request an amendment to the government decree to clarify certain operating conditions for the Phase-2 mining operations. Proactive communications along with an information and consultation activity were organized to present the requested changes and collect feedback from local stakeholders. A special consultation was held with the Monitoring Committee. No major issues arose from these activities.

In 2020, NMG signed a collaboration and benefit-sharing agreement with the municipality of Saint-Michel-des-Saints. This agreement entails:

- » annual advance contributions to prepare and upgrade the municipality's infrastructures in anticipation of the Matawinie Mine commercial-scale operations;
- » as of commercial operations, annual payments of up to 2% of the Matawinie Mine's net after-tax cash flows for reinvestments in the community;
- » liaison mechanism to drive collaboration and local benefits;
- » financial contribution to a Community of the Future Fund, which will serve as a catalyst for structuring development projects beyond the mine's life.

An involved corporate citizen, NMG takes part in local festivities and community campaigns, an effective way to reach and inform citizens about our projects and play an active social role.



## Bécancour Battery Material Plant

At the heart of the Government of Québec's battery hub, we are furthering efforts to build relationships with the regional community to underpin our Phase-2 Bécancour Battery Material Plant. Simultaneous active and announced industrial projects from GM-Posco, Ford, Nemaska Lithium, Air Liquide, Vale, and Electra Battery Materials, to name a few, create a backdrop of organized and rapid expansion of the industrial park.

Our interactions with elected officials, the W8banaki First Nation, industrial partners, business organizations, citizens, and community groups confirm a positive context for NMG's plans and help identify opportunities for targeted and coordinated efforts.

Maximizing contracts for local businesses is among the top priorities; the Centre-du-Québec and Mauricie regions boast a large pool of specialized contractors in construction and industrial services along with a variety of suppliers that provide a range of products and services. NMG has met with over 300 companies in 2023 and early 2024 to promote business opportunities, determine regional capabilities, and present our ESG requirements and procurement process.

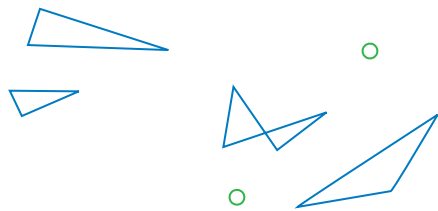
Our ongoing collaboration with municipal, academic, and community entities reflects our dedication to assisting in the development of necessary social infrastructure and educational programs to support regional growth (see [An Innovative Approach to Workforce Development case study](#) on p. 33).



## Uatnan Mining Project

In early 2023, NMG published a preliminary economic assessment updating and expanding plans for the Lac Guéret deposit. Through visits and meetings in Baie-Comeau community and communications with the Pessamit community, we gathered feedback from local organizations and leaders, established a dialogue as the new developer of the Uatnan Mining Project, and informed stakeholders of the next steps in the project development. Participation and engagement at these meetings were positive with frank discussions.

We maintained contact with stakeholders from the Manicouagan region as the Company advanced acquisition of the Uatnan Mining Project. We are committed to maintaining active engagement and timely communications with the milieu throughout the next development stages. The Company prioritizes the signature of a pre-development agreement with the Innu First Nation of Pessamit.



## Indigenous Relations

NMG is committed to meaningful engagement with Indigenous Peoples, communities, and organizations where we operate to build long-term trusting and mutually beneficial relationships based on the values of respect, inclusion, sustainability, and accountability.

We recognize the deep connections that Indigenous Peoples have to the land, waters, territories, and resources. Respect for the rights of Indigenous Peoples, recognition of their traditional knowledge, participation in environmental stewardship, and collaboration to ensure positive outcomes from our projects are at the core of our engagement with Indigenous Peoples, communities, and organizations.

## First Nations Engagement

NMG seeks to fully inform Indigenous communities and consult them on the likely impacts and opportunities arising from our activities, including early and timely consultation at every stage of our projects, with a view to obtaining their free, prior, and informed consent for our proposed development.

The Matawinie Mine is located on the municipal territory of Saint-Michel-des-Saints, situated in the large ancestral Atikamekw Nehirowisiw Territory, the Nitaskinan. The mining site is located 85 km from the Manawan community of the Atikamekw First Nation.

- » NMG has signed a framework agreement (2018) and a pre-development agreement (2019) with the Atikamekw Nation Council and the Atikamekw Council of Manawan.
- » Throughout the year, we made significant progress toward the finalization of the impact and benefit agreement (“IBA”) for the commercial phase of the Matawinie Mine to structure collaboration and monitoring mechanisms, as well as maximize social and economical benefits.
- » We are already deploying efforts to promote training, employment, and business opportunities as intended in the IBA’s ongoing discussions.

The Bécancour Battery Material Plant will be located in the industrial park of Bécancour, situated on Ndakinna, the traditional Abenaki Indigenous territory, 5 km from the Wôlinak First Nation community. Several meetings were held with representatives from the First Nation to learn more about the People’s heritage, interests, and culture, to inform the development of NMG’s project, and to foster a relationship.

- » W8banaki, the Tribal Council for the Abenaki First Nation’s two communities, conducted the archaeological study for our industrial site in 2022.
- » Collaboration channels are in place to support engineering, environmental management, and pre-construction activities.

The proposed Uatnan Mining Project is situated in the Côte-Nord administrative region, approximately 285 km north of Baie-Comeau, on the Nitassinan of Pessamit, the ancestral territory of the Innu First Nation of Pessamit.

- » We initiated contact with the Band Council in late 2022 and worked with designated collaborators to find a new name for the project, reflective of the rich Innu heritage and the deposit’s presence on the Nitassinan.
- » NMG aspires to build and formalize its relationship with the Innu First Nation of Pessamit via a pre-development agreement that would guide the project’s development.

We value our relationships with Indigenous Peoples; we strive to maintain and develop harmonious and constructive relationships with the communities impacted by our activities.

## + REMOVING BARRIERS & OPENING CHANNELS FOR OPPORTUNITIES

Translating intentions to results requires targeted efforts to review processes, communication, and systems in place. In that sense, our Indigenous Relations Manager works with teams internally and First Nation representatives to build bridges for Indigenous workers and business owners.

Special measures include a dedicated career web page, with content in Atikamekw and Innu-aimun, to promote opportunities and facilitate applications to paid training programs or job offers. We also systematically post all opportunities with Indigenous labor integration networks and the Manawan Employability Officer for distribution. NMG provides posters partly translated in Atikamekw for their bulletin board and the community's Facebook page.

Additional measures include: individualized support throughout the recruitment and onboarding process, access to housing, transport for medical and education check ups, financial support for transportation costs between Manawan

and Saint-Michel-des-Saints, access to paid training if required, and flexible holiday periods to accommodate cultural sensitivities.

Every year, we take part in the Career Day at Otapi High School in Manawan. NMG representatives present students and adults looking for work with the job profiles related to our project, encourage them in their schooling and discuss additional training opportunities. Young Indigenous and non-Indigenous NMG employees participate in the activity so they can be role models for the youth in Manawan.

NMG also organizes site visits for high school students, community members, partners, and elected officials.

The Company is also committed to bringing economic benefits to Manawan's entrepreneurs and community. We collaborate with the *Société de développement économique de Manawan* to present business owners with progress on the Matawinie Mine and discuss our future needs.



Operators Kim and Ewan, the latter being from the Atikamekw First Nation, take part in the career fair with HR Director Daniel.





Operator Daynius reads an Indigenous novel, part of our Indigenous Peoples' literature initiative, during his break at our Phase-1 Bécancour plant.

### Corporate Engagement

Our engagement to meaningful relationships with Indigenous Peoples requires alignment across the Company. Words we use. Leadership. Hiring practices. Recognition of the environment beyond science. Procurement mechanisms. We strive to review and enhance every aspect of our business to create an inclusive environment and increase Indigenous participation in our projects while keeping with the interests, priorities, and capacities of Indigenous communities, workers, and contractors.

- In 2023, 3% of our employees identified as Indigenous.
- 1.4% of our suppliers were Indigenous-owned and/or reported actively hiring Indigenous workers.



A member of the ESG Strategy team, our Indigenous Relations Manager is positioned as the point of contact with Indigenous communities and our internal lead on this question. Having a dedicated resource is essential to building an integrated and coherent approach with Indigenous Peoples. She is tasked with deploying our outreach program, strengthening our relationships with First Nations, and supporting internal teams in embedding better practices that support inclusion and retention, adaptive measures and facilities, awareness training, and meaningful engagement.

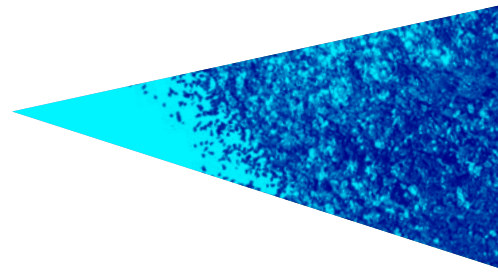
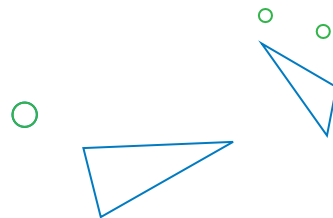
Educating our employees is central to our approach. This year, all employees were invited to undergo training courses on Indigenous realities, either via the *Les Saisons des peuples* (Peoples' Seasons) provided by the Université du Québec en Abitibi-Témiscamingue ("UQAT") or a cursus built with Indigenous consulting firm Ashukan Institute.

- At year end, 95% of the staff had completed their training.



These courses have been greatly appreciated by our employees, enabling them to discover various Indigenous cultures and deepen their knowledge. Training will be offered to new staff in 2024.

We also maintain a curated list of recommended books, podcasts, movies, TV series, and media for employees keen on exploring further. At each site, a physical mini-library of Indigenous Peoples' literature enables staff to borrow a book during their lunch break or bring back at home.



## Local Benefits

We strive to maximize the economic contribution of our operations and projects development in local communities through direct purchasing or procurement strategies.

Since 2017, NMG has conducted regular information activities for contractors and suppliers to promote business opportunities and educate providers about NMG’s environmental, health and safety, and social standards (see the [Bécancour Battery Material Plant](#) sub-section on p. 40, under [Stakeholder Engagement](#) on p. 39, for additional information). Special sessions have been organized specifically for the Atikamekw First Nation.

Through our tendering process and Responsible Procurement Policy, we actively encourage our suppliers and contractors to adopt sustainability best practices, including hiring local and Indigenous workers and partnering with local and Indigenous contractors as much as possible.

Through our Donations and Sponsorships Program, we also support the development and well-being of the communities with which we collaborate by supporting projects, initiatives, and causes that contribute to socio-economic development, education, the advancement of our business sectors, and the energy transition.

NMG contributed \$109,247 in donations and sponsorships to local organizations and activities. This financial support contributes to the realization of a host of projects, from an electric motorcycle and bicycle showcase in Saint-Michel-des-Saints, to young Atikamekw girls field hockey in Manawan and a museum and cultural space in the Bécancour region. We are also proud of continued partnerships to help sustain activities such as the *Festival Saint-Zénon sur Glace* and the *Festival de Manawan* (music festival). These events bring people together and make a difference in their communities.

