2023 SUSTAINABILITY REPORT

A rare solution to
decarbonize steelmaking

CHAMPION IRON

TABLE OF CONTENTS
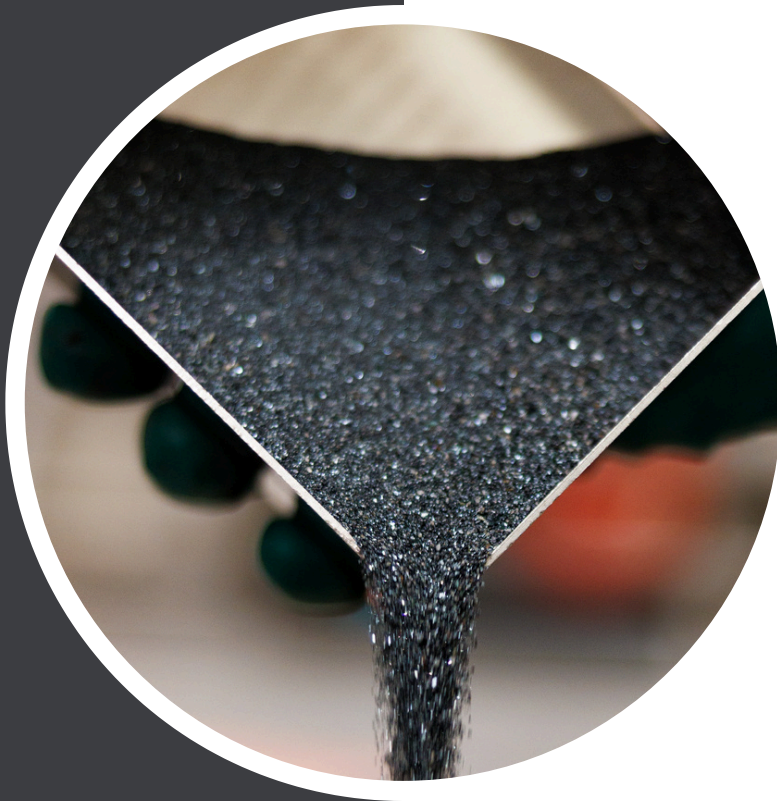
ESG PERFORMANCE HIGHLIGHTS

ENVIRONMENT

- No major environmental issues occurred;
- Increased recycled water consumption, including 99% of water reused at Bloom Lake;
- Greenhouse gas ("GHG") emissions per tonne of iron ore concentrate produced declined by 8.7% year-over-year;
- Mapped the value chain emissions and established a Scope 3 assessment methodology, enabling Champion Iron Limited ("Champion" or the "Company") to identify opportunities in reducing emissions across its value chain; and
- Participated in the Company's first Carbon Disclosure Project assessment.

SOCIAL

- Successfully ratified a new 5-year collective bargaining agreement providing additional stability for the workforce, the community and the Company, maintaining a strong and mutually beneficial partnership with employees;
- Record health and safety statistics for workers in the 2023 calendar year;
- Continued the Company's awareness initiatives aimed at educating employees regarding First Nations' history and culture; and
- 50% increase in donations and sponsorship year-on-year, focused on the Company's local communities operations, reflecting the Company's commitment to making a positive impact on the Québec Côte-Nord region.

GOVERNANCE

- Completed a climate physical risk assessment of the Company's operations;
- Added additional oversight for sustainability matters as a responsibility of the Board of Directors in the oversight of risks and opportunities; and
- Reviewed, assessed and updated all of the Company's sustainability policies.

CHAMPION IRON

ABOUT THIS REPORT

Champion prepared this report with its wholly-owned subsidiary, Quebec Iron Ore Inc. ("QIO"). The use of "Champion" and "the Company" in this report includes Champion Iron Limited and all its subsidiaries, including QIO. The report focuses on the Bloom Lake mining complex ("Bloom Lake Mining Complex" or "Bloom Lake") located in Québec, Canada, the Company's principal asset, which is operated by QIO.

Our Reporting Practice

Champion's fifth annual sustainability report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards (2021). The report is also aligned with the Sustainability Accounting Standards Board ("SASB") Metals & Mining Industry Standard and the Task Force on Climate-related Financial Disclosures ("TCFD") reporting framework.

This report provides an overview of Champion's approach to managing material sustainability topics associated with our business activities, including the potential impacts of its operations. This year, the materiality assessment process identified 23 material topics, which were systematically organized into chapter topics and subtopics. This report additionally considers Champion's values, business strategy, corporate sustainability policies, standards, procedures, management systems, and the broader regulatory and industry environment in which we operate.

Information in this report refers to the 12-month period ended December 31, 2023. This excludes data for water stewardship, which covers the 12-month period ended September 30, 2023, consistent with previous reports. It also excludes data for energy and climate change, which aligns with our financial year. Financial data presented herein aligns with the Company's 2024 financial year ended March 31, 2024.[1] There are no changes in reporting periods from our previous report.

All data has been subject to internal reviews and evaluations.[2] This report was prepared by the Executive Management of Champion ("Management" or the "Management team") and approved by the Board of Directors (the "Board") on May 30, 2024 (Montréal) / May 31, 2024 (Sydney). Unless otherwise indicated, all dollar amounts are expressed in Canadian dollars. The scope of the report covers Bloom Lake's operations and the Company's stakeholder engagement in relation to its growth projects.

The GRI, SASB and TCFD content index for the report is available in the Appendix, and in the ESG Databook on Champion's website at www.championiron.com.

We welcome your comments and questions via our contact platform at the following address: info@championiron.com.

> Performance Indicators:
> GRI 2-1, 2-2, 2-3, 2-4, 2-5

Message from the Chairman of the Board of Directors

Over the last year, our team remained committed to build and operate a sustainable business while pursuing our mission to provide responsible raw materials required to decarbonize the steel industry.

The critical importance of our high-purity iron ore in the green steel supply chain continued to be confirmed in the past year. Notably, we saw a global acceleration of projects to produce green steel using electric arc furnaces, many financially supported by governments. This change in steelmaking method will require additional Direct Reduction ("DR") quality iron ore, which Champion can provide. We also witnessed the emergence of numerous premium pricing supply contracts for green steel, ranging from consumer goods to industrial products. In tandem, commitments to use green steel in infrastructure projects by several governments at COP 28, highlights an inevitable disconnect in pricing for raw materials required in the green steel transition.

Capitalizing on our unique capacity to decarbonize steelmaking, we continue to leverage our vast project portfolio in the Labrador Trough. This strategic hub benefits from potential access to renewable power and hosts some of the purest and largest iron resources worldwide, which can be used to supply the green steel transition.

Near-term, our Direct Reduction Pellet Feed ("DRPF") project will enable Champion to become an industry reference by producing one of the highest purity iron products globally. Medium-term, following our recently completed study, we continue to work on opportunities to develop the Kamistiatusset ("Kami") project, including the potential for strategic partnerships. Long-term, we look to de-risk and develop our Cluster II hub, which hosts resources equivalent to multiple Bloom Lake sites and provides the scale required to support an industrywide transition for steelmaking without the use of coal.

While we deploy significant efforts to develop our organic growth projects and engage with customers globally, our focus remains on building lasting relationships with local communities. The long-term trust created through the years with our partners, including with First Nations, remains one of the keys to our success.

Finally, we welcomed two new experienced members to our Board of Directors; Jessica McDonald and Ronnie Beevor. Their expertise will complement an already highly qualified Board and provide the governance to maintain our sustainable practices.

I would like to thank our teams and trusted partners who are enabling our Company to become a global solution in the green steel supply chain. Thanks to their dedication, we ended the year with solid results and remain in an excellent position to pursue our growth strategy.

MICHAEL O'KEEFFE

Executive Chairman of the Board

CHAMPION IRON △

Message from the CEO

Champion's commitment to integrate environmental, social, and governance (ESG) factors is fully aligned with its values and essential to creating a long-term successful business. Therefore, this 2023 Sustainability Report highlights how our team met and surpassed most of the targets set in its previous edition.

Aligned with our unique opportunity to significantly reduce emissions in the steelmaking process, we completed an exercise to estimate our Scope 3 emissions. This initiative will further provide visibility of our high purity iron ore's advantage in the green steel supply chain. Additionally, we continue to demonstrate our 2030 commitment to reduce greenhouse gas emissions intensity at Bloom Lake by 40% and becoming carbon neutral by 2050.

Given its ability to enable steelmaking without coal through the Direct Reduced Iron and Electric Arc Furnace process, our DRPF project, currently under construction, will position our Company as a significant contributor to the global fight against climate change.

In addition, high purity iron ore is now recognized as a critical mineral by the governments of Québec and Newfoundland and Labrador. As such, the substantial impact of our DRPF project was supported with the allocation of a block of additional hydroelectricity from Hydro-Québec.

Within the vast ancestral Innu territory called Nitassinan, Champion operates on one of the largest known resources of high-purity iron globally. To ensure our long-term positive impact for all stakeholders, we continuously work to minimize the ecological footprint of our activities. Our environmental commitment is reflected in our 100% compliance rate with the Canadian Mining Association's Tailings Management Program targets, and our 99% water reuse rate.

We remain committed to maximizing our positive impact for local communities, particularly with our First Nations partners. To this end, we foster projects that promote Innu culture and support economic growth by supporting local entrepreneurship. We are especially proud of our 10-year engagement with Innu Nikamu, one of the largest Indigenous music festival in North America. We were also a major partner to the Regional Economic Circle of Indigenous Peoples of Québec, an event that aims to actively involve the business community in encouraging greater economic inclusion with First Nations communities.

I wish to thank all our employees for their continued commitment in upholding our corporate values and maintaining sustainable practices. I would also like to thank all our partners and stakeholders for their continuous trust and support, which enables us to play a leading role in the green steel supply chain.

DAVID CATAFORD

CEO

Performance Indicators:
GRI 2-22

ABOUT CHAMPION IRON LIMITED

Champion, through its wholly-owned subsidiary QIO, owns and operates the Bloom Lake Mining Complex, located on the south end of the Labrador Trough, approximately 13 km north of Fermont, Québec. Bloom Lake is an open-pit operation with two concentrators that primarily source energy from renewable hydroelectric power. The two concentrators have a combined nameplate capacity of 15 Mtpa and produce low contaminant high-grade 66.2% Fe iron ore concentrate with a proven ability to produce a 67.5% Fe direct reduction quality iron ore concentrate. Benefiting from one of the highest purity resources globally, the Company is investing to upgrade half of the Bloom Lake mine capacity to a direct reduction quality pellet feed iron ore with up to 69% Fe. Bloom Lake's high-grade and low contaminant iron ore products have attracted a premium to the Platts IODEX 62% Fe iron ore benchmark. The Company ships iron ore concentrate from Bloom Lake by rail, to a ship loading port in Sept-Îles, Québec, and has delivered its iron ore concentrate globally, including in China, Japan, the Middle East, Europe, South Korea, India and Canada. In addition to Bloom Lake, Champion owns a portfolio of exploration and development projects in the Labrador Trough, including the Kamistiatusset Project, located a few kilometres south-east of Bloom Lake, and the Cluster II portfolio of properties, located within 60 km south of Bloom Lake.

CHAMPION IRON ⛰

Bloom Lake
Mine Complex

Newfoundland and Labrador

Québec

Montreal
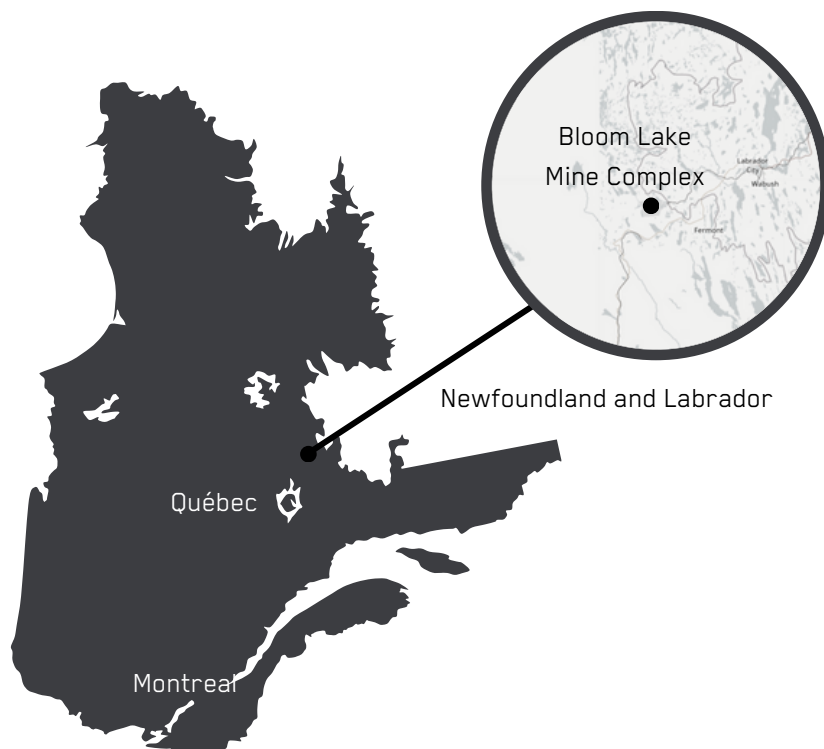
Champion was incorporated in 2006 pursuant to the laws of Australia and is listed on the Toronto Stock Exchange (TSX: CIA), the Australian Securities Exchange (ASX: CIA), and is available to trade on the OTCQX Best Market marketplace of the OTC Markets Group (OTCQX: CIAFF). Champion is headquartered in Rozelle, New South Wales, Australia, with its principal administrative office located in Montréal, Québec, Canada.

The Company diligently strives to positively impact all its stakeholders, while deploying industry best sustainability practices. Champion prides itself on cultivating strong, mutually beneficial partnerships, including with the local First Nations communities of Uashat Mak Mani-utenam and Matimekush-Lac John. The Company provides over 1,100 jobs in a remote area of Québec, and continues to be the largest employer of First Nations in its host region.