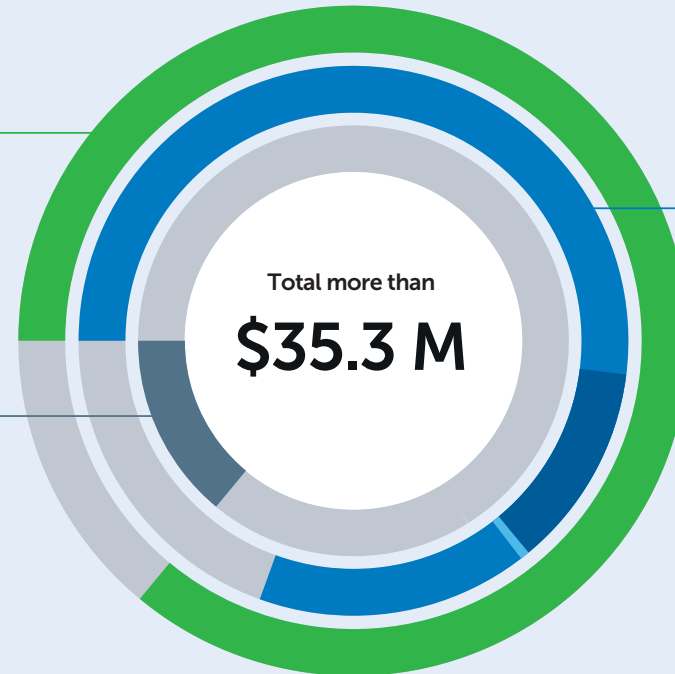
## 2023 Procurement Profile

**\$30.3 M**  
(86% of total expenses)

to **Canadian suppliers**

**\$5 M**  
14% of total expenses

to **international suppliers**



**\$27.7 M**

79% of total expenses

in contracts awarded to **regional suppliers in Québec** including:

**\$4.9 M**

in contracts directly within our communities (14% of total expenses)

**\$40,751**

to Indigenous businesses (0.12% of total expenses)

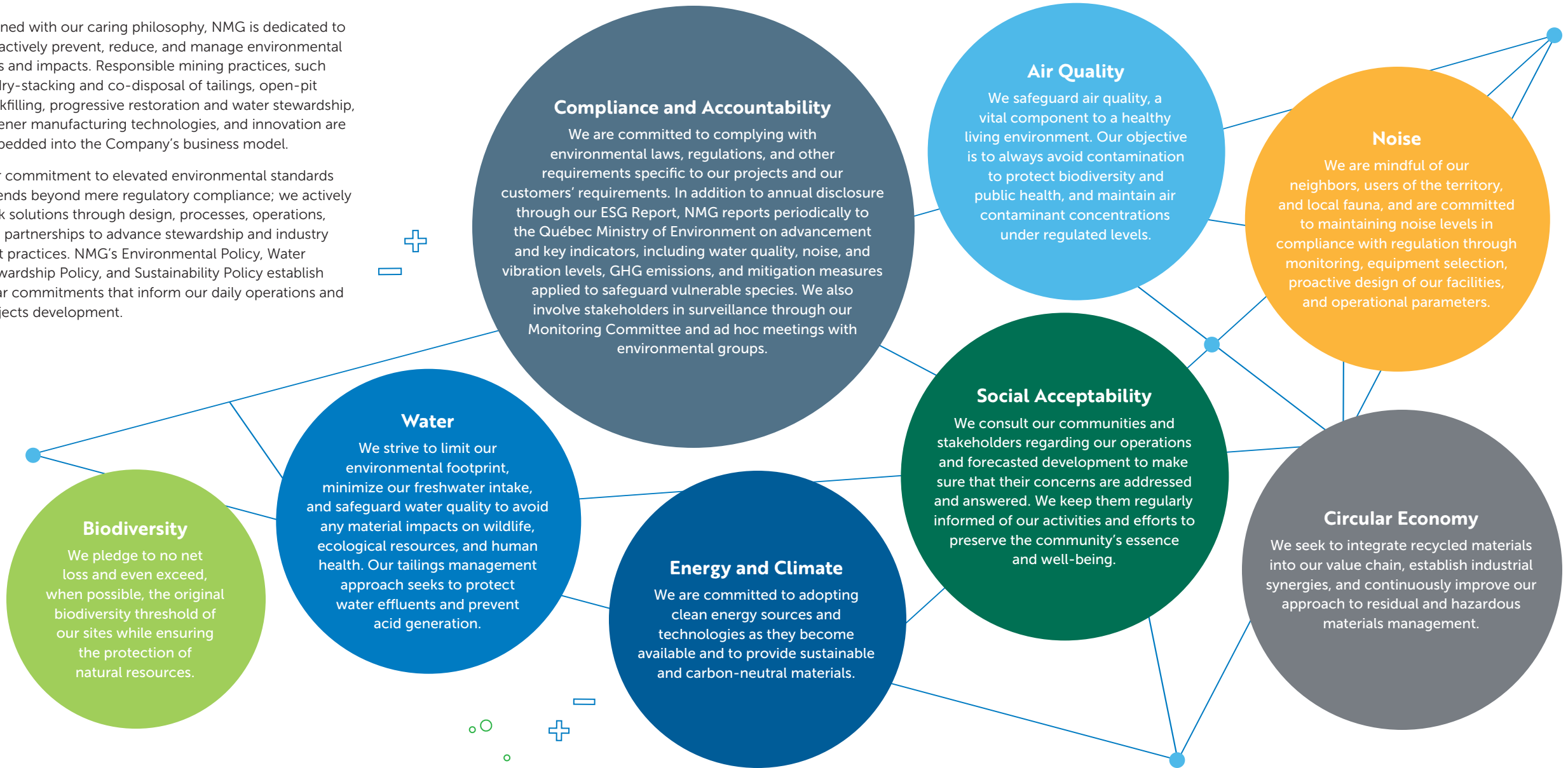




# Environmental Stewardship

Aligned with our caring philosophy, NMG is dedicated to proactively prevent, reduce, and manage environmental risks and impacts. Responsible mining practices, such as dry-stacking and co-disposal of tailings, open-pit backfilling, progressive restoration and water stewardship, greener manufacturing technologies, and innovation are embedded into the Company's business model.

Our commitment to elevated environmental standards extends beyond mere regulatory compliance; we actively seek solutions through design, processes, operations, and partnerships to advance stewardship and industry best practices. NMG's Environmental Policy, Water Stewardship Policy, and Sustainability Policy establish clear commitments that inform our daily operations and projects development.





# ENVIRONMENTAL MANAGEMENT

Assessing, documenting, and addressing the potential impacts of our operations on the environment constitutes the first step in establishing a sound and comprehensive management approach.



## Project Design

The Company filed the Environmental and Social Impact Assessment (“ESIA”) for the Matawinie Mine in 2019. Recognizing that a mining project would have impacts of varying intensities on the physical, biological, and human environment, the ESIA informed avoidance strategies in the design of our operations and provided mitigation measures to limit repercussions in the vicinity of the mine site.

On this basis and within the ESIA process, the BAPE carried out a public examination of the project’s benefits and impacts, design parameters, and integration within the community. The Québec Government issued a ministerial decree that authorized the Matawinie mining project in 2021. It includes mandatory mitigation measures for all phases of the project, from design to mine closure, and reporting requirements on the progress of these measures. A table outlining our mitigation efforts is available on our website and updated twice a year.

For the Bécancour Battery Material Plant, NMG conducted a complete environmental baseline study and an archaeological study of our 200,000-m<sup>2</sup> land located within the industrial park.

Following the publication of the PEA for the Uatnan Mining Project, NMG plans to prepare a feasibility study as well as ESIA to support the project development.

## Intendance and Surveillance

At our Phase-1 facilities and construction sites for our Phase-2 operations, we closely oversee activities through authorizations’ conditions and our environmental protection program which also extends to our contractors. Employees and contractors’ workers receive training on the program. It entails directives and protocols for:

- » Control and treatment of drainage water from the site, and protection of waterways and wetlands;
- » Soil and groundwater protection;
- » Water discharge and groundwater monitoring;
- » Tree clearing management and valorization;
- » Wildlife protection, monitoring, and supervision for additional measures in the presence of special status fauna or species;
- » Noise level and vibrations;
- » Dust emissions and discharges related to the construction site;
- » Management of fuels and hazardous materials;
- » Waste management;
- » Management of excavated soils;
- » Protection against accidental spills and spill management;
- » Proper operation of sanitary facilities.

Our Environment Team is on-site daily to oversee the application and respect of our program, monitor indicators, identify opportunities for improvements, and analyze potential risks and shortfalls. During construction activities, a representative of the Environment Team participates in worksite coordination meetings and ensures the implementation of the program.

- **In 2023, NMG maintained its major environmental incidents track record at 0, meaning no non-compliances with environmental laws or regulations.**
- **NMG inventoried 9 minor spill incidents<sup>21</sup> at its Matawinie site; all contaminated soils were managed by our contractor in collaboration with our Environment Team, in accordance with applicable laws and regulations.**



21 Our minor spills ranged from 0.1 L to 140 L. Spills mainly consisted of hydraulic oil, diesel, antifreeze, and engine oil. Spills are collected and managed according to spills procedure

## Water

We consider water as a form of collective wealth. Safeguarding water quality to avoid any material impacts on wildlife, ecological resources, and the human environment is vital to us, our local communities, and our stakeholders.

- In 2023, we adopted a Water Stewardship Policy that sets out guidelines on governance, water management, and collaboration with stakeholders for water protection and preservation. It complements our Sustainable Development Policy and Environmental Policy.



The Matawinie Mine, the Bécancour Battery Material Plant, and the Uatnan Mining Project are all located in regions with abundant water resources, in low-risk water stress zones<sup>22</sup>.



David, Environment Technician at the Matawinie Mine, starts pumping operations at our Phase-1 water treatment plant.

## In a Mining Setting

NMG developed an integrated water management system that meets the highest standards of tailings management and water protection for the Matawinie Mine. Our tailings management approach is designed to prevent acid mine drainage and potential water contamination at our mine site in accordance with best such as the Canadian Mining Association’s Towards Sustainable Mining protocols, ICMM’s Global Industry Standard on Tailings Management, the International Network for Acid Prevention, and the Mine Environment Neutral Drainage Program (Canada).

Through a system of ditches and basins, water from all sources (precipitation, surface water, and groundwater) that may have been in contact with the Phase-1 site is collected and directed to the collection and polishing basins for treatment. Once the water is treated and tested to confirm compliance with regulatory standards, it is released into the receiving environment.

- 100% of water discharge at our final effluent followed the quality criteria of Québec’s Directive 019 on the Mining Industry.



We also developed a robust water quality monitoring program to ensure that our activities have no negative impacts on the receiving environment. The program is structured on the sampling of several observatory wells upstream and downstream of our facilities, as well as sampling from wetlands, and nearby lakes and water streams. All samples are analyzed by an accredited external laboratory based on 39 different chemical and physical parameters.

Adapted protection and monitoring measures are also deployed in parallel at the adjacent Phase-2 site to ensure that water quality is maintained and meets Directive 019 requirements during the construction phase.



22 Aqueduc Water Risk Atlas, World Resources Institute, 2023



### GROUNDWATER MONITORING

At the Phase-1 site, semi-annual groundwater monitoring during spring and summer captures water level fluctuations and water quality in the 10 monitoring wells. In preparation for the Phase 2, 37 observatory wells provide a comprehensive baseline of groundwater quality in the area before our commercial operations. The study area covers the Matawin River sub-watershed about 3 km north of the site, encompassing the entire Saint-Michel-des-Saints region, and includes points where underground water passing through the site meets surface water (wetland). NMG also offers to nearby citizens the possibility of monitoring their private wells on a voluntary basis.

### SURFACE WATER MONITORING

We analyze 13 sampling points in lakes and water streams three times a year during summer and fall. Having started our monitoring program as early as our Phase 1 and construction phases enables us to collect data on the quality of the natural aquatic environment that could help assess any degradation throughout the mine lifecycle.

### WATER MANAGEMENT

Our philosophy emphasizes water reuse to minimize freshwater intake. While our processes are not water-intensive, we carefully manage water and adopt a precautionary approach in engineering. Our Phase-1 unit already relies on a water recirculation circuit for the concentration process. Hence, freshwater input is only required to compensate for water losses caused by evaporation in the process and the water contained in the tailings pore. Precipitation from both the mining site and the dewatering pit will be prioritized as the water source for the concentrator during our Phase-2 commercial operations.



Aerial view the Eau Morte Creek south of the Matawinie Mine captured by our Environment Team during a surveillance round of the ecosystems and wetlands near the final effluent.