Our Vision
Leverage the force of responsible materials to decarbonize and brighten the future.

Our Mission
Produce responsible materials with ingenuity to reduce the carbon footprint with and for those who seek change.

Our Values

Our commitment to responsible mining is reflected in our Values. The following four core values are the cornerstone of what we believe in and guide how we operate every day:

PRIDE	Develop a collective sense of belonging in all spheres of iron ore mining.
INGENUITY	Leverage employee creativity and expertise to achieve and maintain efficient practices aimed at operational excellence.
RESPECT	Respect for people, resources, the environment, safety standards, partnerships and equipment.
TRANSPARENCY	Promote transparent communications through active listening and open dialogue.

Our Operations

The Bloom Lake Mining Complex is Champion's principal asset and is located on the south end of the Labrador Trough in Québec, Canada. Running through northern Québec and Labrador, the Labrador Trough contains deposits of high-quality iron ore within a belt of sedimentary and igneous rock spanning an area 160 km wide by 1,200 km long. The Bloom Lake Phase I and Phase II plants benefit from over US$4.5 billion in infrastructural investments, including significant investments by Bloom Lake's previous owners. Champion's Phase II expansion project doubled Bloom Lake's nameplate capacity to 15 Mtpa of high-purity 66.2% Fe iron ore concentrate with low contaminants, and announced its first shipment in May 2022.

Champion uses world-class infrastructure to transport its iron ore concentrate to a seaport with a deep-water terminal, where Capesize ships can each be loaded in under 50 hours.

Our Plans

Empowering its vision, Champion seeks to provide a sustainable solution for the green steel supply chain. Enabled by its significant resources across the Labrador Trough, our Company's growth initiatives include several projects seeking to improve and transform our high purity resources to enable emission reductions for the steelmaking industry, which represent nearly 10% of global greenhouse gases emissions. Notably, our Company is actively working on projects including:

Direct Reduction Pellet Feed Project

In May 2022, Champion commissioned a feasibility study to evaluate the project's capability to produce a Direct Reduction grade pellet feed product. In January 2023, Champion announced the findings of the DRPF Project Feasibility study ("Feasibility Study"), which evaluated the reprocessing and infrastructure required for the commercial production of up to 69% Fe DR product.[3]

The Feasibility Study evaluated the modifications needed to upgrade the Phase II plant production to DRPF quality iron ore, resulting in an average life of mine production of approximately 7.5 Mtpa of DRPF quality iron ore of up to 69% Fe, which would be one of the highest quality DRPF products available on the seaborne market. The production of DR grade pellet feed would enhance the Company's ability to further contribute to the green steel supply chain by engaging with additional customers focused on Direct Reduction Iron ("DRI") and Electric Arc Furnaces ("EAF") steelmaking. These processes reduce greenhouse gases emissions in the steelmaking process by approximately half, when compared to traditional steelmaking using Blast Furnaces ("BF") and Basic Oxygen Furnaces ("BOF"), which use coal as a primary raw material. The Feasibility Study estimated that approximately 30 months would be required to upgrade the Phase II plant and infrastructure, with an estimated cost of $470.7 million. On January 30, 2024, (Montréal), the board approved a final investment decision for the DRPF Project. The project's commissioning is estimated to occur in the second half of 2025, subject to the completion of key construction milestones in the near-term. The project will enable the Company and the region to contribute to the acceleration of the green steel transition. This timely project aligns with the recent announcements by the governments of Québec and Newfoundland and Labrador, to add high-purity iron ore to their critical mineral lists.

Kami Project

In April 2021, Champion announced that it completed the acquisition of the Kamistiatusset iron ore project, located in the Labrador Trough geological belt in southwestern Newfoundland, near the Québec border, only a few kilometres from Bloom Lake. In January 2024, the Company completed the Kami Project study, which evaluated the construction of mining and processing facilities required to produce DR grade pellet feed iron ore from the properties of the proposed Kami mine. The study details a 25-year life of mine with average annual DR quality iron ore concentrate production of approximately 9.0M wmt per annum at above 67.5% Fe. The completion of the study enables the Company to evaluate the Kami Project in relation to its portfolio of other organic growth opportunities. The Company expects to continue to optimize the Kami Project, to engage with stakeholders, evaluate opportunities to improve its economic potential, and advance permitting and work on strategic partnership opportunities, prior to considering a final investment decision.

PERFORMANCE SPOTLIGHT

Our Economic Contributions (FY24)

$1,524.3M Revenues
$234.2M Net Profit
$1,255M Procurement Spend
$170.3M Salary Spend
$15.1M Income and mining taxes paid

Our Production (FY24)

40,874,100 wet metric tonnes Ore mined and hauled
14,162,400 wet metric tonnes Iron ore concentrate produced
11,643,700 dry metric tonnes Iron concentrate sold

Our People (calendar year)

1,145 Total number of Champion's employees [4]
57 Local and First Nations employees

Our Products

Champion produces a rare high-purity iron ore concentrate which enables steelmakers to significantly reduce GHG emissions. Benefiting from an industry-leading high-purity resource, we commercially produce a low contaminant 66.2% Fe iron ore concentrate, with a proven ability to produce a DR quality pellet feed at 68% Fe, while advancing the DRPF project which is expected to produce DR quality pellet feed at up to 68% Fe. Our high-purity products meet the highest standards for our steelmaking customers, located primarily in China, Japan, Europe, the Middle East and South Korea.

Due to the low impurities and favourable characteristics of our iron bearing minerals, the extraction and concentration of our iron ore concentrate is completed using chemical-free gravimetric and magnetic processes. Champion's high-purity product characteristics enable steelmakers to use significantly less energy in the steel making process, including using less coal, which reduces GHG emissions in the steelmaking process. Production of DR quality pellet feed iron ore will enhance the Company's ability to contribute to decarbonization in the steelmaking industry by servicing customers utilizing DRI and EAF steelmaking processes, which consumes primarily scrap steel and produces approximately less than half of the emissions associated with traditional BF and BOF steelmaking, which requires coal.

Our Value Chain

Since recommissioning the Bloom Lake mine in 2018, Champion has sold its product to over 40 different customers globally. We promote sustainability within our value chain by focusing on our own responsible sourcing and by reducing our environmental footprint.
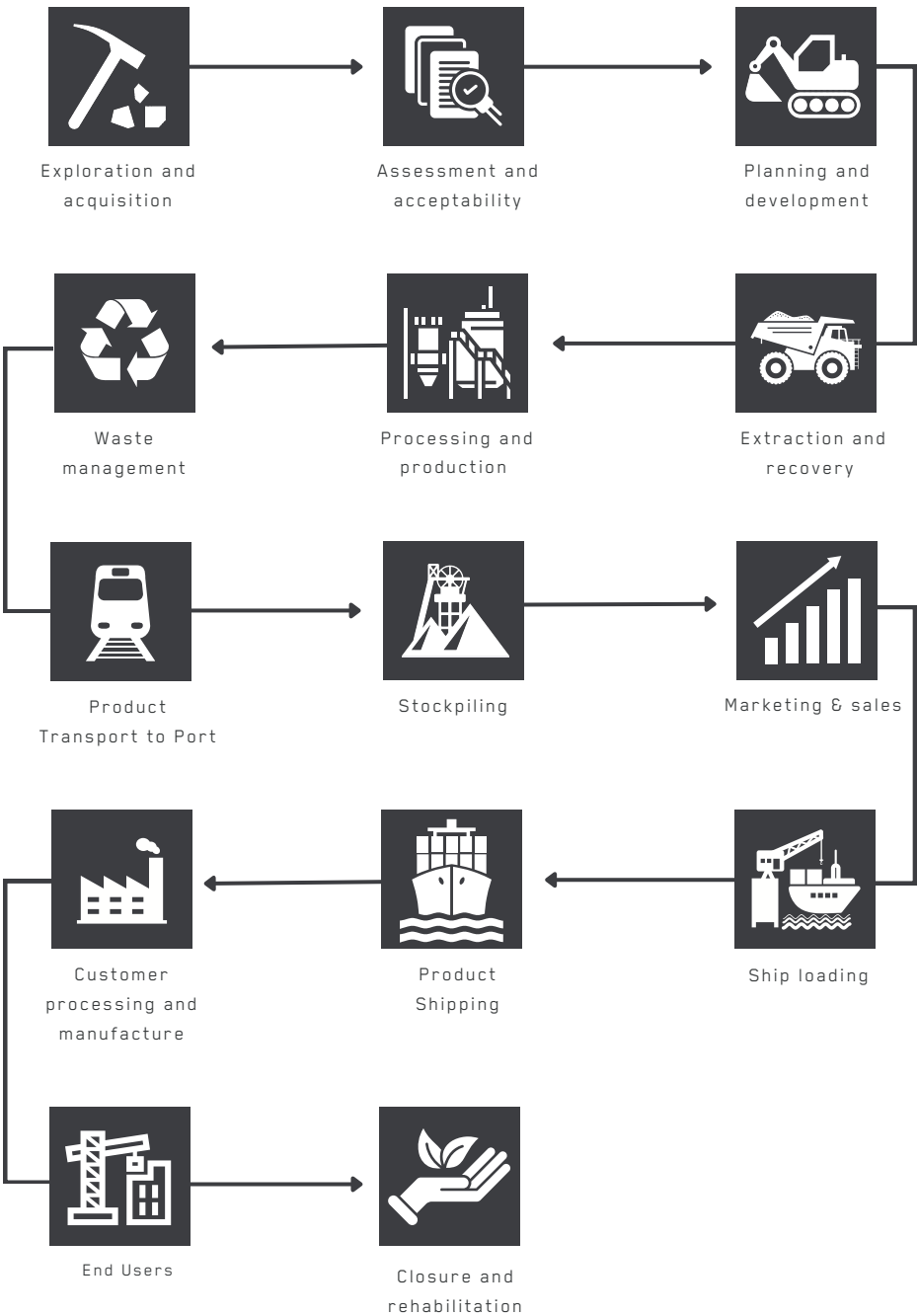
Champion's value chain includes 1,141 Tier 1[5] suppliers, who provide the goods, materials, and services that are required for our operations. We aim to positively impact our stakeholders, including First Nations communities and the greater Québec Côte-Nord region where we operate. Our procurement practices encourage the sourcing of local goods and services, and 80% of our procurement spend is allocated to suppliers located in Québec, and 95% is allocated to suppliers located in Canada. The remaining 5% of our procurement is sourced from outside of Canada, predominantly from Germany, Australia, and the United States.

Our direct supply chain primarily supports our mining operations and growth projects, including the DRPF and Kami projects, and our exploration activities. This includes transportation, contract labour, mining equipment, mining supplies, equipment rentals, fuel and spare parts, consumables for our onsite operations, contractors and consultants. Other expenditure categories were linked to activities not directly related to mining, including travel, professional services, cleaning and security. There were no significant changes to our supply chain during the reporting period.

Performance Indicators:
GRI 2-1, 2-6.

Value Chain Lifecycle

Exploration and acquisition → Assessment and acceptability → Planning and development → Extraction and recovery → Processing and production → Waste management → Product Transport to Port → Stockpiling → Marketing & sales → Ship loading → Product Shipping → Customer processing and manufacture → End Users → Closure and rehabilitation

OUR APPROACH TO SUSTAINABILITY

Champion aims to positively impact our stakeholders and our dedication to sustainability is deeply anchored in our culture. Champion's vision, strategy and values guide its approach to sustainability. We strive to enable our customers to produce steel more sustainably by innovating and producing high-purity iron ore products. We continuously work to provide a safe and inclusive working environment, avoiding social inequities, embracing cultures, respecting human rights, and protecting the environment and biodiversity.

Our commitment is articulated in our sustainability policies, including our Human Rights, Environment, Responsible Procurement, Occupational Health and Safety, Prevention of Harassment and Discrimination at Work, and Donation and Sponsorship Policies.

Performance Indicators:
GRI 2-23, 2-24

Our policies are guided by legal and regulatory requirements that govern the jurisdictions where we operate, and authoritative international instruments such as the United Nations Guiding Principles on Business and Human Rights.[6]

Our Human Rights Policy is informed by the United Nations Guiding Principles on Business and Human Rights, the International Bill of Human Rights (which includes the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights), and the International Labour Organization Core Conventions. It is additionally inspired by the risk management framework of the "Equator Principles". The policy specifically references the rights of Indigenous peoples and members of host communities and includes prohibitions against child labour and all forms of modern slavery.

All our publicly available policies are available on our website at www.championiron.com. Champion's Board of Directors annually reviews the policies and how they are applied throughout our operations, in line with the vision, values, and objectives of the Company. Our commitment to human rights is included in mandatory human rights training that all Champion employees and Management must undertake as part of our Code of Conduct training.

While our policy commitments primarily apply to our organization, several commitments, including our Responsible Procurement Policy, also apply to our supply chain. Relevant policies and commitments are communicated to our employees when they are hired (they are included as an appendix in every employment contract) and are informally communicated to other stakeholders by their availability on our website.

In line with our sustainability commitments, we strive to reduce the environmental footprint of our activities along three primary axes. First, we strive to reduce our GHG emissions by electrifying our production processes and finding new and innovative ways to reduce emissions. Second, we seek to reduce our consumption of fresh water by increasing the reuse of water. At the Bloom Lake site a system of 50 collector basins collects rainwater and snowmelt for use in our ore treatment process. The used water is then treated and reused. Finally, in line with our goal to preserve to the extent possible the natural features of the site while we operate and in anticipation of the end of mine life, we strive to preserve ecosystems and to enhance local biodiversity.

During the reporting period, we diligently reviewed all corporate policies. Our focus remains on fostering the well-being of our employees, implementing robust environmental management practices, and upholding diligent and ethical governance processes.

Sustainability Guidance

We employ several standards and frameworks as a reference in the daily management of our material sustainability topics, including for planning, strategy development, objective setting, implementation, monitoring, and evaluation.

Towards Sustainable Mining
Vers le développement minier durable

Toward Sustainable Mining Initiative

As a member of the Québec Mining Association, we align our activities with the Mining Association of Canada ("MAC") Towards Sustainable Mining ("TSM") initiative. The MAC TSM framework establishes protocols for assessing mining companies' performance in key environmental and social categories. Champion completed its second TSM audit in 2023, where overall ratings improved year on year and positive results were achieved, including our first AAA and AA ratings, awarded for our management of biodiversity. The audit also enabled us to identify areas for potential improvement. In 2024, we will continue to implement systems and disclosures to increase our performance and scores across all TSM categories, with the ultimate goal to improve our actual environmental and social performance. All our assessments are available for consultation on the MAC's website.

EQUATOR PRINCIPLES

Equator Principles

Our Company's development activities are aligned with EP4, the latest version of the Equator Principles, which provide a framework for financial institutions to identify, assess, and manage the social and environmental risks of projects they finance. The principles enable us to promote company-wide sustainable environmental and social performance practices and the associated risk management process.

Performance Indicators:
GRI 2-28

Sustainability Management

As part of its aim to positively impact all stakeholders, Champion establishes strategic sustainable development objectives aligned with its commitments, policies, and risk management. Simultaneously, we are reporting on our performance against targets for the reporting period and have updated our targets and indicators for 2024. Our targets and indicators can be found under 2024 Targets and Indicators. We intend to continue using these targets and indicators to monitor our performance year over year. Since the recommissioning of our operations in 2018, the Company has maintained an exemplary record, remaining free from any fines associated with environmental violations.

Our everyday business decisions are informed by a focus on risk management, supported by the consistent application of the Plan-Do-Check-Act cycle to ensure we are always improving our sustainability management. We draw guidance from the ISO 14001 and ISO 45001 standards in our management approach. Moreover, we also draw inspiration from the ISO 50001 standard to support our energy management framework, enabling us to ensure that any new infrastructure installations are compliant. Throughout the reporting year, we undertook a thorough evaluation of physical climate risks potentially impacting Bloom Lake, the Port of Sept-Îles, and the railways essential for material transportation. This comprehensive assessment pinpointed three main risks: the potential interruption of rail services due to flooding, forest fires, and extreme heat; the risk of flooding at the mine site; and the potential impact of a storm or flood at the port. These identified risks have been integrated into our comprehensive risk register, ensuring proper follow-up and a proactive and resilient approach to managing these risks. The risk register includes social and environmental risks and considers likelihood and potential consequences. The register also includes mitigation measures.

Our management approach also focuses on emergency preparedness and response, incident management, and compliance obligation management. Our emergency preparedness and response plans ("EPRPs") aim to mitigate and control potential effects of an emergency. In 2022 and 2023, we audited our approach in accordance with the MAC TSM Crisis Management and Communications Planning Protocol. The audit concluded that our protocols for crisis management and communications are appropriate. In October 2023, we carried out an emergency simulation exercise as part of our EPRP. The objectives of this exercise, in addition to complying with the TSM framework, were to practice the triggering of the EPRP, to verify understanding and application of the EPRP, and to observe the coordination of the various responders. The exercise made it possible to demonstrate the usefulness of simulation exercises, create automations in communications, and gain a better overview of how to manage this type of event. The crisis simulation yielded valuable insights, enabling our teams to better prepare for real emergency situations.

Our incident management is guided by our six-stage incident management approach, which is designed to minimize the likelihood of incidents, while mitigating the possible impacts from incidents that do occur. We monitor legal and legislative requirements to ensure compliance with our requirements and commitments, including our obligations to First Nations.

Foundational to our sustainability management framework is our dedication to continuous improvement across the project lifecycle, from exploration to mine site restoration. We evaluate our sustainability performance through ongoing monitoring as well as our governance and audit mechanisms. This helps us modify our programs and objectives based on their performance, and enables us to respond to any emerging issues. The Sustainability and Indigenous Affairs Committee ("SIA") of the Board is tasked with monitoring and reviewing the Company's environmental, health and safety, and community and social risks, and the Company's management of those risks.

Throughout the year, we conducted our first comprehensive assessment of our Scope 3 GHG emissions. This strategic initiative empowered us to establish a robust Scope 3 evaluation methodology, enabling an estimation of our GHG emissions throughout our value chain. As a result, our Company is now positioned to identify opportunities for minimizing its environmental footprint throughout its entire supply chain. Further details are included in the Task Force on Climate-Related Financial Disclosures section.
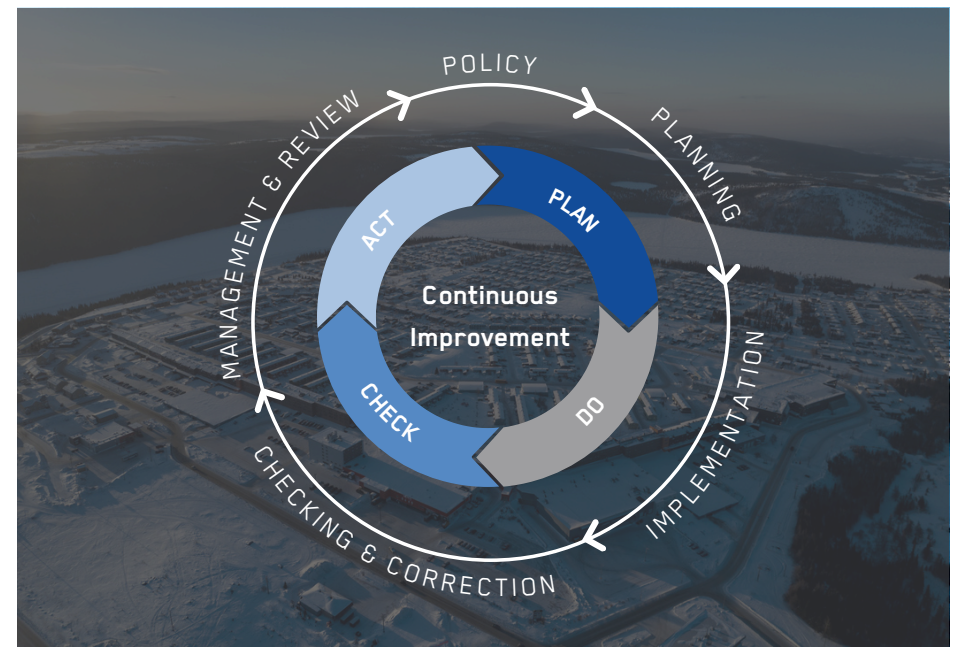
Value Extraction Efficiency

In the mining industry, the term Value Extraction Efficiency ("VEE") refers to the effectiveness of the process in obtaining the desired resource from the raw material. In this context, the Company demonstrated its ability to achieve a high recovery rate of over 79.5%, aligning with its sustainability goal to optimize the extraction of valuable minerals from its ore deposits. This efficiency underscores the Company's commitment to optimizing resource utilization and minimizing waste, simultaneously enhancing the overall economic viability of the mining operations. Such a high recovery rate is made possible from the significant investments in innovative technologies, resulting in an iron recovery rate exceeding regional averages for other iron ore producers. Moreover, we updated our Environmental policy to include the optimization of our energy and natural resource consumption in our commitments.

Performance Indicators:
GRI 3-3, 2-25 (partial)

Engaging with Stakeholders and Indigenous Communities

Through our dedicated community relations team's ongoing engagements, we aim to better understand stakeholders' needs and perspectives. Accordingly, we identify our stakeholders based on the degree to which they are affected by our activities, and by mutual interests and we engage with all stakeholders in the same respectful manner. This approach helps us to better understand risks and opportunities, and to develop long-lasting relationships that are mutually beneficial.

Throughout regular engagement, we better understand the interests of stakeholders and rights-holders. We solicit input on our activities to identify areas of existing or potential concerns, so that they may be addressed in a timely manner. We proactively employ a range of tailored engagement strategies to meet the needs of specific groups and individuals in an inclusive manner. To support this strategy and enhance governance and outcomes, we also have an operational grievance mechanism to monitor and track external feedback. The following infographic presents the main groups we engage with and highlights the primary engagement approaches employed, although at times other engagement methods are utilized as needed.

	Consider	Inform	Mobilize	Satisfy	Collaborate
Type of Engagement	Research and analyze relevant concerns, trends, expectations and ideas	Transparently share and inform about the Company's activities and impacts	Actively bring stakeholders together and foster positive collective contributions	Respect the relevant requirements and commitments and some of the needs and expectations to maintain stakeholder satisfaction	Work together in developing programs or solutions and taking joint action
Type of Groups	Civil society and non-governmental Organizations Industry peers Employees	Media Shareholders Investors	Employees Suppliers	Customers Governments Lenders Employees	Indigenous communities Union Local Communities Employees

Since the recommissioning of Bloom Lake in 2018, our commitment to establishing and maintaining strong constructive relationships with our First Nations partners has been central to our vision and how we operate our business. For the past three years, our Materiality Assessment survey highlighted that engagement with First Nations continues to be one of our most important material topics.

Our 2017 Impact and Benefits Agreement ("IBA") created a mutually beneficial structure for our projects on the Québec portion of the Labrador Trough, and provides for active participation by First Nations partners. The monitoring and implementation of the IBA is carried out by a coordination committee and four subcommittees. More details on the operation of these committees are included under Communities and Indigenous Peoples.

Additionally, we continuously seek to engage with other local stakeholders, including members of local communities near our operations. We value constructive feedback from our stakeholders and regularly integrate it in decision-making and strategic planning, which allows us to improve our sustainability performance.

As part of our focus on fostering a culture of continuous improvement, we engage with industry through memberships and participation in industry associations, trade fairs, conferences and symposiums. This enables us to monitor and share best practices and technologies nationally and globally, to improve operational processes, and to identify new ways to solve common industry-level challenges. We are a member of the Québec Mining Association and our Chief Operating Officer ("COO"), Alexandre Belleau, sits on the Association's Board of Directors. Additionally, our Senior Vice-President, Human Resources, Angela Kourouklis, serves on the Board of Directors at COREM. COREM is a non-profit expertise and innovation center specializing in providing mining corporations with tailored research services to develop and optimize key mineral processing.

Performance Indicators:
GRI 2-28, 2-29

Materiality Assessment

Champion is committed to managing any actual or potential impacts that may be caused by our activities or those that may be related to Champion's operations or business relationships. We understand that impacts can change over time, and using the framework provided by the GRI, Champion is committed to continuously reviewing our material topics. Material topics include the significant impacts, both positive and negative, that Champion has on the economy, people, climate and the environment, and the potential risks these factors pose to the Company's resilience and financial performance.

We conducted our 2023 Materiality Assessment aligning with evolving trends in double materiality while following the guidance of GRI 3: Material Topics 2021. This approach enables us to maintain a holistic understanding of our impacts and risks, supporting continuous improvement in our business decision-making, while considering both financial and sustainability aspects of our activities and value chain.

In 2023 our materiality assessment process included reviewing external industry sources and documented potential and actual impacts. Additionally, we conducted several virtual and in-person interviews with Champion/QIO stakeholders to validate and identify new impacts and risks. Following the interview process, we developed a preliminary revised list of material topics, which was then prioritized through an electronic survey with an extensive list of Company subject matter experts and key external stakeholders. In February 2024, GRI released the new GRI 14 Mining Sector Standard. Champion reviewed its topic list against the Standard to ensure that all key topics material to the Company were covered.

Our 2023 materiality assessment methodology is summarized below:

1. Review of
   a. Documented and managed impacts related to the Bloom Lake mine complex;
   b. Documented potential impacts from material assessments and public consultation processes;
   c. Identified and documented enterprise-wide ESG related risks;
   d. Documented asset-level engagement and grievance management topics;
2. Consideration of a range of ESG trends, risks and evolving performance standards;
3. Interview of key internal and external stakeholders to validate and identify potential impacts, as well as risks to the Company;
4. Prioritization through engagement with Company subject matter experts and external stakeholders;
5. Revision of the topic list reflecting prioritized impacts, to twenty-three material topics; and
6. Review and approval of material topics by the highest governance body.

During the prioritization process, some minor changes were identified in comparison to our previous materiality assessment. Engagement with First Nations increased in importance, replacing Tailings Management as our top material topic. Labour related topics have all increased in their level of importance. The increased importance of labour related topics may be reflective of the timing of the materiality assessment, which was conducted during collective bargaining agreement negotiations at Bloom Lake.

Following prioritization, the material topics were grouped into thematic topic areas, which form the chapters of this Report. Our approach to managing each topic is included in the relevant chapters.

Performance Indicators:
GRI 3-1, 3-2

Material Topic List

Water Stewardship

Air Quality

GHG Emissions & Climate Change

Land Use and Biodiversity

Tailings Management

Waste and Hazardous Materials Management

Employee Health, Safety and Well-being

Labour Relations

Training and Skills Development

Diversity, Equity and Inclusion

Engagement with First Nations

First Nations Employment and Procurement

Community Relations

Local Employment and Procurement

Rights of First Nations and Protection of Cultural Heritage

Board Related Governance

Board Composition

Business Ethics, Bribery, and Corruption

Modern Slavery and Human Rights

Responsible Production and Product Stewardship

Economic Performance

Cybersecurity

Mine Closure

ENVIRONMENT

SOCIAL

GOVERNANCE

Less Material ⟶ More Material

PERFORMANCE & OBJECTIVES

2023 Performance Highlights

Benefit Footprint

Community investment

2023	$7.1M
2022	$6.8M

Sourcing from regional suppliers

2023	$403.3M
2022	$428.5M

Sourcing from First Nations suppliers

2023	$14.0M
2022	$15.0M

Municipal taxes paid

2023	$10.9M
2022	$4.0M

Mining taxes paid to government

2023	$0.8M
2022	$49.5M

Environment

Energy - Energy consumed (TJ)

2023	3,708
2022	2,984

Climate Change - Total GHG Emissions, Scope 1 & 2 (T CO2 e)

2023	126,786
2022	97,943

Tailings - Compliance with monitoring program for tailings retaining structures

2023	100%
2022	100%

Water - Reused or recycled mining wastewater

2023	99%
2022	96%

Biodiversity - Hectares of revegetated area

2023	2.0
2022	15.2

Health and Safety

Total recordable injury frequency (QIO)

2023	1.53
2022	2.05

Total recordable injury frequency (Contractor)

2023	4.34
2022	3.97

Lost time injury frequency (QIO)

2023	0.99
2022	0.86

Lost time injury frequency (Contractor)

2023	1.92
2022	1.48

Human Resources

Total permanent employees

2023	1,145
2022	977

Local and First Nations employees

2023	57
2022	51

Salaries and benefits

2023	$170.3M
2022	$128M

2023 Performance Highlights

Communities and First Nations

First Nations employees

2023	36
2022	28

Percentage of employees having completed First Nations cultural sensitivity training

2023	100%
2022	100%

Grievances received

2023	5
2022	0

Grievances addressed

2023	100%
2022	Not Applicable

Intensity (per tonne of iron concentrate produced)

Domestic waste generated

2023	0.41kg
2022	0.69kg

Hazardous waste generated

2023	0.08kg
2022	0.09kg

Total CO_2 emitted (Scope 1 & 2)

2023	8.95kg
2022	9.82kg

Governance

Committee Updates

2023	Update SIA Committee charter to include oversight of biodiversity.
2022	Updated Remuneration, People and Governance Committee charter to include oversight and monitoring of Champion's diversity and inclusion efforts. Updated SIA Committee charter to include oversight and monitoring of issues related to climate change.