### In an Industrial Setting

At our Phase-1 purification plant in Bécancour, water is primarily utilized in our gas treatment to capture chloride and sulfur from the process. The resulting process water is currently stored in a basin awaiting disposal by a wastewater service provider.

For our Phase-2 Bécancour Battery Material Plant, our water management plan is centered on water recycling. The majority of our process water will be reused in a closed loop system, with efforts to recover the remaining quantity for valorization by a third-party facility. Continuous discharge of industrial wastewater is not planned. Aside from water in solid waste from the filter press, the only runoff from the commercial project site would be rain and snowmelt, managed through drainage and collecting basin systems flowing towards the effluent and existing watercourses.

The environmental baseline assessment for the land of our Phase-2 Bécancour Battery Material Plant site confirms that soil quality meets industrial use standards and underground water meets all criteria with low contamination risk. Before tree clearing and preliminary works, additional soil sampling was carried to meet soil characterization guideline in areas of anthropogenic origin. Results shows three soil samples with results greater than criterion B of the Intervention Guide. All soils on site meet the levels applicable to the zoning of the site as well as the planned future activities of the site.



## Biodiversity

Biodiversity and related ecosystem services are essential for our planet’s integrity and play a significant cultural, spiritual, or economic role for our stakeholders. We aim to preserve ecosystems by using the mitigation hierarchy and strive to adopt a management approach that is nature positive.

We used environmental assessment and studies as the primary tool to identify valuable ecosystems and reduce our impacts on biodiversity, mainly by avoiding sensitive habitats and implementing mitigation measures for the most vulnerable species. Focus was given to threatened, vulnerable, and at-risk species as per Québec’s legislation and Canada’s *Species at Risk Act*<sup>23</sup>. These studies were proactively shared with concerned First Nations to complement the assessment with traditional knowledge when possible and identify species of cultural significance that would require additional mitigation measures.

- » Prior to initiating tree clearing at our industrial greenfield for the Phase-2 Bécancour Battery Material Plant, our team and our contractor’s forestry engineer accompanied a W8banaki territory guardian to walk the site and identify the presence of black ash, a species valued by the W8banaki Nation.
- » A complimentary habitat classification respectful of the International Finance Corporation’s Performance Standard 6 was completed this year. NMG plans to share biodiversity data with the Global Biodiversity Information Facility and relevant data repositories.



Kevin, Environment Director, Mining, participates in a biodiversity site visit with a W8banaki territory guardian.

Engineering of our facilities and associated infrastructure is carried out to limit the footprint on the natural environment to a minimum. Construction schedules and the mining plan are also optimized to reduce the impact on ecosystems, respect nesting seasons, and delay land use changes until the phase of activity requiring it.

Our Environment Team regularly calls upon the expertise of local biologists to supervise active searches for nests and/or the presence of vulnerable species. These searches are also an opportunity to provide training to our Environment Team, who in turn ensure the training and surveillance of our contractors.

**No threatened, vulnerable, or at-risk species were identified during construction activities.**

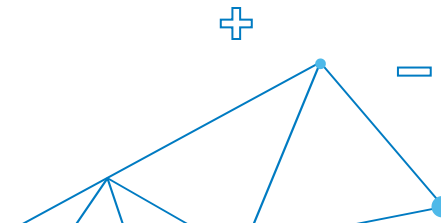
As per our restoration and remediation plan for the Phase-2 Matawinie Mine, we project to cover the co-disposed tailings stockpiles using capillary barrier capping and vegetation as soon as Year 4 of commercial operations, followed by the progressive backfilling of the pit as of Year 7. In anticipation of this progressive reclamation, NMG launched multiple environmental initiatives:

- **Hydroseeding testing project on our pilot-test cells along with access road embankments to evaluate the effectiveness of various mixes of native plant species and find the best formula for the vegetation of the different zones to be reclaimed.**
- **Willow plantation to secure a future biomass deposit. These fast-growing shrubs that can be transformed into mulch for soil restoration and regenerate themselves once cut down allowing for a constant blooming plantation.**
- **Windrow composting of forest residues and topsoil from tree clearing and soil stripping at our construction site. Slow and organized degradation of forest residues can generate a mix of organic soil matter rich in nutrients (see the [Reimagining Mining Restoration case study](#) under the [Tailings and Waste](#) section on page 51).**



Via our Climate Action Plan, we also seek to advance nature-based solutions to proactively offset the emissions that could not be avoided.

<sup>23</sup> A detailed list of identified threatened, vulnerable, and at-risk on-site species is available in NMG’s 2021 ESG Report





## Tailings and Waste

We have designed our projects with a view to limiting waste generation and properly managing waste material, with particular attention to tailings in a mining context.

For our Matawinie Mine, we developed a tailings management approach that avoids the use of dams to prevent long-term environmental liabilities, reduce the infrastructure’s footprint, and prevent acid mine drainage, in line with industry best standards<sup>24</sup> and stringent environmental regulation.

Tailings are first desulphurized and separated to isolate potentially acid-generating tailings (“PAG”) from non-acid-generating (“NAG”) tailings, and then filtered to reduce their water content. Waste rock and tailings are managed within the same stockpile to leverage the benefit of each material’s properties and minimize the mine footprint. In addition to improving the physical and geochemical stability of the tailings and preventing sulfur oxidation, co-disposal allows for better control of runoff water infiltration and metal leaching as well as segregation. Once co-disposal cells are completed, capping and vegetation enable progressive reclamation and a design for closure.

» Field-scale cells are used to calibrate and design this innovative environmental method in real conditions and demonstrated the parameters with respect to the performance of the tailings co-disposal objectives design including preventing sulfide oxidation and mine water contamination.

### + REIMAGINING MINING RESTORATION

We initiated a project to transform forest residues generated from our tree clearing into a valuable resource for the restoration of our future mining site. The project aims to resolve a complex equation: how to leverage the resources already in place to minimize the importation of products for restoration.

The goal is to recreate fertile forest soil, capable of supporting a new ecosystem upon progressive reclamation of the mine site, while capturing carbon and reducing the ecological footprint of our activities.

NMG’s Matawinie site has been transformed into a real open-air laboratory. Windrows, organic storage structures, are at the heart of the experimental system. Their composition and arrangement are optimized to simulate optimal conditions for natural regeneration, to promote the reappearance of the original ecosystem, and to test different mixes to select

the optimal one for reclamation and integration into the local ecosystem, and to test different mixes to select the optimal one for reclamation and integration into the local ecosystem.

Early results are encouraging, showing an improvement in physicochemical and biological properties. Along with the ecological surveillance, the project is accompanied by a technical-economic assessment to ensure this method is viable and replicable at a large scale.

Mixing science, technology, and ecology, this ambitious project opens the way toward more responsible management by maximizing existing resources and limiting the production of fertilizers or the importation of materials.



In line with our responsible mining approach, plans for the Uatnan Mining Project include progressive site closure with backfilling of the pit with waste rock as much as possible. Additional characterization of waste rock and tailings will be included in the next engineering phase to select proper technologies.

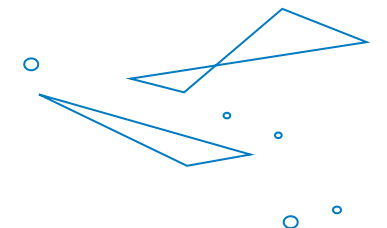
At our Phase-1 facilities, recyclable materials generated by our operations are sorted at the source or with a partner supplier. Hazardous waste at our Phase-1 facilities primarily consists of used oil and filters, batteries, paint, aerosol containers, and acidic wastewater from our gas purification system. All our hazardous wastes are handled by a third-party service provider.

**22 tonnes of recyclable materials collected.**

**341 tonnes of hazardous waste collected and treated by a third-party provider.**

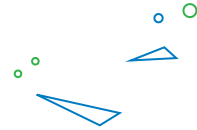
**0 significant incidents associated with hazardous waste.**

Our environmental protection program also includes mandatory waste management practices for our contractors.



<sup>24</sup> NMG’s tailings management approach aligns with the Toward Sustainable Mining Standard, the Global Industry Standard on Tailings Management, and the International Network for Acid Prevention

# CLIMATE ACTION



Climate action is central to our business strategy and the markets we cater to. We firmly believe that our products, operations, and corporate activities can contribute to the joint effort to limit global warming to 1.5 °C by 2050, as agreed to in the Paris Agreement.

The Company’s Climate Action Plan 2022-2030+ lays out our ambition and approach to achieving Net Zero emissions by 2030. It reiterates our commitment to maintaining a carbon-neutral footprint at every stage of our development and guides our transition to our Net Zero target by tracking, reducing, and offsetting our carbon impact at every level.

By implementing carbon reduction and offset measures across all aspects of our operations, NMG has identified specific strategies aimed at utilizing renewable energy, shifting from petroleum-based to bio-based reagents and fuels, and incorporating measures to optimize energy efficiency in our facilities and processes.

Regardless of our growth and the construction and commissioning of new facilities, we are committed to reducing and controlling our emissions while increasing our effectiveness and efficiency.

## Energy

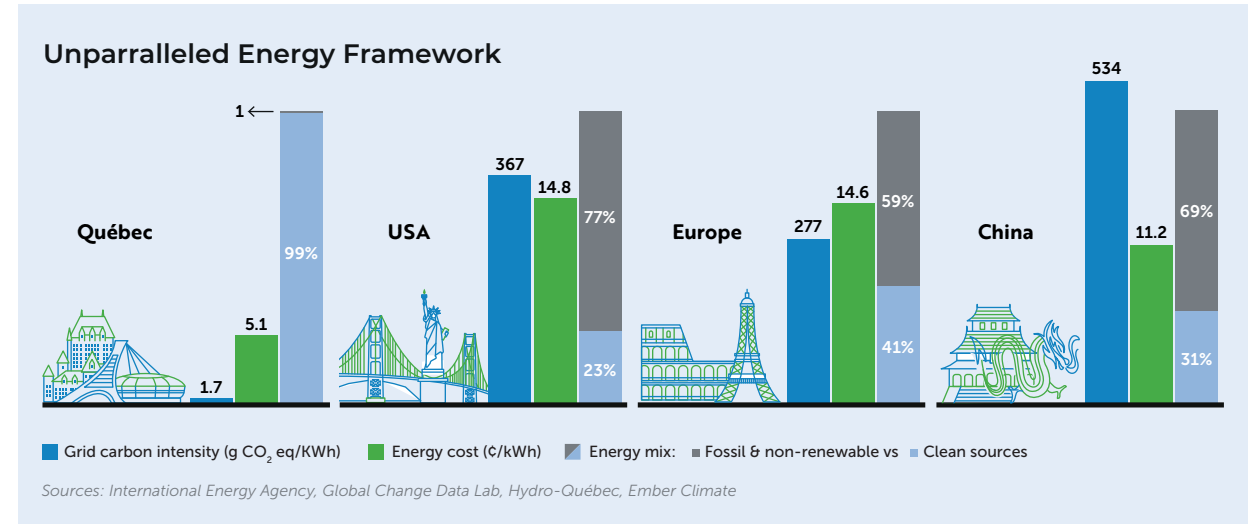
Clean, affordable, and abundant hydroelectricity is an exceptional linchpin in the implementation of our climate strategy. Québec’s energy grid is among the greenest in the world<sup>25</sup>; the governmentally owned network generates over 99% of its electricity from renewable energy sources.

Hence, electrifying our production is NMG’s central mechanism for decarbonizing our operations and products. Our proprietary thermochemical purification

technology, for example, leverages hydropower in replacement of acid leaching. Our ecotechnologies are set to generate advanced materials with an exceptionally low climate change impact that is up to 11 times smaller than that of benchmarked production.