TSM Verification

2023	90% Level A or Compliant
2022	80% Level A or Compliant

2024 Targets and Indicators

Throughout 2023, we reviewed and optimized our sustainable development objectives, ensuring that they are aligned with the expectations of our stakeholders. This comprehensive process aimed to not only meet, but exceed the standards set by our stakeholders, prioritizing a safe and environmentally sound working environment. In order to develop a robust strategy of short, medium and long-term goals, the Company selected the following targets and indicators to track its performance year over year, across key material topics. These were developed with the input from internal subject matter experts and our Management team, as well as being informed by industry risk and performance management trends, investor priorities, and a range of relevant stakeholder priorities.

In the last reporting period, we successfully met 11 out of the 12 sustainability targets set in the 2022 sustainability report[7] with a plan to improve health and safety measures for contractors.

Environment

Theme	2023 Objectives	2023 Performance	2024 Objectives
Environment compliance	Achieve 0 major or significant environmental incident/violation	0	Achieve 0 major or significant environmental incident/environmental violation
Water Management	% or recycled water Target: 80%	98.4%	% of reused/recycled water Target: 90% and above
Tailings Management	Achieve 100% compliance with the MAC tailings management governance model and framework towards monitoring tailings retaining structures	100%	Achieve above 'A' ratings and 100% compliance with the Mining Association of Canada's tailings management governance model and framework towards monitoring tailings retaining structures
GHG	**2030 target** Identify and disclose a list of initiatives that could enable the Company to reach its 2030 emissions reduction targets	Achieved	**2030 target** Identified a list of projects that are expected to contribute to the 2030 target and monitor projects' effectiveness.
	2050 target Review and select methodology for calculating Scope 3 emissions	Achieved	**2050 target** Disclose our first Scope 3 emissions aligned with the GHG Protocol

Social

Theme	2023 Objectives	2023 Performance	2024 Objectives
Health & Safety	Incident frequency (QIO) - Target: 2.0	1.91	Incident frequency (QIO) - Target : 1.9
	Incident frequency (Contractor) - Target: 3.1	4.18	Incident frequency (Contractor) - Target : 3.1
	Zero fatalities	0	Zero fatalities
Diversity and Inclusion	Not applicable new target set for 2024	-	Year-on-year increase in number of women employees working for the Company and deploy supporting initiatives to develop women
Community Relations	Not applicable new target set for 2024	-	Address 100% of grievances within 30 days
First Nations Partners	Employee participation to First Nations cultural training Target: 100%	100% as of December 31st	Organize and hold an annual consultation with our First Nations partners to assess alignment and opportunities to improve collaboration.

Governance

Theme	2023 Objectives	2023 Performance	2024 Objectives
Diversity	30% of women on our board of directors	Achieved	Maintain a minimum of 30% of women on our board of directors
Management	Yearly review of all corporate governance policies to ensure best practices	Achieved	Yearly review of all corporate governance policies to align with best practices. Amend existing corporate policies review and successfully adopt new policies to align with stakeholders' expectations.
Sustainable Development	100% completion of management incentive KPIs related to sustainability practices aligned with ESG disclosure, sustainable positioning, positive community impact, employee retention, talent development and succession planning	Achieved	**Towards Sustainable Mining:** Reach and maintain "A" ratings or "compliant" assessments in 90% of categories.

GOVERNANCE

Champion is committed to conducting business ethically, responsibly, in compliance with the legal requirements of the jurisdictions where we operate, and in accordance with the highest standards of corporate governance. We recognize that good governance is of utmost importance to our stakeholders, and central to the continuous improvement of our accountability and sustainability performance. Proper corporate governance enables us to uphold our core values of transparency and respect.

Governance Structure

Our suite of corporate governance and sustainability policies, listed below, guide the conduct of our business practices, and establishes commitments and expectations to be met across the organization:

- Board Charter
- Corporate Governance Statement
- Board Performance Evaluation Policy
- Code of Conduct
- Audit Committee Charter
- Remuneration, People and Governance Charter
- Sustainability and Indigenous Affairs Committee Charter
- Mandate of Chief Executive Officer
- Diversity Policy
- Continuous Disclosure Policy
- Shareholder Communications Policy
- Trading Policy
- Majority Voting Policy on Election of Directors
- Whistleblower Policy
- Securities Ownership Policy
- Occupational Health & Safety Policy
- Prevention of Harassment and Discrimination at Work Policy
- Responsible Procurement Policy
- Human Rights Policy
- Environmental Policy
- Donation and Sponsorship Policy

As part of our governance objectives, our policies and Board and committee charters are reviewed yearly to ensure their ongoing relevance and alignment with our overall business strategies and to reflect any changes to our internal and external operating context. The last update was completed at the beginning of 2024. In addition to certain internal policies and charters, all our public corporate policies were reviewed and approved by our Board of Directors. Champion's sustainability and governance policies and charters are available at www.championiron.com.

The Board of Directors of the Company is tasked with Management oversight. As stewards of the Company, our highly qualified Board members ensure that we are positioned to positively impact our stakeholders, while operating in a safe, responsible, and ethical manner. The Board maintains general oversight of the Company's principal risks and opportunities, including those that relate to sustainability matters.

It continually strives to stay current on sustainability topics through regular meetings and site visits, which support governance and accountability mechanisms across the Company. As at March 31, 2024, Champion's Board was composed of eight members including three women (38%). Our directors come from a variety of cultural backgrounds, including Australia, Canada, India, and England.

Two members of the Board are executive members, while six Board members are independent non-executive members. Further details on all Board members, including their tenure, and expertise relevant to their role, are provided in our 2023 Management Information Circular.[8] The Chairman of the Board of Directors, Mr. Michael O'Keeffe, is a member of the Management team, and is one of the largest shareholders of the Company. He performs a key role in the Company by providing strategic direction and guidance as we deploy our corporate vision.[9]

The Board has three committees that guide the Company:

1. The Audit Committee
2. The Remuneration, People and Governance Committee
3. The Sustainability and Indigenous Affairs Committee

Over the course of the reporting period, we updated the Sustainability and Indigenous Affairs Committee Charter to include oversight of biodiversity, in light of the considerations outlined by the Taskforce on Nature-related Financial Disclosures and the Company's commitment to closely manage its impact on biodiversity.

We also updated the [Remuneration, People and Governance Committee Charter](#) which establishes the nomination and selection process for the Board of Directors and its three committees. The Committee is responsible for developing selection criteria for Board membership and identifying and screening specific candidates for nomination using established criteria, taking into consideration the skills, knowledge, experience, competencies, attributes and level of independence that are necessary for the Board, as a whole, to function effectively and that are held by each existing director and each nominee. The Committee then makes recommendations to the Board. The Committee is additionally tasked with ensuring that new directors receive an appropriate induction and orientation program. It also assists the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and policies for directors and senior executives. The Committee's Charter makes explicit reference to considerations of independence, diversity, and candidates' skills and expertise. Stakeholder views are not directly taken into consideration.

Champion's [Code of Conduct](#) stipulates that all directors have an obligation to exercise independent judgement in their actions, and in instances where the personal interests of a director may conflict with those of the Company, steps must be taken to eliminate such conflicts.[10]

Critical concerns that emerge, either through our operations or existing grievance mechanisms, are brought to the attention of all relevant committees and the Board of Directors through quarterly presentations prepared by the Company's Management. The Audit Committee annually reviews the Company's risk management systems to ensure that exposure to various sources of risk is minimized. Each year, the Board undertakes a performance evaluation to determine the effectiveness of its directors, Board, and Board committees. The evaluation is led by the Chair or Lead Director, with assistance of the Remuneration, People and Governance Committee.

Remuneration Policies

The [2023 Management Information Circular](#) details the process for determining remuneration for members of the highest governance body and senior executives, as well as how Champion's remuneration policies are designed and implemented. The Remuneration, People and Governance Committee, which is composed of independent directors, makes recommendations to the Board on the framework for executive remuneration, including long-term and short-term incentive awards. Independent third-party consultants are also engaged to provide advice on industry best practice and benchmarking for remuneration policies, structure and quantum. The Company's executives and members of the remuneration committee engage directly, and via proxy advisors, with stakeholders to collect feedback regarding the Company's remuneration structure. Feedback is then gathered and utilized where applicable with the Company's remuneration advisors to guide a best practice remuneration structure.

Fixed pay includes a base salary with personal benefits and perquisites, while variable pay consists of short-term incentives in the form of annual bonus rewards, and long-term incentives in the form of equity-based compensation, which are subject to the Company common equity performance and total share return key performance indicators ("KPIs"). Short-term incentives and annual bonus rewards are subject to performance KPIs, including financial, operational and sustainability KPIs. Champion has no specific policy regarding sign-on or recruitment incentives. In terms of termination payments, the Company has signed employment agreements with each of its Named Executive Officers, which are governed by the laws of the Province of Québec. Further details are provided in the Management Information Circular. There were no clawbacks during the reporting period. In terms of benefits, Champion has three different pension plans, one for its unionized employees, one for its management and professionals, and one for its executives, reflecting industry benchmarking. Personal group health and life insurance benefits provided to executives are available to all permanent full-time employees of the Company. At the discretion of the Board and based on market-prevalent practices, other perquisites may be provided to executives in relation to the office they hold.

Twenty percent of short-term incentive compensation for the highest governance body and senior executives is tied to the Company's sustainable development objectives. During the 2024 financial year, these objectives included:

- Initiate disclosure of annual ESG objectives, monitor progress and report on their development in subsequent annual sustainability reports;
- Ensure that there are no major or critical environmental events or violations;
- Advance projects in line with the Company's vision to reduce Scope 3 emissions, select methodology to calculate the Company's Scope 3 emissions and position additional external communications regarding the Company's opportunity to reduce emissions in the steelmaking process;

- Develop and implement a First Nations wealth growth strategy within the community through partnership and engagement;
- Optimize a talent acquisition strategy to ensure attractiveness and retention by investing in strong Employee Value Proposition and Employee Experience;
- Develop a succession planning strategy to create a skilled, engaged, and committed workforce by investing in the development of our employees as well as creating an environment and culture that supports growth and well-being.

Sustainability Governance

Champion is committed to conduct business ethically, responsibly, in compliance with the legal requirements of the jurisdictions where it operates, and in accordance with the highest standards of corporate governance. We seek to create value for our shareholders while providing a safe working environment for our employees and contributing to the sustainable development of local communities.

The oversight and governance of Champion's sustainability performance begins with the Board and the SIA Committee and flows outward to the Management and throughout our operations. In 2022, the Board Charter was updated to include reference to the Board's role in overseeing the Company's commitment to sustainable and socially responsible resource development. During the reporting period, the Board Charter was further amended to specifically include the Board's general oversight of the Company's principal risks and opportunities that relate to sustainability matters.

The SIA Committee monitors and reviews environmental, social and governance risks, including the risks of climate change, and supports the Company's commitment to environmentally sound and responsible resource development. Its governance contributes to topics including sustainable development, tailings management, water stewardship, site restoration, human resources, health and safety, human rights, and community relations, including the Company's relationships with Indigenous communities.

During the reporting period, the SIA Committee's duties were optimized to include oversight of biodiversity matters in light of the considerations outlined by the Taskforce on Nature-related Financial Disclosures and the Company's commitment to closely manage its impact on biodiversity. The SIA Committee Charter also includes the management of relationships and engagement with our First Nations partners, to better reflect our desire to maintain strong and long-lasting relationships with First Nations. The SIA Committee is additionally tasked with monitoring evolving industry practices, laws, regulations, current and emerging trends relating to sustainability, as well as assessing impacts of emerging disclosure standards and requirements, and providing appropriate guidance to the Board to advance its collective knowledge and skills on sustainability-related matters. The SIA Committee also reviews public reporting and disclosure relating to the Company's sustainability performance, including the Company's material topics and sustainability reports.

The SIA Committee meets at least once quarterly to review ongoing sustainability performance so that it may recommend appropriate measures to the Board, to which it reports directly. Its oversight helps ensure good governance practices are followed, including on business conduct, transparency, and ethics. The Board directly engages with relevant stakeholders, as appropriate, in connection with identified risks and opportunities that may require further oversight or action.