We are committed to adopting clean energy sources and technologies as they become available. In that regard, NMG signed definitive agreements with Caterpillar Inc. this year to further our electrification program for the

Phase-2 Matawinie Mine. Active technical work between Caterpillar and NMG’s teams have enabled the establishment of a calendar to deploy Early Learners and/or pilot models for the Phase-2 Matawinie Mine, to test equipment in actual terrain and weather, and to map the transition to future zero-exhaust-emission production models. The signed agreements support the progressive transition from traditional models to Cat® zero-exhaust emission



machines as they become available. The Cat® 950 GC-wheel loader would be the first battery-electric pilot machine to arrive at Matawinie.

These developments also support planning for the site’s charging infrastructure. Modeling and simulating the location of charging stations, equipment operations on site, as well as charging cycles in relation to operational schedules and the mining plan, help optimize site design and technology choices.

The simulation of charging needs helps identify peak power demand and defining energy management strategies.

Moreover, NMG and Caterpillar signed a non-binding memorandum of understanding to advance commercial discussions targeting NMG’s active anode material. Hence, a full circular value chain could be established whereas NMG would supply carbon-neutral graphite materials to Caterpillar for the development of

its secure, resilient, and sustainable battery supply chain that would serve to electrify heavy vehicles, including NMG’s Matawinie fleet.

In advancing engineering of our Phase-2 facilities and plan for their construction, we are working to maximize energy efficiency in the design of buildings, selection of equipment, optimization of processes, and construction plans and logistics.

<sup>25</sup> Hydro-Québec, 2024



# Carbon Profile

NMG calculates its GHG emissions using the guidance and standards of the GHG Protocol. Our GHG calculation entails scope 1, scope 2, and a portion of scope 3 on which the Company has visibility and financial control, namely construction at its sites, business travel, and transport between sites.

**In 2023, our GHG emissions amounted to 644 tonnes of CO<sub>2</sub> equivalent.**

We purchased and retired 660 carbon credits certified to the Verified Carbon Standard (VCS) Program to offset this balance. Credits align with NMG's Climate Action Plan offsetting strategy, drive investments in developing economies affected by climate change, and support the following nature-based projects:

- » **The Monet Forest Conservation project in Abitibi, Québec:** This nature-based project aims to preserve forest areas formerly exploited by the forestry industry and protect the natural habitat of the woodland caribou, a threatened species. Preserving these forests helps to limit the decline of this emblematic species' range while maintaining the biodiversity and ecosystem services of the region<sup>26</sup>.
- » **The 'Guanaré' Forest Plantations on degraded grasslands in Uruguay:** Lands formerly used for extensive grazing are restored to a forest ecosystem, thus enabling carbon sequestration. This project also contributes to rebuilding a habitat conducive to greater biodiversity. Converting pastures into forests promotes natural regeneration and the creation of a forest cover, beneficial for a wide range of plant and animal species<sup>27</sup>.



In selecting carbon credits, we evaluate projects against 13 criteria to ensure informed selection based on industry-recognized parameters and NMG's Climate Action Plan commitments. The protocol also prevents common risks associated with offsetting.

26 Verra Registry, March 2024  
27 Verra Registry, March 2024



## LOOKING FORWARD

The Company is on track to meeting the 2022-2025 targets as part of our proactive offsetting strategy.

### Progress on Climate Action Plan

#### TYPES OF CREDITS

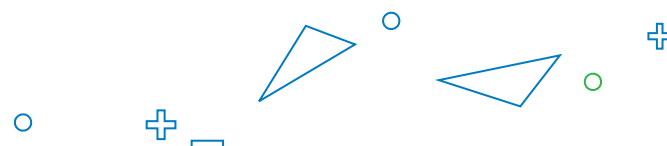
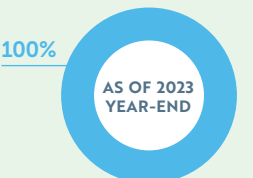
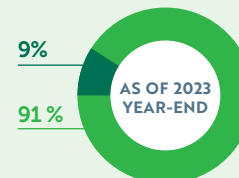
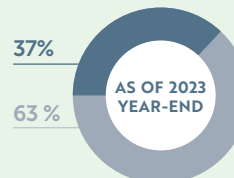
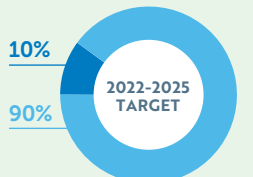
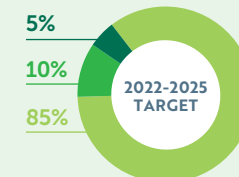
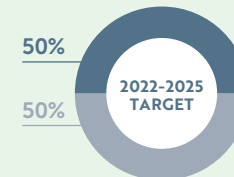
- Removal
- Avoidance

#### IMPACT INVESTING

- Local communities
- Developing countries
- Others

#### SOURCE

- Market credits
- NMG portfolio



# Climate Resilience

## Strategy, Risks and Opportunities

At the Company's current stage of development and with a focus on our short-term horizon, climate-related risks are minimal and partly managed through existing commitments, environmental measures, and NMG's Climate Action Plan. We intend to continue assessing and strengthening our management of climate issues in line with the TCFD approach as we gain greater visibility on our medium and long-term horizons.

NMG's exposure to climate risks and opportunities is assessed internally by our ESG Strategy Team pulling from the expertise of our Management Team, TCFD publications, and additional resources applicable to our sector and geographical environment, and then reviewed by the Company's Board of Directors. Refer to the table Key climate-related risks and opportunities below for an overview of NMG's most important climate risks and opportunities.

### TRANSITION RISKS AND OPPORTUNITIES

As any company, NMG is exposed to policy, legal, market, and technology risks. It is safe to say that extractive and manufacturing industries face more pressure to lower their GHG emissions and to align their business with a low-carbon economy, whether those changes are required by law or organic shifts in supply and demand for low-carbon products. We believe our business model, which is centered around providing carbon-neutral products to power the energy transition, is mostly aligned with opportunities and thus shields the Company from

major financial impacts in the short (0-5 years) and medium (5-10 years) terms.

We have taken major steps in our journey to decarbonize our operations: we are leveraging hydroelectricity to power our operations and production; we developed a proprietary purification technology and are optimizing our processes to have the smallest environmental impact; we are advancing an all-electric mining model in collaboration with Caterpillar; we conducted a life cycle assessment ("LCA") to understand our products' footprint; and we actively invest in R&D to develop greener manufacturing techniques and battery materials.

Electricity in Québec is currently very affordable, but we could expect prices to rise over time as demand rises and energy efficiency measures are pushed forward. We have secured energy allocations and discounted industrial rate for both the Phase-2 Matawinie Mine and Bécancour Battery Material Plant. We intend to closely monitor electricity prices and availability in Québec as we advance our Phase-3 expansion plans.

We recognize that we are exposed to fossil fuel price fluctuations in the short term as we will require conventional mobile equipment for the construction of our Phase-2 facilities and the first 5 years of mining operations.

NMG's business strategy focuses on responsible extractive and processing operations along with innovative technologies that can generate low-carbon solutions, and on changing market expectations such as traceability, circularity, local sourcing, and carbon

neutrality. For example, our proprietary thermochemical purification technology provides NMG with a commercial differentiator that is aligned with customers' search for greener alternatives. Such market advantages were central to signing long-term, multiyear bankable offtake agreements with our anchor customers Panasonic Energy and GM.

Furthermore, NMG collaborates with industry partners and academia to recover and recycle graphite for reuse as an anode material. Our goal is to insert an increasing percentage of recycled material into our transformation process to offer even more sustainable solutions.

Our Climate Action Plan helps decrease the need and financial risks associated with carbon credits through our strategies of reduction at the source, the use of renewable energy, and the development of offset projects with a focus on nature-based solutions.

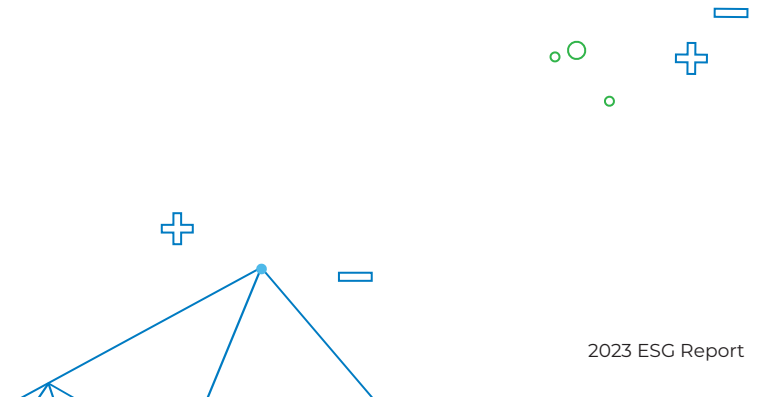
Finally, our voluntary ESG reporting aligned with GRI, SASB, TCFD, and CDP, our surveillance of disclosure regulations, as well as our engagement with shareholders and customers prevent us from being cut off guard by future mandatory climate-related requirements. Our ESG Strategy Team continuously monitors shifts in policies and reporting frameworks.

### PHYSICAL RISKS AND OPPORTUNITIES

In southern Québec, climate projections under medium and high emissions scenarios forecast that average temperatures and annual precipitation will increase over time. The frequency of extreme rainfall events is also expected to increase throughout the year, along with longer periods without rainfall during summer<sup>28</sup>. These risks were listed in the ESIA for the Phase-2 Matawinie Mine and accounted for through adaptation measures included in the project design. We are currently completing a similar exercise for the Phase-2 Bécancour Battery Material Plant.

Other unpredictable extreme weather events such as violent storms, heat waves, ice storms, and wildfires could impact our site in Saint-Michel-des-Saints and result in a slowdown in our operations. In Bécancour, our operations will mainly be indoors and in an industrial setting, thus they are less likely to be significantly impacted by extreme weather events. However, such events could cause damage to our infrastructure, impact our supply chain or cause transportation delays for our customers.

28 Bussière, B., Demers, I., Charron, P., Bossé, B., Roy, P., Jébrak, M., & Trépanier, S. (2017). Analyse de risques et de vulnérabilités liés aux changements climatiques pour le secteur minier québécois. Report submitted to MERN





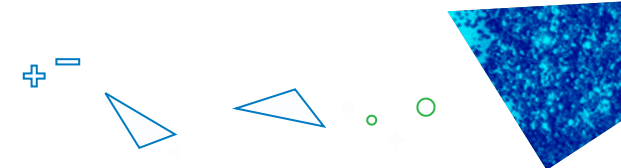
**KEY CLIMATE-RELATED RISKS AND OPPORTUNITIES**

	Risks		Opportunities		
	Increased cost of raw materials or resources	Acute physical risk	Shift in consumer preferences	Use of new technologies and development of low-emission goods and services	Use of recycling
<b>Description</b>	Disruption in the supply chain caused by climate-related events could increase the availability and cost of equipment and materials needed for the construction of the Company's Phase-2 Matawinie Mine and Bécancour Battery Material Plant. Over the long term, electricity prices might increase in Québec for energy-intensive sectors.	By 2040 in Québec, the long-term physical effect of climate change will result in increasing temperatures and changes in precipitation patterns. Over the short-medium term, extreme weather events such as heavy rain, ice storm, drought, heat waves, tornadoes, and wildfires, represent the main source of exposure.	Continued consumer enthusiasm for cleantech and more generalized and stringent climate-related regulations are creating significant pressure on battery and EV manufacturers to adopt a responsible supply chain.	NMG is developing proprietary advanced materials with a carbon-neutral footprint, a significant market advantage as battery and EV manufacturers seek low-emission materials and responsible alternatives to traditional anode material products. Electrifying our production with Québec's clean, hydroelectricity is a central mechanism for decarbonizing our operations.	Recycling battery materials could provide a secure secondary supply of materials to help meet the projected demand growth while improving the environmental footprint of our active anode material production.
<b>Time period<sup>29</sup></b>	<b>Short and long terms</b>	<b>Short, medium, and long terms</b>	<b>Medium term</b>	<b>Medium term</b>	<b>Long term</b>
<b>Impacts</b>	Increased capital expenditures (short-term) and increased production costs due to changing input prices (long-term).	Possible slowdown of NMG operations or damage to infrastructure.	Increased revenues resulting from increased demand for products and services.	Increased revenues resulting from increased demand for products and services.	Increased revenues resulting from increased production capacity.
<b>Management response</b>	A P50 management risk reserve has been included in the Company's feasibility study to address this risk.	Phase-2 facilities have been designed to reflect climate change and mitigation measures were adopted, both for infrastructure and environmental management.	NMG's carbon-neutral footprint and ESG profile, as well as its location, all advantageously position the Company to seize this opportunity.	NMG's business model is anchored in this opportunity. The Company has also submitted a patent application for its purification technology and continues to invest in R&D.	In collaboration with recycling partners, NMG is working to recover and recycle graphite for reuse into the production of anode material.