As part of its role in establishing appropriate remuneration levels and policies, the Remuneration, People and Governance Committee oversees the setting of sustainability metrics and targets linked to executive compensation, and makes recommendations to the Board, as appropriate. This responsibility was added to its Charter during the reporting period.
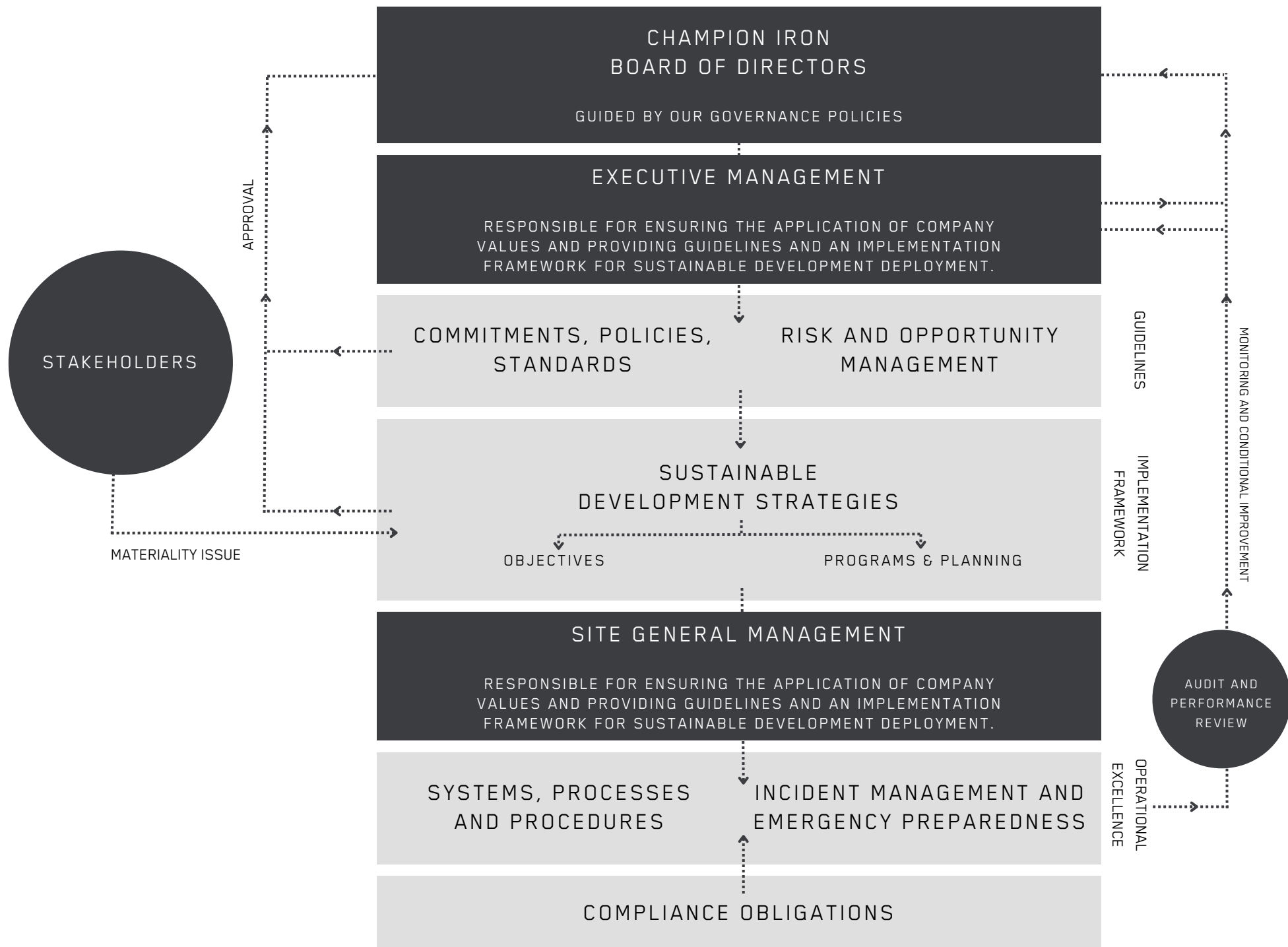
The Management is responsible for defining and updating sustainability guidelines and frameworks and implementing Champion's sustainability practices. Champion's sustainability related impacts are managed by members of Management including the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and the Senior Vice-Presidents of Human Resources, General Counsel and Corporate Secretary and Corporate Development and Capital Markets. They deploy sustainability risk and opportunity management systems and sustainability performance audit and review programs, and determine which strategies, objectives and programs should be implemented, integrating them into the long-term vision of the Company. Site management then ensures that sustainability guidelines are applied, so that annual goals can be met.

Members of Champion's Management team that are responsible for managing sustainability related impacts report periodically, and on an ad-hoc basis, to the SIA Committee, to present various sustainability-related strategies and initiatives as well as reporting on sustainability objectives. The following chart illustrates the roles that are directly accountable or responsible for Champion's sustainability related decision-making and performance.

Champion's Board committees are structured to address environmental, social and governance elements related to its operations, including the Sustainability and Indigenous Affairs committee, the Audit committee and Remuneration, People and Governance committee.

Performance Indicators:
GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16 (partial), 2-17, 2-18, 2-19, 2-20, 2-23, 405-1 (partial)

CHAMPION IRON
BOARD OF DIRECTORS

GUIDED BY OUR GOVERNANCE POLICIES

EXECUTIVE MANAGEMENT

RESPONSIBLE FOR ENSURING THE APPLICATION OF COMPANY
VALUES AND PROVIDING GUIDELINES AND AN IMPLEMENTATION
FRAMEWORK FOR SUSTAINABLE DEVELOPMENT DEPLOYMENT.

COMMITMENTS, POLICIES, STANDARDS

RISK AND OPPORTUNITY MANAGEMENT

SUSTAINABLE DEVELOPMENT STRATEGIES

OBJECTIVES

PROGRAMS & PLANNING

SITE GENERAL MANAGEMENT

RESPONSIBLE FOR ENSURING THE APPLICATION OF COMPANY
VALUES AND PROVIDING GUIDELINES AND AN IMPLEMENTATION
FRAMEWORK FOR SUSTAINABLE DEVELOPMENT DEPLOYMENT.

SYSTEMS, PROCESSES AND PROCEDURES

INCIDENT MANAGEMENT AND EMERGENCY PREPAREDNESS

COMPLIANCE OBLIGATIONS

STAKEHOLDERS

APPROVAL

MATERIALITY ISSUE

GUIDELINES

IMPLEMENTATION FRAMEWORK

OPERATIONAL EXCELLENCE

MONITORING AND CONDITIONAL IMPROVEMENT

AUDIT AND PERFORMANCE REVIEW

CHAMPION IRON

Our Performance

In August 2023, Jessica McDonald was appointed to the Company's Board of Directors, bringing valuable relevant expertise, in addition to helping Champion achieve its commitment to board diversity. As at March 31, 2023 female representation at Champion's Board of Directors was 38%, exceeding the Company's objective of a minimum of 30%. The Company is intent on continuing to build a balanced leadership team and prioritizes fostering an inclusive work environment dedicated to promoting diversity, equality, and inclusive practices within our organization. The Company also began to implement systems designed to support the Company to meet its GHG 2030 and 2050 reduction targets.

Some of the Company's main governance efforts are focused on updating and adapting governance and sustainability policies as well as Board and committee charters, to seek the integration of our sustainability approach into our strategic direction and culture (discussed under Governance Structure). We also continued corporate governance training, and further developed our onboarding program for new employees. The program now includes a CEO introductory welcome, that focuses on the Company's history, values, and our employee-driven culture. We also continued to deliver and further optimized our cultural diversity and sensitivity training, discussed further in the Our People section.

Business Conduct and Ethics

We strive to conduct our business with a high degree of transparency and integrity. Our goal is to maintain and strengthen the relationships that enable our success, and that positively impact our host communities, suppliers, clients, and stakeholders. Our Code of Conduct (the "Code") applies to all directors, officers and employees of the Company and its subsidiaries, and embeds responsible and ethical business conduct across our operations. The Code establishes relevant procedures on confidentiality, the protection and use of Company assets, as well as prohibitions against conflicts of interest.

The Code includes a zero-tolerance approach towards corruption and bribery. Our quarterly risk assessment review process is used to flag significant risks, including corruption risks, which are brought to the attention of the Board. [11] The code also sets forth our commitment to sustainable and socially responsible resource development, and it was updated during the reporting period to affirm our stance against forced and child labour.

The Audit Committee is tasked with overseeing Champion's compliance with all ethical and legal requirements. The Committee reviews the Company's risk management system, and monitors standards of corporate conduct, including any potential conflicts of interest.

PERFORMANCE SPOTLIGHT

The appointment of Jessica McDonald to our Board in August 2023 provides a wealth of industry experience and expertise to our leadership team. With a distinguished career in the mining sector and a proven track record as a former CEO of BC Hydro and Power Authority, Mme McDonald brings an invaluable breadth of expertise to our Board. Throughout her career, Mme McDonald has skillfully navigated the complexities of the mining industry, and her insights promise to be a strategic asset, enhancing our decision-making processes and fortifying our position in the market. Her leadership in the energy sector, marked by innovative approaches and sustainable practices, aligns seamlessly with our Company's vision for a responsible and forward-thinking future.

The Company also announced the addition of Mr. Ronnie Beevor to its Board of Directors in March 2024. Mr. Beevor brings decades of valuable experience, including directorship and Chairman roles at various mining companies. His expertise in finance and the mining sector will complement our already highly qualified Board as we continue to deploy our vision to be a leader in the green steel supply. Mr. Beevor holds an Honours degree in Philosophy, Politics and Economics from Oxford University, and qualified as a chartered accountant in England and Wales.

CHAMPION IRON ⟁

Together with the policy on the Prevention of Harassment and Discrimination at Work, the Code prohibits discrimination or harassment of any kind. During the reporting period, there were no recorded instances of violations or instances of employees being terminated in relation to the Code. Champion was not subject to any fines, penalties or prosecutions related to business ethics in 2023. There were no confirmed incidents of corruption, or legal action relating to anti-competitive behaviour, antitrust, and monopoly practices. In addition, Champion's Code of Conduct prohibits the payment of political contributions, and during the reporting period, no such contributions were made.

Anti-corruption policies and procedures are communicated through online training and certification of the Code, which all employees of Champion, and its controlled entities, must complete after their hiring. All employees are additionally required to recertify annually, to confirm their commitment to abide by the Code including mandatory testing.

In line with our commitment to meet all regulatory requirements, Champion complies with its tax obligations in Québec, Canada and Australia, and avoids unethical practices. As a reporting entity under Canada's Extractive Sector Transparency Measures Act ("ESTMA"), and Québec's Act Respecting Transparency Measures in the Mining, Oil and Gas Industries in Québec, we annually disclose certain types of payments made to governments. This contributes to deterring corruption in the extractive sector, by raising transparency in our sector. The related data provided covers our financial year, from April 1 2023 to March 31 2024.

Taxes Paid ($M)	FY 2022	FY 2023	FY 2024
Municipal	7.8	4.0	10.9
Income	258	68.3	14.3
Mining	217.3	49.5	0.8
Mining Leases	0.3	0.4	0.4
School	0.2	0.2	0.5
TOTAL	483.6	122.4	26.9

Performance Indicators:
GRI 2-27, 3-3, 201-1 (partial), 205-1, 205-2, 205-3, 206-1, 207-1 (partial, 415-1
SASB EM-MM-510a.1, EM-MM-510a.2

Whistleblowing and Feedback Mechanisms

Champion provides corporate and site-level frameworks to ensure that our employees, host communities, and other stakeholders have accessible and legitimate ways to express any concerns. Our internal Employee Grievance Mechanism is designed to allow any employee to report a business ethics or human rights concern to a representative of Human Resources, their Union representative, or to a designated independent third party via the Whistleblower Policy on our website, without fear of reprisals. More details, including details of grievances received during the reporting period, are included in the Our People section. We additionally have a formal Community Grievance Mechanism, which allows members of host communities to raise any concerns they may have about our operations or its impacts and provides the option for individuals to do so anonymously and online. During the reporting period, we received five community grievances, all of which were promptly addressed.

Internal and external stakeholders who are the intended users of the grievance mechanisms are not directly involved in their design, review, operation, and improvement, but knowledge gleaned from ongoing engagement activities feeds back into the regular mechanism review, as part of continuous improvement efforts. Further details are included in the Communities and Indigenous Peoples section of this report. The mechanisms are part of our broader effort to ensure that we engage with all relevant rights-holders in remediating any negative impacts we may be causing, contributing to, or linked to, through our operations. We regularly consult with rights-holders through consultation committees, ensuring that they have an opportunity to raise concerns about any potential negative impacts (for further details, see Communities and Indigenous Peoples).

Separately from grievances mechanisms, we recognize that individuals may wish to seek guidance on how to implement responsible business practices, or to raise concerns about the organization's business conduct, or about conduct associated with the Company's business relationships. In such instances, employees can contact their supervisor or human resources teams for assistance.

Anyone wishing to raise concerns can do so through our Whistleblower mechanism. Our Whistleblower Policy establishes a procedure for the confidential and anonymous submission, receipt, retention and treatment of complaints or concerns. Whistleblower concerns are handled through a third-party reporting system provided by Deloitte. The Whistleblower Policy prohibits any retaliation against individuals who make a report of known or suspected violations in good faith.

During the reporting year, we improved our community grievance mechanism, enabling us to promptly attend to issues raised by our stakeholders. Every filed complaint was successfully addressed and resolved, and we diligently followed up with all complainants. When a grievance is submitted anonymously, we are unable to provide a direct follow-up. Nevertheless, all such anonymous grievances were also effectively addressed.

Human Rights, Modern Slavery and Child Labour

Our commitment to ethical and sustainable business conduct prioritizes the respect for human rights. We recognize that our stakeholders value respect and protection of human rights, and we understand that strong relationships with local communities are essential to our ability to operate our business sustainably.