At NMG, climate-related issues are monitored at the corporate level through strategic initiatives, partnerships, and stakeholder interaction by the Vice President, Communications and ESG Strategy; at the operating level through oversight and management by the Vice President, Environment and Sustainable Infrastructure; and at the market level through interaction with customers and industry by the Vice President, Sales, Marketing, and Business Development. Risks and opportunities, exposure levels, and mitigation strategies are reviewed by the Senior Management Team. Results are presented to the Board of Directors via the Audit Committee and the ESG Committee.

- » NMG implemented an ERM framework to better control its risk position and shape its strategic approach. Climate risks and opportunities are reflected in this assessment.

<sup>29</sup> Short term: 0-5 years, medium term: 5-10 years, long term: 10+ years



## Metrics and Targets

While not at the commercial production stage yet, we track key metrics and have set targets that reaffirm our commitment to responsible production and strive for continuous improvement.

Targets	Status
<b>Emissions</b>	
Maintain our carbon neutrality status and transition to Net Zero by 2030	<b>On track:</b> NMG actively works at reducing its carbon profile, has purchased verified carbon credits to offset its emissions since the Company's inception, and has an established roadmap to Net Zero.
Reduce our Phase-2 operations' Scope 1 emissions: » by 30% in 2030 » by 65% in 2035 » by 100% in 2040	<b>To be deployed</b> when our Phase-2 operations' emission baseline is established.
<b>Environmental footprint</b>	
Conduct a lifecycle assessment on NMG's graphite materials to understand and proactively manage the full impact of our production model	<b>Achieved.</b>
Engineer low-carbon infrastructure, deploy an all-electric fleet by year 5 of Phase-2 of the Matawinie Mine, and adopt clean energy sources and technologies in every other area of our operations as they become available	<b>On track:</b> NMG's journey to decarbonization is well underway.
Implement 100% of our initiatives to minimize land-use change at Matawinie Mine through co-disposal of tailings, backfilling, and progressive reclamation by 2060	<b>On track:</b> Pilot projects underway to inform future initiatives.
Reach a cradle-to-gate GWP of 1.1 kg of CO <sub>2</sub> per kg of CSPG by 2030 through targeted actions on LCA results, continued R&D investments, and the use of recycled materials in production	<b>On track:</b> Through its various initiatives to reach Net Zero, NMG is directly reducing its carbon footprint.
<b>Renewable energy</b>	
Use 99% of renewable energy in 2030	<b>On track:</b> Hydropower supply contracts in place and active work on mining electrification.

## Technological Leadership

Our commitment to the environment extends to the full life cycle of our materials and products; we are developing a holistic approach to graphite sourcing and transformation.

In collaboration with academia, industry, and research centers, the Company also maintains a portfolio of research and development projects to refine our line of specialty products based on market demands and innovations, among which:

- » New types of precursors and coating technologies to reduce the environmental footprint of our advanced graphite products, optimize production costs, and improve the properties for existing performance;
- » High electrochemical performance graphite-based composites by valorizing residual materials from NMG's process as well as bio-sourced materials;
- » Advanced graphite transformation technologies based on high-performance ecological thermal processes;
- » Recovery and value-added transformation of recycled graphite for reuse as anode material for lithium-ion batteries.

Our investments in R&D target the reduction of our environmental footprint and the development of the next generation of green battery materials.



NMG's R&D team.





# Disclosure Index

NMG has reported the information cited in this report with reference to the TCFD recommendations, GRI Standards, SASB Standards for the Metals & Mining sector, UN SDGs, and UN Global Compact frameworks. Relevant metrics and disclosures have been grouped in this index according to NMG's key ESG topics. To provide a more complete GRI disclosure, we have also included complementary information as per GRI 2: General Disclosures 2021 and GRI 3: Material Topics 2021.

LEGEND FOR DISCLOSURE FRAMEWORK REFERENCES: [GRI](#) [SASB](#) [UN GLOBAL COMPACT](#) [TCFD](#) [UN SDGs](#)

## Social Indicators

Disclosure	Reference <sup>30</sup>	Performance Indicators		Explanation
		2023	2022	
<b>Community Participation and Outreach</b>				
Local community engagement, impact assessments, and development programs	<a href="#">413-1</a> <a href="#">17</a>	–	–	NMG conducted an environmental and social impact assessment for its Matawinie Mine in 2018-2019, and an environmental and baseline study for the Bécancour Battery Material Plant in 2020-2021. Stakeholder identification and engagement strategies are described in the <a href="#">Acknowledging our Impacts</a> section (p. 15). Mitigation measures for potential negative impacts are described throughout this report. Also, refer to the <a href="#">Community Outreach</a> (p. 39) and <a href="#">Indigenous Relations</a> (p. 41) subsections for more information on NMG's community engagement.
Discussion of process to manage risks and opportunities associated with community rights and interests	<a href="#">EM-MM-210b.1</a>	–	–	
Number and duration of non-technical delays	<a href="#">EM-MM-210b.2</a>	0	0	
<b>Socioeconomic Contributions</b>				
Direct economic value generated and distributed	<a href="#">201-1</a> <a href="#">8, 10, 11, 17</a>	\$17,113,934 in wages and benefits \$109,247 in sponsorships and donations \$421,247 in payments to the Saint-Michel-des-Saints municipality	\$14,875,000 in wages and benefits \$86,298 in sponsorships and donations \$416,338 in payments to the Saint-Michel-des-Saints municipality	See the <a href="#">Team Nouveau Monde</a> section (p. 32), as well as the <a href="#">Community Outreach</a> (p. 39) and <a href="#">Local Benefits</a> (p. 44) subsections.
Significant indirect economic impacts	<a href="#">203-2</a> <a href="#">8, 10, 11</a>	–	–	NMG contributes to the economic recovery and diversification of the communities where the Matawinie Mine and Bécancour Battery Material Plant are located. Both regions have negative scores under the Institut de la statistique du Québec's Economic Vitality Index. NMG's projects provide indirect economic benefits through spending on goods and services. Indirect and induced economic contributions add value to local communities beyond employment income and support the prosperity of local businesses and services. See the <a href="#">Local Benefits</a> subsection (p. 44).
Proportion of spending on local suppliers	<a href="#">204-1</a> <a href="#">8, 10</a>	\$27.7M in Québec; 79% of the total procurement budget, including \$4.9M in our local communities (14% of total procurement budget)	\$27.7M in Québec; 92% of the total procurement budget, including \$9.6M in our local communities (32% of total procurement budget)	Variation: The reduced proportion of regional procurement is due to the purchase of imported specialized equipment.

<sup>30</sup> Legend for disclosure framework references: [GRI](#) [SASB](#) [UN Global Compact](#) [TCFD](#) [UN SDGs](#)



Disclosure	Reference <sup>30</sup>	Performance Indicators		Explanation
		2023	2022	
<b>Employees, Diversity, and Training</b>				
New employee hires and employee turnover	<a href="#">401-1</a>	New hires: 38 Turnover rate: 25%	New hires: 38 Turnover rate: 34%	See the <a href="#">Team Nouveau Monde</a> section (p. 32) for an overview of our workforce and human resources managerial approach.
Benefits provided to employees	<a href="#">401-2</a>	–	–	See the <a href="#">Health, Safety and Well-Being</a> subsection (p. 34).
Average hours of training per year per employee	<a href="#">404-1</a> <a href="#">4</a>	144 hours/employee	157 hours/employee	See the <a href="#">Health, Safety and Well-Being</a> (p. 34) and <a href="#">Learning and Professional Development</a> (p. 38) subsections.
Programs for upgrading employee skills and transition assistance programs	<a href="#">404-2</a> <a href="#">4, 10</a>	–	–	Variation: The 2022 data included all training hours, including those provided to students and interns.
Percentage of employees receiving regular performance and career development reviews	<a href="#">404-3</a>	100%	100%	See the <a href="#">Learning and Professional Development</a> (p. 38) subsection for a description of our practices. NMG's performance review program is adapted to employees' type of work and period of employment. For example, year-end performance reviews are not carried out with recent hires not having completed their integration period. The data disclosed, therefore, represents the percentage of employees eligible for NMG's program.
Diversity of governance bodies and employees	<a href="#">405-1</a> <a href="#">5, 10</a>	<b>Employees</b> 30% are women 4% have a disability 3% identify as Indigenous 12% identify as part of a visible minority 3% identify as part of an ethnic minority 19% under 30 years old 61% are between 31-50 years old 20% are over 50 years old  <b>Management</b> 18% are women  <b>Board of Directors</b> 25% are women	<b>Employees</b> 29% are women 4% have a disability 2% identify as Indigenous 8% identify as part of a visible minority 3% identify as part of an ethnic minority 23% under 30 years old 51% are between 31-50 years old 26% are over 50 years old  <b>Management</b> 21% are women  <b>Board of Directors</b> 25% are women	See the <a href="#">Board of Directors</a> (p. 24) subsection, <a href="#">Leadership in Action</a> (p. 29) section, and <a href="#">Diversity, Equity, and Inclusion</a> (p. 36) subsection for more information on our philosophy, management, efforts, and data on diversity.
Incidents of discrimination and corrective actions taken	<a href="#">406-1</a> <a href="#">Principle 6</a>	0 incidents of discrimination or harassment	0 incidents of discrimination or harassment	

<sup>30</sup> Legend for disclosure framework references: [GRI](#) [SASB](#) [UN Global Compact](#) [TCFD](#) [UN SDGs](#)

Disclosure	Reference <sup>30</sup>	Performance Indicators		Explanation
		2023	2022	
<b>Health and Safety</b>				
Occupational Health and Safety management program, training, and performance	<a href="#">403-1</a> <a href="#">403-5</a> <a href="#">403-6</a> <a href="#">403-7</a> <a href="#">403-9</a> <a href="#">EM-MM-320a.1</a> <a href="#">3, 8</a>	OSHA rate for employees: 3.63 OSHA rate for contractors: 0 Fatality rate: 0 Average hours of H&S training per employee: 13	OSHA rate for employees: 2.25 OSHA rate for contractors: 0 Fatality rate: 0 Average hours of H&S training per employee: 11	See the <a href="#">Health, Safety and Well-Being</a> subsection (p. 34) for information on our H&S programs, training, and performance. NMG’s commitments to providing a safe environment to our employees, contractors, and visitors can also be found in our <a href="#">Code of Conduct</a> , <a href="#">Health and Safety Policy</a> , <a href="#">Supplier Code of Conduct</a> , and <a href="#">Sustainability Development Policy</a> . Variation: The OSHA rate increase in due to slip-and-fall incidents.
<b>Indigenous Outreach</b>				
Discussion of engagement processes and due diligence practices with respect to human rights, Indigenous rights, and operation in areas of conflict	<a href="#">411-1</a> <a href="#">EM-MM-210a.3</a> <a href="#">4, 10, 17</a>	0 incidents of violations involving Indigenous Peoples or human rights	0 incidents of violations involving Indigenous Peoples or human rights	NMG’s commitments are defined in our <a href="#">Human Rights Policy</a> , <a href="#">Indigenous Peoples Policy</a> , <a href="#">Responsible Procurement Policy</a> , <a href="#">Code of Conduct</a> , and <a href="#">Supplier Code of Conduct</a> . See the <a href="#">Responsible Procurement</a> (p. 30) and <a href="#">Indigenous Relations</a> (p. 41) subsections for more information on our engagement and practices.
Percentage of proved and probable reserves in or near areas of conflict	<a href="#">EM-MM-210a.1</a>	0%	0%	All our activities take place in Québec, Canada.
Percentage of proved and probable reserves in or near Indigenous land	<a href="#">EM-MM-210a.2</a>	0%	0%	The Matawinie Mine is located on the municipal territory of Saint-Michel-des-Saints, situated in the large traditional Atikamekw Indigenous region, the Nitaskinan. The mine is located 85 km from the Manawan First Nation community. The Uatnan Mining Project is located on Nitassinan, the ancestral territory of the Innu of Pessamit. In the absence of a defined Mineral Reserve as per National Instrument 43-101, the metric is at 0%. While NMG recognizes the rights and deep connections that Indigenous Peoples have to the land, waters, territories, and resources, the disclosed metric reflects our understanding of SASB’s definition of Indigenous land.
<b>Labor Relations</b>				
Freedom of Association and Collective Bargaining	<a href="#">407-1</a> <a href="#">EM-MM-310a.1</a> <a href="#">EM-MM-310a.2</a> Principle 3 <a href="#">8</a>	–	–	NMG currently functions as a non-unionized company. See section <a href="#">Team Nouveau Monde</a> (p. 32) for additional information on the protection of employees’ rights and interests.