Central to our approach to uphold human rights is identifying and managing risk across our value chain. Our single operational site and various exploration sites are all located in Canada, and hence not within any conflict zones. We comply with Québec's and Canada's extensive labour, employment, and immigration laws. We particularly respect our workers' right to freedom of association and collective bargaining, with 62%[12] of our employees covered by collective bargaining agreements. In March 2024, the Company was pleased to announce that its unionized employees had ratified a new 5-year collective bargaining agreement (the "CBA") with the Company on February 29, 2024. The CBA, which provides additional stability for our workforce, the community, and the Company, ensures we maintain a strong and mutually beneficial partnership with our employees. The CBA balances the need to remain competitive by attracting the best talent while also ensuring the Company can navigate uncertain economic environments.

Champion's Human Rights Policy works in conjunction with the Company's Code of Conduct to affirm our commitment to respect and protect human rights for all our stakeholders. As detailed under Our Approach to Sustainability, the policy is rooted in various international bills and covenants, including the United Nations Guiding Principles on Business and Human Rights, and by the Equator Principles' risk management framework. Champion's employees and Management are required to undertake human rights training as part of their Code of Conduct training at the start of their employment with Champion or one of its controlled entities. Our Human Rights Policy sets out prohibitions against the use of child or prison labour, or any form of forced labour. During the reporting period, there were no reports of child or compulsory forced labour within our operations or our supply chain.

Respect for human rights is additionally embedded in our Policy on the Prevention of Discrimination and Harassment at Work, which highlights our dedication to create a safe and respectful working environment for our employees. We did not record any incidents of discrimination or harassment through our official grievance mechanisms or the Whistleblower hotline.

Our dedication to protecting human rights extends to our procurement policies. Champion's Responsible Procurement Policy embeds respect for human rights within our supply chain, providing guidelines promoting sustainable development in the purchasing, leasing and contract award practices of the Company.

Performance Indicators:
GRI 2-23, 2-25, 2-26, 2-30, 3-3, 406-1, 407-1, 408-1, 409-1.
SASB EM-MM-310a.1, EM-MM-210a.3
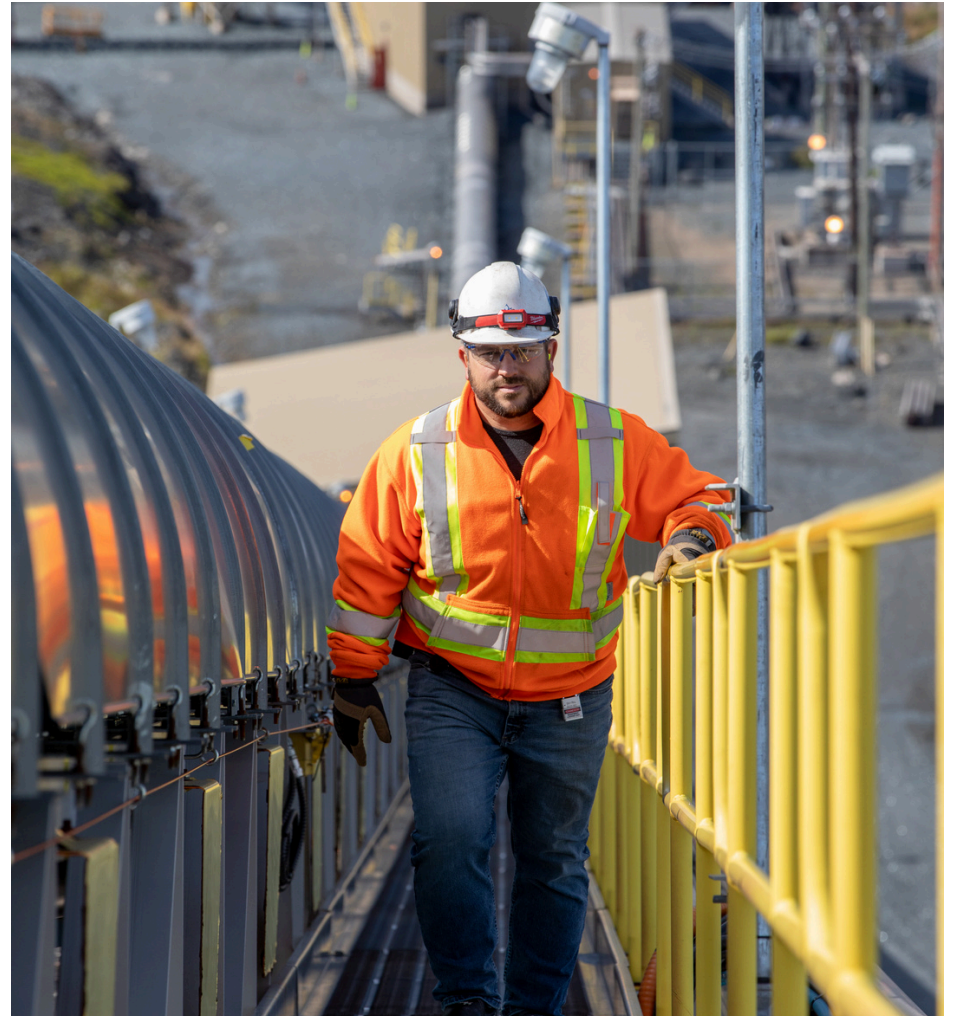
Value Chain Management

We recognize that as a Company, we can potentially impact human rights and the environment through our value chain. As a result, we are committed to understanding our value chain, and managing any impacts that we may be contributing to, or linked to, through our business relationships.

In order to ensure respect for human rights, and the prohibition of modern slavery or child labour in all its forms within our value chain, we proactively analyze our human rights and modern slavery risks. In 2023, we published our fourth Australian Modern Slavery Statement, which discusses Champion's operational and supply chain risks of causing, contributing to, or being linked to, modern slavery. We also published our first Canadian Forced and Child Labour in Supply Chains Report in May, 2024, where we described the steps taken during our last financial year to prevent and reduce risks related to forced labour including child labour within our activities and supply chain.

As part of our efforts to better understand our value chain, we enhanced our process by conducting business reviews of critical suppliers in 2023. In addition to helping us understand our partners' operations, the review helps us identify risks related to human rights or modern slavery through a diligent questionnaire process.

Moreover, as we continuously aim to select suppliers that manage their businesses in a sustainable fashion, we are also working to better understand their environmental impacts. During the year under review, we replaced one of our waste management service providers with one that has demonstrated more robust environmental practices. We also enhanced our docking system for our delivery trucks. The improvements enabled us to double-stack pallets, maximizing the amount of goods that can be transported by each truck, and reducing the number of trucks required to ship our goods from our mine site.

Responsible Consumption and Production

Champion is committed to contributing to a circular economy, where fewer materials are used, materials are kept in use, and waste and pollution are reduced at the source when possible. This begins with our own commitment to reduce waste generation and to decrease the energy used to dispose of our waste. We operationalize this commitment through the application of the four "Rs" principles throughout our operations. We also address this through our responsible production vision, by producing a high-purity iron ore product that enables steelmakers to use less energy in the steel making process.

REDUCE	REUSE	RECYCLE	RECOVER
consumption of materials at the source.	goods as much as possible, to give them a longer life.	waste to give it new life.	additional uses from waste instead of destruction.

The primary materials used as inputs into our production process include: ore, sterile rock, explosives, chemicals, lubricants, and rubber. The amount of raw material used in 2023 was approximately 64 million tonnes. This data is partial as only the six of the most used chemicals are accounted for, totaling 1,537 tonnes out of the 64 million tonnes including sterile rock. Of this amount, 3.67 million tonnes, or 5.7%, is recycled or reused materials.

Given the context of our recently completed Phase II expansion, significantly reusing the quantity of materials required for our operations has been a challenge. However, we focused on finding opportunities to eliminate single-use plastic. For example, during the reporting period, disposable containers and utensils in our cafeteria have been replaced by washable ones, allowing us to reduce our waste.

Performance Indicators:
GRI 3-3, 301-1, 301-2, 308-1 (partial), 308-2, 414-1 (partial), 414-2.

Cybersecurity

The direct and indirect damage that can result from poor cybersecurity management include production or revenue losses, loss of confidence, confidentiality breaches, reputational damage, stock price volatility, and regulatory actions or litigation. Our cybersecurity management is rooted in the governance and oversight of our corporate information and operational technology systems. The Company has internal cybersecurity policies for all its employees, as well as an escalation process if any employee notices something suspicious worth investigating. The Audit Committee is responsible for the oversight of the Company's exposure to fraud, cybersecurity, and data privacy risks, while ultimately, Management oversight rests with Champion's Chief Financial Officer. In 2022, we engaged a third-party expert to assess our cybersecurity resilience and to analyze our operational technology and IT environment, which led to a series of actions to improve our cybersecurity posture. The third-party expert was also tasked with completing a vulnerability analysis and conducting simulated hacker attacks. During the reporting period, we implemented a contingency plan and implemented the recommendations arising from this third-party analysis. As part of our continuous improvement efforts, we launched a cybersecurity awareness training program which provides each employee with cybersecurity training, including phishing simulations. During the reporting period, we did not receive any substantiated complaints regarding breaches of customer privacy.

Performance Indicators:
GRI 3-3, 418-1.

Closure

While we benefit from an estimated long mine life, our iron resources and reserves are finite and planning for the eventual closure of the mine and the mine site's reclamation is central to our operations, over the long term. This maximizes our contributions towards sustainable development in the communities where we operate. Effective closure planning starts before mining begins, keeping the eventual end of operations in mind to ensure that a responsible mining management approach continues throughout the full life cycle of a mine. In collaboration with our stakeholders, we are committed to rehabilitating the land to minimize the impacts of our operations.

Champion utilized the MAC TSM's Mine Closure Framework to guide its Bloom Lake closure planning. As per Canadian and Québec law, QIO was required to plan for closure before production commenced and to update this planning with any expansion activities. As a result of Phase II, we updated our Mine Closure Plan, which received government approval in March 2023. The next Mine Closure Update is scheduled for 2026.

Closure planning includes the provision of financial assurance to ensure that appropriate funding will be available for effective mine closure and reclamation. The 2021 updated plan established a life-of-mine closure cost estimate of $118.0 million (undiscounted), including engineering costs, monitoring costs and a 15% contingency.

This figure also included approximately $85.5 million in direct closure and reclamation costs, and $17.1 million in indirect costs, such as engineering plans and monitoring during both closure and post-closure, and a total of approximately $15.4 million for contingencies. In March 2023, the $118.0 million life-of-mine closure cost estimate was updated to $ 131.7 million, largely as a result of higher planned revegetation costs. In accordance with the Mining Act (Québec), the Company holds a reclamation bond with a third party.

During the reporting period, we continued our progressive revegetation efforts, adding an additional 2 hectares. Further details are provided in the Land Use and Biodiversity section of this report.

Performance Indicators:
GRI 3-3, 304-3, 413-2, MM10

HEALTH AND SAFETY

Champion believes that everyone has the right to a safe workplace. Guided by our Occupational Health and Safety ("OHS") Policy, we aim to identifying and mitigating any possible health and safety risks from our operations, and we continuously strive to provide our workers with a healthy work environment that is free of injuries, accidents, or occupational illnesses.

At the core of our approach to health and safety is risk management. Our Occupational Health and Safety Management System, which applies to all company employees, contractors, and any person entering the mine site, is inspired by international standard ISO 45001 and is underpinned by a hierarchy of risk controls. Champion's inspection and audit program examines and verifies compliance in relation to its standards and policies throughout the working environment, including on equipment, tools and materials. Clear lines of communication are central to encourage our employees to report incidents and hazards, even if they seem minor, which enables the assessment of operational risks.

We seek to take appropriate measures to prevent injuries and incidents. Through training and the provision of proper tools, we equip our employees and contractors with the ability to take ownership of their health, safety and well-being.

During the reporting period, we updated our OHS Policy to further strengthen our management of OHS topics. Our OHS Policy now includes a specific commitment to prevent fatal accidents and occupational illnesses, and to promote workers' well-being by providing stress management support. The policy also encourages the promotion of OHS measures amongst our employees and all workers at the Bloom Lake mine site, and it is annually reviewed by the Management team.

Our OHS Committee, composed of workers and management representatives, is responsible for monitoring and assessing OHS performance, making appropriate recommendations, supporting Management with the implementation of prevention programs, and establishing effective OHS training programs. Our OHS Committee meets at least once a month, providing a forum for employees to take part in safety decision-making processes.

Our OHS Four Pillars (Care)

We Continuously work to improve our OHS performance by identifying and prioritizing OHS objectives, identifying hazards and risks, implementing rigorous controls, and raising awareness through training and communication.

We Apply all relevant laws and regulations and ensure we comply with the highest standards, drawing on a number of rigorous industry best practice frameworks, standards and principles.

We prioritize Risk prevention in our health and safety management approach by implementing effective programs and tools designed to mitigate OHS risks.

We foster an environment in which Everyone understands that living our health and safety values is a shared responsibility. We encourage individuals and business partners to actively participate in helping us achieve our OHS goals.

Our Hierarchy of Risk Controls

Elimination

Substitution

Engineering Controls

Administrative Controls

PPE
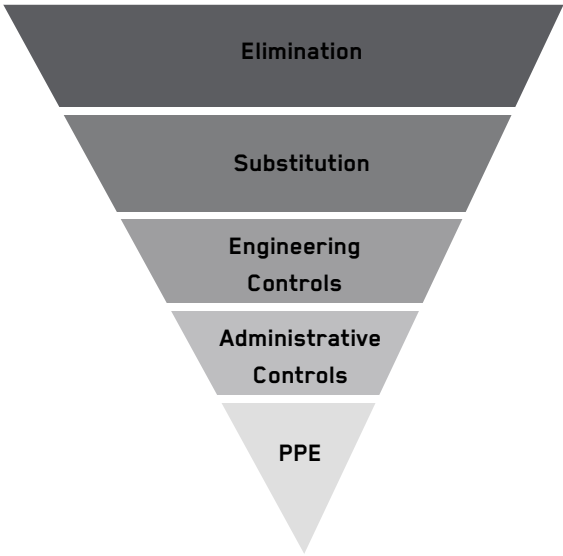
Our Performance

In 2023, we fully complied with all provincial and federal laws, and regulations governing employees' health and safety. Throughout the year, we continued to solidify the foundations of our OHS Management System. We focused on training and increasing safety inspections and audits to promote health and safety awareness and improvement with all workers at our operations. In 2023, we reduced Bloom Lake's employees' total recordable injury frequency rate ("TRIFR") from 2.05 in 2022 to 1.53 in 2023,[13] the lowest rate since we began reporting this statistic in 2019, and below our target of 2.0 TRIFR.