<sup>30</sup> Legend for disclosure framework references: [GRI](#) [SASB](#) [UN Global Compact](#) [TCFD](#) [UN SDGs](#)



Disclosure	Reference <sup>30</sup>	Performance Indicators		Explanation
		2023	2022	
<b>Prevention of Child and Forced Labor</b>				
Due diligence on social criteria for new suppliers	<a href="#">308</a> <a href="#">414-1</a> <a href="#">10, 12</a>	–	–	See the <a href="#">Responsible Procurement</a> subsection (p. 30) for information on how NMG incorporates social criteria into its procurement process.
Child Labor	<a href="#">408-1</a> Principle 5 <a href="#">10</a>	0 occurrences of child labor	0 occurrences of child labor	NMG's commitments are defined in our <a href="#">Human Rights Policy</a> , <a href="#">Responsible Procurement Policy</a> , <a href="#">Code of Conduct</a> , and <a href="#">Supplier Code of Conduct</a> . See the <a href="#">Regulatory Framework</a> (p. 28) and <a href="#">Responsible Procurement</a> (p. 30) subsections for an overview of our management of human rights risks, including forced labor and/or child labor.  NMG is issuing a dedicated Fighting Against Forced Labor and Child Labor Report for the 2023 period, as per Canada's <i>Fighting Against Forced Labour and Child Labour in Supply Chains Act</i> .
Forced or Compulsory Labor	<a href="#">409-1</a> Principle 4 <a href="#">10</a>	0 occurrences of forced or compulsory labor	0 occurrences of forced or compulsory labor	
Support and respect the protection of internationally proclaimed human rights	Principle 1 <a href="#">10</a>	–	–	
Make sure that they are not complicit in human rights abuses	Principle 2 <a href="#">10</a>	0 complaints or violations related to human rights	0 complaints or violations related to human rights	

<sup>30</sup> Legend for disclosure framework references: [GRI](#) [SASB](#) [UN Global Compact](#) [TCFD](#) [UN SDGs](#)

## Environmental Indicators

Disclosure	Reference <sup>31</sup>	Performance Indicators		Explanation
		2023	2022	
<b>Responsible Mining</b>				
Materials used to produce our primary products	<a href="#">301-1</a> <a href="#">12</a>	Ore: 697 t Total process reagents: 96.8 t Reagent products for water treatment: 11.5 t	Ore: 4,327 t Total process reagents: 54 t Reagent products for water treatment: 15 t	Materials used in our graphite products are non-renewable. The main raw material required for our process is ore from which we extract graphite. Materials such as floating chemicals, lime, chlorine, caustic soda, and diesel are used in the concentration and refining processes. When necessary, we use generic density formulas to convert from volume to mass. Variation: Our existing graphite concentrate inventories were leveraged as the feedstock for refining processes this year, hence there was reduced extraction and concentration activities but similar levels of value-added transformation.
Non-compliance with environmental laws and regulations	<a href="#">307-1</a> <a href="#">6, 12, 15</a>	0	0	NMG confirms it has not received any non-compliance notifications, nor any significant fines, or cases brought through a dispute resolution mechanism.
Description of environmental management policies and practices for active sites	<a href="#">EM-MM-160a.1</a> <a href="#">6, 7, 12, 13, 15</a>	–	–	See the <a href="#">Environmental Stewardship</a> chapter (p. 45) for more information on NMG's managerial approach.
Support a precautionary approach to environmental challenges	<a href="#">Principle 7</a> <a href="#">6, 7, 13, 15</a>	–	–	See the <a href="#">Environmental Stewardship</a> chapter (p. 45) for a detailed presentation of the Company's environmental management approach and initiatives. The <a href="#">Responsible Procurement</a> subsection (p. 30) provides information on our engagement with our value chain.
Undertake initiatives to promote greater environmental responsibility	<a href="#">Principle 8</a> <a href="#">12</a>	–	–	
Encourage the development and diffusion of environmentally friendly technologies	<a href="#">Principle 9</a> <a href="#">9</a>	–	–	See the <a href="#">Climate Action</a> section (p. 52), including the <a href="#">Technological Leadership</a> subsection (p. 56), for more information on our line of green and advanced materials and efforts to drive sustainability and circularity into our sector.
<b>Climate Action and Air Quality</b>				
Board's oversight of climate-related risks and opportunities	<a href="#">Governance (a)</a> <a href="#">13</a>	–	–	Refer to the <a href="#">Board of Directors</a> (p. 24) and <a href="#">ESG Direction</a> (p. 27) subsections for a description of the Board of Directors' responsibilities, structures, and oversight in connection with ESG risks, including climate-related risks.
Management's role in assessing and managing climate-related risks and opportunities	<a href="#">Governance (b)</a> <a href="#">13</a>	–	–	See to the <a href="#">ESG Direction</a> (p. 27) subsection and <a href="#">Strategy, Risks and Opportunities</a> subsection (p. 54) for a description of management's role in monitoring and managing climate-related issues.

<sup>31</sup> Legend for disclosure framework references: [GRI](#) [SASB](#) [UN Global Compact](#) [TCFD](#) [UN SDGs](#)



Disclosure	Reference <sup>31</sup>	Performance Indicators		Explanation
		2023	2022	
<b>Climate Action and Air Quality</b>				
Climate-related risks and opportunities identified over the short, medium, and long term	<a href="#">Strategy (a)</a> <a href="#">13</a>	–	–	Refer to the <a href="#">Strategy, Risks and Opportunities</a> subsection (p. 54) for an overview of key climate-related risks and opportunities along with potential impacts.
Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	<a href="#">Strategy (b)</a> <a href="#">13</a>	–	–	
Resilience of the organization's strategy	<a href="#">Strategy (c)</a> <a href="#">9, 12, 13, 15</a>	–	–	Refer to the <a href="#">Climate Action</a> section (p. 52) and our <a href="#">Climate Action Plan 2022-2030+</a> for more information on our resilience strategy and approach to achieving Net Zero by 2030. In line with our TCFD implementation roadmap, we intend to conduct a scenario analysis using a combination of conservative and ambitious scenarios.
Processes for identifying and assessing climate-related risks	<a href="#">Risk Management (a)</a> <a href="#">13</a>	–	–	Refer to the <a href="#">Risk Management</a> subsection (p. 30) and <a href="#">Strategy, Risks and Opportunities</a> subsection (p. 54) for more information on how climate-related risks and opportunities are identified, managed, and integrated.
Processes for managing climate-related risks	<a href="#">Risk Management (b)</a> <a href="#">13</a>	–	–	
Integration of processes for identifying, assessing, and managing climate-related risks into the organization's overall risk management	<a href="#">Risk Management (c)</a> <a href="#">13</a>	–	–	
Metrics used to assess climate-related risks and opportunities	<a href="#">Metrics and Targets (a)</a> <a href="#">13</a>	–	–	Refer to the <a href="#">Metrics and Targets</a> subsection (p. 56) for more information on our climate-related metrics.
Targets used to manage climate-related risks and opportunities	<a href="#">Metrics and Targets (c)</a> <a href="#">9, 12, 13, 15</a>	–	–	

<sup>31</sup> Legend for disclosure framework references: [GRI](#) [SASB](#) [UN Global Compact](#) [TCFD](#) [UN SDGs](#)



Disclosure	Reference <sup>31</sup>	Performance Indicators		Explanation
		2023	2022	
<b>Climate Action and Air Quality</b>				
Direct (Scope 1) GHG emissions	<b>305-1</b> <b>EM-MM-110a.1</b> <b>Metrics and Targets (b)</b> <a href="#">12, 13</a>	444 t CO <sub>2</sub> eq	267 t CO <sub>2</sub> eq	<p>Scope 1 GHG direct emissions relate to stationary combustion and process emissions at our Phase-1 facilities, as well as mobile combustion from the use of company vehicles for operations.</p> <p>Emission factors come from Québec's regulation, respecting mandatory reporting of certain emissions of contaminants into the atmosphere. The 100-year GWP values for GHG are those stated in The Intergovernmental Panel on Climate Change's ("IPCC") Fifth Assessment Report ("AR5"). The attribution and consolidation of GHG emissions are performed following a control approach and using the operational criterion. This operational control approach is continuously applied to properly identify the operations and GHG sources that fall within the Company's boundaries.</p> <p>Variation: The emission increase is mainly due the scaling up our Phase-1 coating production.</p>
Energy indirect (Scope 2) GHG emissions	<b>305-2</b> <b>Metrics and Targets (b)</b> <a href="#">7, 12, 13</a>	4 t CO <sub>2</sub> eq	3 t CO <sub>2</sub> eq	<p>Scope 2 GHG emissions relate to electricity consumption at our Phase-1 facilities and corporate offices. The electricity comes from Hydro-Québec's grid which provides renewable energy sources at 99%. NMG uses an emission factor of 0.6 kg eq/MWh, as recommended by Québec's electricity provider.</p> <p>Variation: The increase in Scope 2 emissions is attributable to a change in the GHG emission factor per kWh of electricity from the energy supplier.</p>
Other indirect (Scope 3) GHG emissions	<b>305-3</b> <b>Metrics and Targets (b)</b> <a href="#">12, 13</a>	195 t CO <sub>2</sub> eq	959 t CO <sub>2</sub> eq	<p>Scope 3 GHG emissions relate to business travel, transportation of goods between sites, and direct emissions associated with our contractors' construction work related to the Company's direct operations. Emission factors are taken from recognized sources such as the GHG Protocol.</p> <p>Variation: Limited construction activities this year is the main driver for decreased indirect emissions along with the implementation of reduction and sustainable mobility measures.</p>
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	<b>EM-MM-110a.2</b> <a href="#">12, 13</a>	–	–	See the <a href="#">Climate Resilience</a> subsection (p. 54) and our <a href="#">Climate Action Plan 2022-2030+</a> for further details on our short and long-term strategy for managing our GHG emissions.
Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	<b>305-7</b> <b>EM-MM-120a.1</b> <a href="#">12, 13</a>	NO <sub>x</sub> emissions: 0.2 t SO <sub>x</sub> emissions: 2 t	NO <sub>x</sub> emissions: 0.5 t SO <sub>x</sub> emissions: 6.5 t	NMG currently only quantifies its NO <sub>x</sub> and SO <sub>x</sub> emissions. NO <sub>x</sub> and SO <sub>x</sub> emissions were primarily emitted by diesel combustion in mobile equipment. Recognized U.S. Environmental Protection Agency emission factors are used to calculate emissions.

<sup>31</sup> Legend for disclosure framework references: [GRI](#) [SASB](#) [UN Global Compact](#) [TCFD](#) [UN SDGs](#)



Disclosure	Reference <sup>31</sup>	Performance Indicators		Explanation
		2023	2022	
<b>Energy</b>				
Energy consumption	<b>302-1</b> <b>EM-MM-130a.1</b> <b>Metrics and Targets (a)</b> <b>7, 12, 13</b>	Total energy consumption: 19,358 GJ % from non-renewable sources: 39% % from grid electricity which is 99% renewable: 61%	Total energy consumption: 36,256 GJ % from non-renewable sources: 46% % from grid electricity which is 99% renewable: 54%	Data includes electricity consumption at our Phase-1 facilities and offices, and fuel used in mobile and stationary equipment. The conversion of diesel, oil fuel, and propane consumption from liters/m <sup>3</sup> to GJ as well as the conversion of electricity consumption from kWh to GJ use energy conversion tables from the Québec energy regulator.  Variation: Limited construction activities this year is the main driver for the reduced energy consumption.
<b>Water Management and Effluents</b>				
Interactions with water as a shared resource	<b>303-1</b> <b>303-2</b> <b>303-3</b> <b>303-4</b> <b>303-5</b> <b>EM-MM-140a.1</b> <b>6, 15</b>	Operational water withdrawal: 0.13 ML » 0.10 ML from surface water » 0.02 ML contained in ore » 0.01 ML of freshwater at our Phase-1 purification facility  Water consumption: 0.09 ML » 0.01 ML from evaporation and humidity left in products » 0.08 ML in tailings entrainment  Water consumption in high-risk water stress regions: 0%  Water reused: 2.99 ML Water discharge: 90.44 ML	Operational water withdrawal: 0.54 ML » 0.33 ML from surface water » 0.20 ML contained in ore » 0.001 ML of freshwater at our Phase-1 purification facility  Water consumption: 0.54 ML » 0.02 ML from evaporation and humidity left in products » 0.51 ML in tailings entrainment » 0.001 ML from evaporation and wastewater at our Phase-1 purification facility  Water consumption in high-risk water stress regions: 0%  Water reused: 17.64 ML Water discharge: 31.81 ML	See the <a href="#">Water</a> subsection (p. 48) for more information on our managerial approach and interactions with water. Our water accounting methods are aligned with the second edition of the Water reporting guide from the International Council on Mining & Metals <sup>32</sup> .  Variation: The reduction in our water consumption is mainly due to the slowdown of concentration operations as we leveraged existing graphite concentrate inventories as feedstock for our refining processes. The increase in freshwater consumption is associated with new protocols on equipment cleaning. The increase in discharged water is due to the exceptional precipitation events and snow melt in 2023, as well as a larger area being managed due to construction.
Number of incidents of non-compliance associated with water quality permits, standards, and regulations	<b>EM-MM-140a.2</b> <b>6</b>	0	0	

<sup>31</sup> Legend for disclosure framework references: [GRI](#) [SASB](#) [UN Global Compact](#) [TCFD](#) [UN SDGs](#)

<sup>32</sup> ICMM, Water Reporting Good practice guide, 2021.

Disclosure	Reference <sup>31</sup>	Performance Indicators		Explanation
		2023	2022	
<b>Waste and Hazardous Materials Management</b>				
Description of waste and hazardous materials management policies and procedures for active and inactive operations	<a href="#">306-1</a> <a href="#">306-2</a> <a href="#">306-3</a> <a href="#">306-4</a> <a href="#">306-5</a> <a href="#">EM-MM-150a.4</a> <a href="#">EM-MM-150a.7</a> <a href="#">EM-MM-150a.10</a> <a href="#">12, 15</a>	Total weight of non-mineral waste generated: 44 t » Non-mineral waste diverted from disposal: 22 t » Non-mineral waste directed to disposal: 22 t Total weight of hazardous waste generated: 341 t	Total weight of non-mineral waste generated: 40.8 t » Non-mineral waste diverted from disposal: 5.8 t » Non-mineral waste directed to disposal: 34.9 t Total weight of hazardous waste generated: 140 t	See the <a href="#">Tailings and Waste</a> subsection (p. 51) for more information on NMG waste generation and managerial approach. Using third-party invoices, NMG tracks non-mineral waste that is collected through its leased containers. For regular domestic waste, NMG does not track weight information as the collection is managed by the municipality. Variation: The optimization of our purification process has generated an increased use of chlorine, which also requires more rinsing of equipment, thus additional hazardous waste. Measures are being implemented to reduce the use of chlorine and associated hazardous waste. We have increased the quantity of recycled material thanks to established sorting protocols at our site or through our suppliers.
Tailings generation and management	<a href="#">EM-MM-540a.1</a> <a href="#">EM-MM-540a.2</a> <a href="#">EM-MM-540a.3</a> <a href="#">EM-MM-150a.5</a> <a href="#">EM-MM-150a.6</a> <a href="#">9, 12, 15</a>	Total weight of tailings produced: 663 t » NAG: 481 t » PAG: 182 t Total weight of waste rock generated: 0 t	Total weight of tailings produced: 4,125 t » NAG: 3,048 t » PAG: 1,077 t Total weight of waste rock generated: 0 t	See the <a href="#">Tailings and Waste</a> subsection (p. 51) for more information on our tailings management system. Variation: Our existing graphite concentrate inventories were leveraged as the feedstock for refining processes this year, hence there was reduced extraction and concentration activities.
Number of significant incidents associated with hazardous materials and waste management	<a href="#">EM-MM-150a.9</a> <a href="#">12</a>	0	0	
Percentage of mine sites where acid rock drainage is: predicted to occur, actively mitigated, and under treatment or remediation	<a href="#">EM-MM-160a.2</a> <a href="#">6, 15</a>	100% of mine sites actively mitigate acid drainage	100% of mine sites actively mitigate acid drainage	Our tailing management approach actively mitigates acid mine drainage; see the <a href="#">Tailings and Waste</a> (p. 51) subsection for additional information.
<b>Biodiversity</b>				
Significant impacts of activities, products, and services on biodiversity	<a href="#">304-2</a> <a href="#">304-3</a> <a href="#">304-4</a> <a href="#">12, 15</a>	# of species listed on IUCN Red List and/or national conservation list: 15 100% of vulnerable species are covered by our mitigation measures	# of species listed on IUCN Red List and/or national conservation list: 15 100% of vulnerable species are covered by our mitigation measures	See the <a href="#">Biodiversity</a> subsection (p. 50) for more information. A list of valuable components for the Matawinie Mine is also available via our <a href="#">2021 ESG Report</a> (p. 72-73), part of the complete inventory carried out for the project ESIA.
Percentage of proved and probable reserves in or near sites with protected conservation status or endangered species habitat	<a href="#">304-1</a> <a href="#">EM-MM-160a.3</a> <a href="#">15</a>	100% of our sites are located near endangered species habitat	100% of our sites are located near endangered species habitat	See the <a href="#">Biodiversity</a> subsection (p. 50) for more information on NMG's potential impacts on biodiversity and measures used to mitigate them. A list of valuable components for the Matawinie Mine is also available via our <a href="#">2021 ESG Report</a> (p. 72-73), part of the complete inventory carried out for the project ESIA.

<sup>31</sup> Legend for disclosure framework references: [GRI](#) [SASB](#) [UN Global Compact](#) [TCFD](#) [UN SDGs](#)





## Governance Indicators

Disclosure	Reference <sup>33</sup>	Performance Indicators		Explanation
		2023	2022	
<b>Governance and Compliance</b>				
Prevention of corruption and bribery	<a href="#">205-1</a> <a href="#">206-1</a> <a href="#">EM-MM-510a.1</a> <a href="#">EM-MM-510a.2</a> Principle 10 <a href="#">16</a>	0 incidents of corruption 0 legal actions taken for anti-competitive behavior	0 incidents of corruption 0 legal actions taken for anti-competitive behavior	See the <a href="#">Leadership in Action</a> (p. 29) section, including the <a href="#">Responsible Procurement</a> (p. 30) subsection, for more information on management systems in place to prevent corruption and bribery. Refer to our Financial Statements within our <a href="#">2023 Annual Report</a> for more information on sales taxes and tax credits.
Political contributions	<a href="#">415-1</a> <a href="#">16</a>	\$0	\$0	
Conflicts of interest	<a href="#">2-15</a>	–	–	The Audit Committee, together with management and an appointed external auditor, is responsible for the treatment and disclosure of significant related-party transactions and potential conflicts of interest. NMG's <a href="#">Code of Conduct</a> defines what is considered a conflict of interest and outlines expected behaviors as they relate to conflict of interest including reporting and resolving such matters.
Communication of critical concerns	<a href="#">2-16</a>	–	–	NMG has adopted a <a href="#">Whistleblowing Policy</a> , supported by an anonymous ethics hotline service, for reporting any real or potential violation of its <a href="#">Code of Conduct</a> and/or of other policies, laws, and regulations. NMG has implemented a <a href="#">Complaint Policy</a> , in line with principle 31 of the Guiding Principles on Business and Human Rights of the United Nations Human Rights Council, which provides stakeholders with the opportunity and mechanism to report complaints of potential violations, including breach of anti-bribery and anti-corruption laws, misconduct and other concerns. NMG has also adopted and rolled out Company-wide training and implementation of a Harassment Prevention Policy for employees, which comprises a mechanism for reporting, investigating, and addressing discriminatory behaviors, including sexual, physical, and mental harassment.
Evaluation of the performance of the highest governance body	<a href="#">2-18</a>	–	–	The performance review is carried out by the Directors.

<sup>33</sup> Legend for disclosure framework references: [GRI](#) [SASB](#) [UN Global Compact](#) [TCFD](#) [UN SDGs](#)



Disclosure	Reference <sup>33</sup>	Performance Indicators		Explanation
		2023	2022	
<b>Governance and Compliance</b>				
Remuneration policies	<a href="#">2-19</a>	–	–	Refer to Section C of our Notice and Management Information Circular.
Process to determine remuneration	<a href="#">2-20</a>	–	–	Refer to Section C of our Notice and Management Information Circular.
Annual total compensation ratio	<a href="#">2-21</a>	6.85	5	Our compensation ratio is calculated as total CEO compensation (including salary, bonus, and gains related to the exercise of his stock options) divided by average employee compensation.
<b>Strategy, Policies, and Practices</b>				
Statement on sustainable development strategy	<a href="#">2-22</a> <a href="#">17</a>	–	–	See <a href="#">statements from our Chair, Arne H Frandsen, and our President and Chief Executive Officer, Eric Desaulniers</a> on p. 4.
Policy commitments	<a href="#">2-23</a>	–	–	Refer to our key commitments within the following policies: <ul style="list-style-type: none"> <li>» <a href="#">Code of Conduct</a></li> <li>» <a href="#">Supplier Code of Conduct</a></li> <li>» <a href="#">Health and Safety Policy</a></li> <li>» <a href="#">Human Rights Policy</a></li> <li>» <a href="#">Environmental Policy</a></li> <li>» <a href="#">Sustainable Development Policy</a></li> <li>» <a href="#">Diversity, Equity, and Inclusion Policy</a></li> <li>» <a href="#">Board Diversity Policy</a></li> <li>» <a href="#">Anti-Bribery Policy</a></li> <li>» <a href="#">Whistleblower Policy</a></li> <li>» <a href="#">Responsible Procurement Policy</a></li> <li>» <a href="#">Sustainable Mobility policy</a></li> <li>» <a href="#">Indigenous Peoples Policy</a></li> <li>» <a href="#">Water Stewardship Policy</a></li> <li>» <a href="#">Clawback Policy</a></li> <li>» <a href="#">Complaint Policy</a></li> </ul>
Embedding policy commitments	<a href="#">2-24</a>	–	–	The Company's Senior Management Team is accountable for the implementation of our policy commitments, along with the oversight of the Board of Directors. Policies are shared with our new employees during their on-boarding training. New adopted policies are communicated to the entire organization via email and discussed during NMG weekly meeting. Training is mandatory for our Harassment Prevention Policy. Refer to the <a href="#">Sound Governance</a> chapter (p. 23) for more information, along with the <a href="#">Responsible Procurement</a> (p. 30) subsection regarding the implementation of our commitments in our business relationships.
Processes to remediate negative impacts	<a href="#">2-25</a>	–	–	NMG has implemented a <a href="#">Complaint Policy</a> , in line with principle 31 of the Guiding Principles on Business and Human Rights the United Nations' Human Rights Council, which provides stakeholders with the opportunity and mechanism to report complaints of potential violations, including breach of anti-bribery and anti-corruption laws, misconduct and other concerns.