Our OHS system also covers the 3,266 contractors who worked on-site at one time or another during the calendar year. For 2023, the TFIRF for contractors was 4.34, compared to a target of 3.1. We have put in place corrective measures to improve this safety performance such as regularly meeting with our contractors, and including them in our training and safety awareness efforts.

During the year, updating all our OHS training courses was a key priority. Previously, we used the Cognibox platform, which provided general training across various industry settings. In 2023, we developed our own customized training programs tailored to our own needs, which feature real-life mining scenarios. We also continued to deliver incident reporting and investigation analysis training, including training on root cause analysis methodology. Additionally, in the context of our growing workforce, we expanded our OHS team by hiring two new OHS coordinators.

As part of our commitment to fostering an inclusive health and safety culture, we encourage and expect our employees to raise any concerns they may have about workplace safety. Across our operations, any worker can and must withdraw from any work situation that, in their opinion and in good faith, could cause injury or negatively affect their health. This is done with the assurance that they will not be subject to any retaliation. The Company's employees conducted a total of 113 task safety analyses in 2023, enabling the identification of hazards associated with performing a given task. A total of 87,115 pre-task job safety analyses were completed, contributing to the identification of risks and hazards prior to commencing the task at hand, thereby mitigating employee exposure.[14] This was up from 68,594 in 2022, representing a 27% increase. Overall, the increase in the number of safety analyses and field inspections conducted aimed at enhancing personal awareness of health and safety priorities throughout the site and mitigating risks as much as possible.

Throughout the reporting period we continued to promote and encourage the reporting of potentially hazardous conditions by the Company's employees. OHS focus cards were utilized to report any at-risk conditions and in 2023, 588 reports of potentially hazardous conditions were filed.

The table below provides a summary of our health and safety performance during 2023. We did not have any significant health and safety incidents during the year. The majority of recorded injuries were related to slip and fall events, and minor cuts.

Performance Indicator	Champion	Contractors	Total
Total recordable injury frequency rate	1.53	4.34	2.85
Number of lost time injuries	11	19	30
Lost time injury frequency	0.99	1.92	1.43
Number of restricted injuries (light duty)[15]	3	16	19
Restricted injury (light duty) frequency	0.26	1.61	0.90
Lost time injury & restricted work injury frequency	1.26	3.53	2.33
Lost time injury severity [16]	14.03	25.95	19.65
Number of cases where first aid was provided [17]	248	217	465
Number of medical consultations	1,485	364	1,849
Number of fatalities	0	0	0
Near miss frequency rate	13.13	2.72	8.27
Total hours worked	2,223,070	1,980,360	4,203,430

The Company operates its own occupational healthcare service, which provides basic medical care, and is staffed by qualified nurses 365 days a year. Our team includes a health coordinator, three nurses and one physician. Hearing loss and respiratory illnesses are the most common occupational diseases in the mining industry. Accordingly, a key part of our OHS program is helping employees assess the condition of their hearing and lungs, and understand how they can be affected in the workplace, so that together with our OHS team, we can take appropriate measures to prevent the occurrence of irreversible damage. In response to our rapidly growing workforce, we are seeking to expand our healthcare service staff, which will enable us to maintain proactive tests and medical support going forward.

Emergency and fire preparedness continued to be an important focus over the reporting period. We have a team of 59 firefighters, an ambulance suited for all-terrain use, and an ambulance garage close to our administrative building in order to optimize response times. In 2023, our firefighters received monthly first-aid training tailored to our operations. Overall, our firefighting team received approximately 722.5 hours of training, compared to 550 hours in 2022. As noted in the Energy and Climate Change section of this report, in May 2023, we were impacted by regional forest fires located approximately 300 km south of the Bloom Lake mine site. While our mine site was not directly affected, this event highlighted the risk that forest fires could bring to the safety of our workforce and our operations. In response, we completed a third-party risk assessment of forest fires, which identified 16 risk mitigation measures, most of which have already been implemented or are in the process of being implemented.

In 2023, we completed an internal self-assessment against the criteria of the TSM Safe, Healthy, and Respectful Workplaces Protocol (our last external assessment was completed in 2022). Our self-assessed scores included two A and three B scores. In 2024, we will focus on improving our scores, as we continue to solidify the foundations of our OHS management system through training and improving risk identification and management.

Performance Indicators:
GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6,
403-7, 403-8, 403-9, 403-10
SASB EM-MM-320a.1 (partial)

PERFORMANCE SPOTLIGHT

During the reporting period, we developed a system of local OHS committees within our Mine Department and our Tailings and Water Management Department. These committees mirror the site-wide OHS Committee structure, with representatives of workers and management. Expanding on a model initiated in 2022 within our garage operations, these committees bring together each department's respective general supervisor, supervisors, an OHS advisor, and one employee representing each workstation within their department. During the committee meetings, participants seek to address and resolve department-specific OHS issues through identification and development of action plans. By involving employees, the committees promote open communication between employees and management about departmental health and safety, and enhance departmental OHS culture.

We have received positive feedback from employees regarding the structure of the committees, where many employees noted that the process enables them to promptly and efficiently identify and address specific OHS issues that are relevant to their everyday practices. Workers have also been more receptive to solutions proposed through the committees as they have been developed with the participation of their peers. Participants have noted that the process has enabled them to take charge of health and safety within their departments, and given the committees' success, we are considering expanding them to other departments in 2024.

OUR PEOPLE

Our people are our most valuable asset and the primary driver of our success as a sustainable mining company. They shape our values and corporate culture, enabling us to be a leading employer in the region. We strive to create a collaborative work environment rooted in fairness and respect through our management of labour relations, training and skills development, and our diversity, equity and inclusion efforts. We aim to provide equal opportunities for all employees and promote the hiring of traditionally underrepresented groups.

Champion's commitment to its employees is reflected in our Code of Conduct, Diversity Policy, Prevention of Discrimination and Harassment Policy, Human Rights Policy, Whistleblower Policy, Occupational Health and Safety Policy, and Flexible Work Policy, and it forms the foundation of our corporate values. During the reporting period, we updated our Prevention of Discrimination and Harassment Policy and our Human Right Policy to include an annual review by our Management team. Further updates to the Human Rights Policy included adding stricter language regarding our commitment to not being complicit in or facilitating human rights violations.

CHAMPION IRON

Champion supports employees' rights to freedom of association and values the advancement and protection of workers' rights. We are also committed to investing in our employees' training to ensure that they are well equipped for their current and future jobs. We developed a human resources management cycle that includes four steps: goal setting, talent review, mid-year performance review, and calibration and year-end performance evaluation. During the second step, talent review, managers use formal tools to identify high potential employees and critical positions. Our managers are trained to build and implement individual development plans to coach and support employee growth and career progression aligned with the overall organizational strategy to accompany their employees in their development journeys. All management and professionals are provided with a supportive work environment and tailored approach to encourage continuous learning and growth.

Our Diversity Policy guides our efforts towards achieving and maintaining diversity for all positions, including Board and executive officer positions, with an emphasis on gender diversity. Additionally, in line with our IBA, we continuously work to create employment opportunities for members of local First Nations communities.[20]
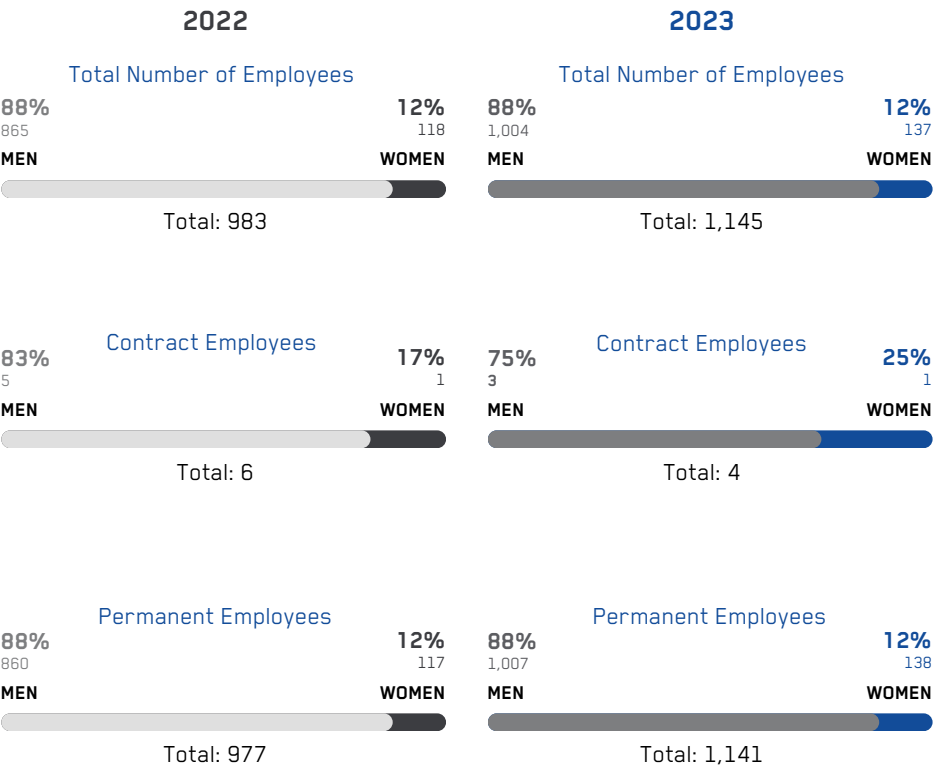

Our Performance

With the recent expansion of our operations at Bloom Lake, our workforce increased during the reporting period, totalling 1,141 as of December 31 2023,[18] representing an increase of approximately 17% year-on-year. With the addition of four temporary contract employees, this increased the total to 1,145 full-time employees.[19] Following a pause due to the COVID-19 pandemic, we restarted our internship program in 2023, which is essential to the sharing of knowledge in order to train the next generation of skilled workers in the industry.

During the year, we deployed the second part of our intercultural training program titled "Cultural Awareness Training", designed to foster a better understanding of the cultural heritage of local First Nations communities, with a specific focus on the Innu community of Uashat mak Mani-utenam ("ITUM"), who are located nearest to our operations. The training program was developed in partnership with ITUM. We achieved our goal of 100% employee participation in this cultural training as of December 31, 2023.

Champion Employees as of December 31, 2023:[20]

2022	2023
Total Number of Employees	**Total Number of Employees**
88% / 865 MEN — 12% / 118 WOMEN	88% / 1,004 MEN — 12% / 137 WOMEN
Total: 983	Total: 1,145
Contract Employees	**Contract Employees**
83% / 5 MEN — 17% / 1 WOMEN	75% / 3 MEN — 25% / 1 WOMEN
Total: 6	Total: 4
Permanent Employees	**Permanent Employees**
88% / 860 MEN — 12% / 117 WOMEN	88% / 1,007 MEN — 12% / 138 WOMEN
Total: 977	Total: 1,141

Labour Relations

We are committed to protecting employees' rights to freedom of association, and our primary focus this year was on the negotiation of a new CBA. We initiated negotiations in September 2023, following the expiry of the prior CBA, with Syndicat des Métallos ("Métallos"), who represent all our unionized employees, for approximately 62%[21] of our total workforce as of December 31, 2023. Following the engagement of a mediator, we successfully negotiated a new 5-year CBA, which was ratified on February 29, 2024 by our unionized workforce. The CBA remains in effect until September 2028 and provides additional stability for our workforce, the community and our Company, ensuring a strong and mutually beneficial partnership with our employees.

We offer competitive wages and benefits to attract the best talent while also ensuring our Company can navigate uncertain economic environments. In 2023, our management and professionals' average salary was $30.70 per hour for men and $28.94 for women, which compares favourably with the minimum wage in the Province of Québec of $15.75 per hour. The difference in wages between women and men reflects the different roles and positions men and women hold across the organization.

We offer a modular group insurance program that allows each employee to choose the coverage that best suits their needs. Our full-time employees receive a range of benefits, including medical and dental care, life insurance, accidental death and dismemberment insurance, and disability insurance. Additionally, we offer a savings and pension plan.[22]

In 2023, we updated our retirement plan for executives and professionals to include contributions to employees' registered retirement savings plans, providing flexibility to our employees. Over the course of the reporting period, Champion paid a total of $170.3 million in wages and benefits to its employees.

In keeping with our labour relations strategy, we put in place processes to receive and address employees' concerns and grievances. Our internal Employee Grievance Mechanism and CBA mechanisms enable any employee to report a business ethics or human rights concern to a Human Resources representative, their Union representative, or to a designated independent third party via the Whistleblower Policy on our website, without fear of reprisal. In 2023, 368 grievances were received, a significant rise compared to the 156 grievances recorded in 2022.

The most common topics covered by the grievances are noted in the table below. Given the context of the negotiations for a new CBA, there was a higher number of grievances related to the interpretation of the CBA and subcontracting and financial complaints than in previous reporting periods. There were zero violations of Champion's Code of Conduct, and zero dismissals associated with breaches of the Code of Conduct. Moreover, there were no labour-related work stoppages, strikes or lockouts during the reporting period.

Employee Grievances Received from 2021 to 2023:

Subcontracting and financial complaints		Disciplinary notice appeal	
2023	111	2023	71
2022	5	2022	7
2021	13	2021	10

Dismissal appeal:		Interpretation of the CBA	
2023	15	2023	171
2022	28	2022	116
2021	2	2021	27

Other		Total	
2023	0	2023	368
2022	0	2022	156
2021	188	2021	240

Training and Skills Development

Our people are the primary driver of our success, and we invest in our employees' training to equip them for their current roles and develop them for future opportunities. We delivered a total of 45,181 total hours of training during 2023, up from 43,311 hours in 2022.[23] The average number of training hours per employee stood at 40 hours, slightly down from 44 hours in 2022. The average number of training sessions received per person categorized by role is listed below.