<sup>33</sup> Legend for disclosure framework references: [GRI](#) [SASB](#) [UN Global Compact](#) [TCFD](#) [UN SDGs](#)



Disclosure	Reference <sup>33</sup>	Performance Indicators		Explanation
		2023	2022	
<b>Strategy, Policies, and Practices</b>				
Mechanisms for seeking advice and raising concerns	2-26	–	–	<p>Potential violation of the Company's <a href="#">Code of Conduct</a>, policies, applicable laws, or regulations, can be signaled via our confidential ethics hotline (phone and web). Reports made are investigated by the Audit Committee, following which appropriate recommendations are presented to the Board of Directors.</p> <p>The Audit Committee can engage independent investigators and advisors as needed. Following an investigation, a confidential report will be prepared, and where a breach of the Code of Conduct or other applicable policies, laws, and regulations is found to have occurred, NMG will impose appropriate corrective measures, including disciplinary action, up to termination of employment.</p>

## Additional Disclosures

Disclosure	Reference <sup>34</sup>	Explanation
<b>The Organization and its Reporting Practices</b>		
Entities included in the organization's sustainability reporting	2-2	Entities included in the ESG Report are the same as our financial statements: Nouveau Monde Graphite Inc. and its two wholly owned subsidiaries Nouveau Monde District Inc. and Nouveau Monde Europe Limited.
Reporting period, frequency, and contact point	2-3	The report covers the period of January 1, 2023, to December 31, 2023, with significant updates up to April 30, 2024, with references when necessary to previous initiatives and activities. We intend to report annually, our last <a href="#">ESG Report</a> was published on May 10, 2023, for the 2022 fiscal year. Julie Paquet, Vice President, Communications and ESG Strategy, can be contacted for further information on this report at <a href="mailto:jpaquet@nmg.com">jpaquet@nmg.com</a> .
Restatements of information	2-4	The indicator for EM-MM-130a.1 was mistakenly identified as EM-MM-103a.1 in the 2022 ESG Report; the error only affected the standard identification, the data was accurate. For the indicator 404-1, the 2022 figure included training hours offered to students and interns. We have now rectified the accounting of training hours to only include employees. For the indicator 303-4, we have adjusted the 2022 data to include runoff water managed by sediment barriers during construction.
External assurance	2-5	At our development stage, we do not seek assurance for our report. We are confident our internal processes provide sufficient oversight regarding the accuracy of the information we report. We intend to explore assurance options as the Company transitions to the commercial stage (Phase 2).

33-34 Legend for disclosure framework references: [GRI](#) [SASB](#) [UN Global Compact](#) [TCFD](#) [UN SDGs](#)



# REFERENCES

ACS	Attestation of Collegial Studies	IPCC	The Intergovernmental Panel on Climate Change
AR5	Fifth Assessment Report	ISSB	International Sustainability Standards Board
BAPE	Bureau d'audiences publiques sur l'environnement	JHSC	Joint Health and Safety Committee
CAD	Canadian dollars	LCA	Life cycle assessment
Caterpillar	Caterpillar Inc.	Moody's	Moody's ESG Solutions
CDP	Carbon Disclosure Project	NAG	Non-acid-generating
Company	Nouveau Monde Graphite Inc.	NMG	Nouveau Monde Graphite Inc.
CSPG	Coated spherical purified graphite	Nouveau Monde	Nouveau Monde Graphite Inc.
DEI	Diversity, Equity, and Inclusion	OSHA	Occupational Safety and Health Administration
DVS	Diploma of vocational studies	PAG	Potentially acid generating
ERM	Entreprise risk management	PEA	Preliminary economic assessment
ESG	Environmental, social and governance	R&D	Research and development
ESIA	Environmental and Social Impact Assessment	SDGs	United Nation's Sustainable Development Goals
EV	Electric vehicle	SEC	Securities Exchange Commission
GBA	Global Battery Alliance	TCFD	Task Force on Climate-Related Financial Disclosures
GHG	Greenhouse gas	TSM	Mining Association of Canada's Towards Sustainable Mining
GM	General Motors Holdings LLC	UN	United Nations
GRI	Global Reporting Initiative	UNGC	United Nations Global Compact
GWP	Global warming potential	UQAT	Université du Québec en Abitibi-Témiscamingue
IBA	Impact and benefit agreement	WCI	Western Climate Initiative
ICMM	International Council on Mining and Metals	We	Nouveau Monde Graphite Inc.
IFRS	International Financial Reporting Standards		

# DISCLAIMER

This ESG report contains “forward-looking information” and “forward-looking statements” within the meaning of applicable securities legislation (collectively, “forward-looking statements”), which relate to future events or future performance and reflect management’s expectations and assumptions regarding the Company’s growth, results, performance and business prospects and opportunities. Such forward-looking statements reflect management’s current beliefs and are based on information currently available to it. In some cases, forward-looking statements can be identified by words such as “may”, “would”, “could”, “will”, “should”, “expect”, “intend”, “aim”, “attempt”, “anticipate”, “believe”, “study”, “target”, “estimate”, “forecast”, “predict”, “outlook”, “mission”, “aspire”, “plan”, “schedule”, “potential”, “progress” or the negative of these terms or other similar expressions concerning matters that are not historical facts. In particular, statements regarding the Company’s corporate objectives and business strategy including, without limitation, the “Corporate Overview” paragraph, the Company’s aspirations, targets, commitments and goals, the completion and deployment of the Sustainability Action Plan and the Climate Action Plan, the materiality assessments, the nature of relationships with stakeholders such as local communities, First Nations, employees, suppliers and service providers, business partners, governments and regulatory authorities, the obtaining of the free, prior, and informed consent of First Nations, the entering into an impact and benefit agreement for the commercial phase of the Matawinie Mine and the results thereof, the direct and indirect economic impact of the Matawinie Mine project and the Bécancour Battery Material Plant project, including the creation of job opportunities for local communities, the Company’s planned ESG (as defined below) initiatives, the Company’s responsible procurement strategy, the Company’s intention to participate in a circular economy, the footprint of the Matawinie Mine project and the Bécancour Battery Material Plant project, the Company’s GWP, the intended positive impact of our products, the Company’s planned electrification strategy and its intended results, the Company’s carbon neutrality status, its intended transition to Net Zero and its GHG (as defined

below) estimate of commercial operations, the Company’s safe, inclusive and positive environment, the Company’s goal to increase its diversity, the Company’s Diversity, Equity and Inclusion action plan, the economic development of the Bécancour industrial park, the development plans, timeline and anticipated capacity and output of the Matawinie Mine project and the Bécancour Battery Material Plant project, forecasts for future graphite demand, initiatives of various market players, the Company’s future results, the intended development of the Uatnan Mining project, the economic performance and product development efforts, as well as the Company’s expected achievement of milestones, including the ability to obtain sufficient financing for the development of the Matawinie Mine project and the Bécancour Battery Material Plant project, the ability to achieve the Company’s ESG initiatives, the results of the feasibility study and preliminary economic assessment, the development of a biodiversity action plan, climate risks and opportunities, the restoration and remediation plan, the statements which are discussed under the “Trends, Resilience, and Impact: Discussion on ESG” section, and any information as to future plans and outlook for the Company are or involve forward looking statements.

Forward-looking statements are based on reasonable assumptions that have been made by the Company as at the date of such statements and are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to, the actual results of current development, engineering and planning activities, access to capital and future prices of graphite, new mining operation inherent risks, mineral exploration and development activities inherent risks, the uncertainty of processing the Company’s technology on a commercial basis and those factors discussed in the section entitled “Risk Factors” in the Company’s most recent annual information form. Forward-looking statements in this ESG report contain, among other things, disclosure regarding: the Company’s

development activities and production plans; the development of the Uatnan Mining project, the impact of infectious diseases, global pandemics or any other public health crises, and the impact of economic conditions and unforeseen events on the Company’s operations; the future outlook, corporate development and strategy of the Company; the Company’s projected capital and operating expenditures; the estimates of mineral resources and mineral reserves; the Company’s green and sustainable lithium-ion active anode material initiatives; the government regulation of mining operations, environmental regulation and compliance; the realization of the expected economics of the construction and operation of the Matawinie Mine project and the Bécancour Battery Material Plant project; the ability to obtain sufficient financing and the permitting required for the development of the Matawinie Mine project and the Bécancour Battery Material Plant project; and business opportunities that become available to, or are pursued by the Company.

Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to: general business and economic conditions; there being no direct operational impacts resulting from infectious diseases or pandemics; the supply and demand for, deliveries of, and the level and volatility of prices for graphite products; the speculative nature of mineral exploration and development; changes in mineral production performance and increase in costs, exploitation, exploration and mine new mines’ start-up successes; the risk that exploration data may be incomplete and additional work may be required to complete further evaluation, including but not limited to drilling, engineering, and socioeconomic studies and investment; the impact of the inflation of the Company’s planned exploration and development activities, the timing of the receipt of necessary regulatory and governmental permits and approvals for the Matawinie Mine project and Bécancour Battery Material Plant project; the availability of financing for the Company’s development of its properties and construction of its facilities and installations on reasonable terms; the possibility that the Company may incur

additional debt; the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; increased costs, delays, suspensions and technical challenges associated with the development, construction and commissioning of the Matawinie Mine project and the Bécancour Battery Material Plant project; the good standing of the Company's title and claims on its properties; the ability to attract and retain skilled staff and maintain positive relationships with the staff; the risk of relying on consultants; development and production timetables; competition and market risks; pricing pressures; the accuracy of the Company's mineral resource and mineral reserve estimates (including, with respect to size, grade and recoverability) as well as the geological, operational and price assumptions on which they are based; the volatile nature of the share price of a resources company and public corporation obligations, currency fluctuations, the fact that certain business improvement initiatives are still in the early stages of evaluation, and additional engineering and other analysis is required to fully assess their impact; the fact that certain of the initiatives described in this ESG report, are still in the early stages and may not materialize; business continuity and crisis management; and such other assumptions and factors as set out herein and in this ESG report.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that may cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update or revise any forward-looking statements that are included in this ESG report, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

Market and industry data presented throughout this ESG report was obtained from third-party sources and industry reports, publications, websites and other publicly available information, as well as industry and other data prepared by the Company or on the behalf of the Company on the basis of the Company's knowledge of the markets in which the Company operates,

including information provided by suppliers, partners, customers and other industry participants.

The Company believes that the market and economic data presented throughout this ESG report is accurate as of the date of publication and, with respect to data prepared by the Company or on behalf of the Company, that estimates and assumptions are currently appropriate and reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market and economic data presented throughout this ESG report are not guaranteed and the Company does not make any representation as to the accuracy of such data. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. Although the Company believes it to be reliable as of the date of publication, the Company has not independently verified any of the data from third-party sources referred to in this ESG report, analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying market, economic and other assumptions relied upon by such sources. Market and economic data are subject to variations and cannot be verified due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey.

This 2023 ESG Report does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities.

Except for any legal terms that are mandatory and cannot be waived, NMG accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) incurred by any person as a result of any error, omission or misrepresentation in information in this 2023 ESG Report.





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