Average Number of Training Hours Received per Person:

Management

2023	30
2022	62
2021	40

Production

2023	50
2022	46
2021	54

Professional and managerial engineering

2023	14
2022	20
2021	25

Administrative, technical and clerical

2023	9
2022	23
2021	16

The training average for all categories, except production, was down in comparison to 2022, even though we delivered more total training hours in 2023. This decline was linked to several factors, including the rapid growth of the Company and the increase of our total workforce. During the reporting year, we continued to deploy our human resources management cycle. As part of the cycle, all employees are evaluated by their managers at least yearly. We also focused on establishing the basis for a human resource information system, and we evaluated several potential information system suppliers as part of that process.

We developed a new internal Competency Development Policy, which sets out our commitment to invest in the development of our employees, ensuring that they develop and prosper within the Company. We support employees who wish to improve their knowledge through continuous training, which is linked to their role or to a planned career path identified in their individual development plan.

Finally, while we do not offer employee transition assistance training, we offer several programs that enable our employees to improve their skills, including, but not limited to: environmental due diligence, software related training, project management, industrial fire fighting, aerial work platforms, working at heights, and compressor training.

Employment and Retention

At Champion, our goal is to attract and retain the best possible talent that meets our values and culture. We monitor staff turnover and utilize exit interviews to understand how we can better support our employees and continuously improve and adapt our workplace to meet new realities, healthy management practices and employee needs. In the case of any operational changes, the minimum notice period given to unionized employees is 7 days as set out in our CBA, and we comply with the provision of the Act respecting labour standards for non-unionized employees.

In 2023, a total of 124 employees left Champion, including 24 women and 100 men. We hired 292 new employees, 15% of which were women. Our annual staff turnover rate declined by 20%, from 15% in 2022 to 12% in 2023. Overall, the age range of our workforce is relatively well distributed between 20 to 65 years of age.

All 1,141 of our permanent employees are entitled to parental leave. During the reporting period, three women and 56 men took parental leave. Of this number, 95% of men returned to work following the completion of their leave, while all three women and 5% of the men were still on parental leave as of December 31, 2023. Of the 26 employees who took parental leave in 2022, 85% (two women and 20 men) are still employed by the Company, while 15% (two men and two women) have left the Company.

Age Range of Champion Employees, and their Retention in 2023:

Age Range	All Champion Employees	New Champion Employees		Employees who Left Champion	
		Women	Men	Women	Men
20-24	37	0	16	1	1
25-29	136	11	39	3	13
30-34	192	7	37	1	9
35-39	162	3	30	1	11
40-44	173	11	41	8	20
45-49	158	6	39	3	14
50-54	140	4	27	5	10
55-59	93	2	15	1	8
60-64	47	0	4	1	11
65-69	3	0	0	0	3
Total	1,141	44	248	24	100

Diversity, Equity, and Inclusion

We are committed to building a diverse workforce, and we emphasize gender diversity and the employment of members of local First Nations communities. We strive to increase women's representation in leadership positions and throughout our workforce. Last year, we set a target to achieve and maintain a minimum of 30% women representation on our Board of Directors, and achieved this target by welcoming Ms. Jessica McDonald on August 30, 2023, bringing with her extensive leadership and directorship experience across a variety of industries. As of March 31, 2024, there are three women on the Board (representing 38%), and our directors come from 4 different nationalities, including Canada, Australia, India and England.

In 2023, 19 additional women joined our workforce, representing 12% of the positions across the Company (excluding those in Management and at the Board level), in-line with 2022 ratios. While the remote work environment, including fly-in/fly-out for our employees, creates challenges for attracting women to our workforce at the mine, approximately 38% of our head-office workforce are women. While we presently do not track non-binary gender diversity, our policies, and practices of respect for individuals apply to all, regardless of sexual or gender identity.

We are committed to gender pay equity, and we fully comply with Quebec's Pay Equity Act. In 2022, we completed pay equity analyses for both unionized and management and professional employees, and we continue to act on the findings of those analyses.

Gender Division by Location (2023):

	Total Number	Men	Women
Board of Directors	8	62% (5)	38% (3)
Executive	7	86% (6)	14% (1)
Total leadership	13	69% (9)	31% (4)
Total non-executive workforce	1,141	88% (1,004)	12% (137)
Head office employees	123	62% (76)	38% (47)
Site employees			
Unionized	710	67% (679)	3% (31)
Management and professionals	308	24% (251)	6% (57)

We recognize that one of the most important contributions we can make within our First Nations partner communities is to provide both direct and indirect employment opportunities. As discussed in the Communities and Indigenous Peoples section, the IBA Coordination Committee which helps oversee the implementation of our IBA commitments had been put on hold due to Covid-19 constraints, and restarted its operations during the reporting period. The IBA Coordination Committee has four subcommittees, including a Jobs and Training Subcommittee. This subcommittee provides a new platform for us to transparently share employment opportunities with our First Nations partners, and to find solutions to help meet their objectives.

During the reporting period, we continued to optimize our First Nations' talent acquisition efforts and reduce systemic barriers to the recruitment of First Nations candidates. Our recruitment team includes a member of the local community in order to help eliminate communication barriers and potential bias. We also participated in career days to promote First Nations recruitment.

As of December 31, 2023, we had 31 First Nations employees, up from 28 in 2022. We also supported more than 100 indirect First Nations jobs. This is positioning our Company as a leading employer of First Nations on the Québec Côte-Nord region. Further details on First Nations employment and our First Nations hiring practices can be found in the Communities and Indigenous Peoples chapter of this report. In 2024, we will continue to focus on improving our support systems for First Nations employees.

Performance Indicators:
GRI 2-7, 2-30, 3-3, 202-1, 201-3, 401-1 (partial), 401-2, 401-3, 402-1, 404-1 (partial), 404-2, 404-3, 405-1, 405-2, 407-1, MM04
SASB EM-MM-000.B, EM-MM-310a.1, EM-MM-310a.2

PERFORMANCE SPOTLIGHT

In September 2023, we began negotiations with our unionized workers, who are affiliated with the Syndicat des Métallos, representing approximately 62% of the Bloom Lake mine workforce. Our negotiations continued into 2024, and on February 29, a new 5-year collective agreement was ratified. The ratification of the agreement was an important achievement that fosters stability and prosperity for our workers, the community, and our Company alike.

The negotiated agreement stands as a testament to our commitment towards maintaining a robust and collaborative partnership with all employees, ensuring mutual benefits and shared prosperity. It strikes a delicate balance, addressing the imperative to remain competitive when attracting top talent, while also fortifying the Company's resilience in the face of economic uncertainties.

This pivotal moment not only solidifies our commitment to our workforce but also reinforces our dedication towards making a positive impact locally. As we steadfastly pursue our vision to contribute to the green steel production chain, this agreement lays a foundation for continued growth and sustainability, furthering our mission to drive meaningful change in the industry.

COMMUNITIES AND INDIGENOUS PEOPLES

At Champion, we recognize that our operations can create significant positive impacts for local communities, particularly through employment, procurement, and community investment, but we are also aware of the potential for adverse and unintended impacts. We strive to avoid causing or contributing to any such adverse impacts, understanding that poor management can contribute to a lack of trust, operational disruptions, disputes and missed opportunities in creating mutual benefits with stakeholders.

Champion's dedication towards developing strong relationships with local Communities and First Nations partners is built on three pillars: 1) upholding human rights; 2) engaging with communities; and 3) contributing to local economic development through local hiring, procurement, and community investment.

| UPHOLDING HUMAN RIGHTS | ENGAGING WITH COMMUNITIES | CONTRIBUTING TO LOCAL ECONOMIC DEVELOPMENT THROUGH LOCAL HIRING, PROCUREMENT AND COMMUNITY INVESTMENT. |

Our Performance

In line with our dedication to constantly nurture an equitable and respectful relationship with our First Nations partners, we undertook several initiatives during the reporting period. Our primary focus was on operationalizing an IBA Coordination Committee and its four subcommittees, as envisioned in our IBA and discussed further in the following section. We also expanded our community relations team by hiring an additional First Nations advisor, and we deployed the second stage of our cultural awareness training for employees, with 100% of our employees completing the program.

Rights of First Nations, Engagement, and Protection of Cultural Heritage

Champion's 2017 IBA guides our current practices, initiatives, and ongoing engagement with our First Nations partners. The IBA stipulates the creation of two committees: a coordination committee and an environmental committee, to help oversee the implementation of our IBA commitments. Our initial efforts to establish these committees were paused because of the COVID-19 pandemic, and we renewed our efforts during the reporting period. To better reflect the needs of our First Nations partners, we created a Coordination Committee and four subcommittees: an Environmental Subcommittee, an Employment and Training Subcommittee, a Business Opportunities Subcommittee, and a Finance Subcommittee.

Maintaining a continuous dialogue enables us to better understand the concerns and interests of local communities and our First Nations partners. We provide accessible mechanisms for communities to raise any concerns regarding actual or perceived impacts from our operations. Our Human Rights Policy details our commitment towards supporting and protecting the rights of all people, including our employees and subcontractors, the communities in which we operate and those that may be affected by our activities. The Human Rights Policy applies to all Champion employees, and as per the policy we actively encourage our partners and subcontractors to adopt a similar policy within their own companies. In 2023, we updated the policy to include an annual review by our Management team, and added language pertaining to our commitment to not be complicit in, or to facilitate, human rights violations. We also added a reference in connection with our respect for the right to participate and earn traditional livelihoods.

The Bloom Lake mine site is located on the territory of the Ashuanipi Corporation, which includes the communities of Uashat mak Mani-utenam ("ITUM") and Matimekush–Lac John, and therefore lies within the vast ancestral Innu territory called Nitassinan. All our proven and probable reserves are also located in or near First Nations land.[24]Champion's engagement with First Nations partners and local communities is central to our efforts to contribute to long-term sustainable development outcomes for the communities where we operate. Our 2017 Impact Benefit Agreement[25]guides us in this respect, and is foundational to the mutually beneficial relationship we have built with our First Nations partners. We have a community relations office within ITUM, enabling us to have a full-time presence in the community, including a team accessible to anyone from ITUM who may have questions or concerns regarding our operations.

The Coordinating Committee includes three ITUM representatives and three QIO representatives, and meets in person on a quarterly basis. The Committee is tasked with providing a quarterly report to both ITUM and QIO on the execution of respective obligations and responsibilities in connection with the IBA. The Committee also reports on the operation of the four subcommittees, which meet on an as needed basis. No significant new investment agreements were undertaken in 2023.

Champion has a community grievance mechanism, accessed via our Company's website, which allows members of host communities to easily lodge complaints from anywhere and share concerns with our team, including the option of doing so anonymously. A dedicated email address is consistently monitored for this purpose, and a responsible manager is charged with monitoring each complaint until a satisfactory resolution is achieved. As part of our 2024 sustainable objectives, we added a commitment to address complaints within 30 days, and we publicized the mechanism with relevant stakeholders.

In 2023, we received five complaints through our community grievance mechanism. In each case, we assessed whether the grievance was related to an operational, including human resources, health and safety, environmental or reputational risk. Following investigation, none of the grievances were deemed to be related to such risks. Nevertheless, following prompt investigation, all grievances were resolved. None of these complaints were related to human rights, and we did not receive any formal reports related to potential or actual violations of human rights, customary rights, or land use related to First Nations or other local communities through any of our grievance mechanisms. Additionally, there were no significant disputes or litigation involving First Nations and other local communities, and there were no technical delays or stoppages arising from community unrest during the reporting period.

As described in the Our People section, we delivered the second stage of our Cultural Awareness Training program, with ITUM members participating in its content creation and identification of central themes. This training contributed to improving the cultural sensitivity of our workforce and positively impacted our relationship with our neighbouring First Nations communities. The training aligns with the Call for Action no. 92 of Canada's Truth and Reconciliation Commission, which asks companies to commit to educating their employees about the history of First Nations in Canada. All our employees completed this training within the reporting period.

In recognition of the painful history of Canada's First Nations communities, we commemorated the third annual National Day for Truth and Reconciliation on September 30, 2023. Accordingly, we held commemorative activities with our employees and provided opportunities for cultural exchange between Innu representatives and our workforce. On June 21, 2023, we also continued with our annual recognition of Aboriginal Peoples' Day as a holiday for Bloom Lake workers.

Community Relations and Community Investment

Over the course of the reporting period, we continued to improve how we manage documentation of our stakeholders and rightsholders engagement activities. As part of this process, we created a dashboard for tracking data on engagement regarding our consultation meeting commitments, our IBA commitments, as well as for tracking any KPIs we may have regarding our relationship with ITUM and other Indigenous groups which need to be consulted as part of our activities.

In addition to ongoing engagement with our Indigenous partners, we have continued to regularly meet and engage with residents of Daigle Lake a few kilometers from our Bloom Lake site. In response to concerns expressed about potential impacts related to our recently completed expansion at Bloom Lake, we discussed a range of mitigation measures with residents. This led to the development of a compensation plan.

As part of its implementation, we have offered to purchase properties at competitive market prices for residents who expressed interest to relocate. Alternatively, financial compensation has also been offered to those opting to remain in the area. We are committed to continuing to engage with and listen to these residents, while making every reasonable effort to minimize our impact on their living environment.

Our work with local municipalities and engagement with local Chambers of Commerce continued during the reporting period, including having a company representative sitting on the board of directors of the Chambre de Commerce de Fermont. This involvement helps improve our understanding of stakeholder concerns, including those of local businesses, some of whom are concerned about difficulties recruiting local talent, given the competitive hiring practices of the large mining companies in the region.

We contribute to both First Nations and local communities through our community investments. These include our IBA-related investments, which enable local communities to manage projects and programs that enhance socio-economic development and create benefits with lasting value that can continue after the mine closes. Our IBA-related community investment spending totaled $7.1 million in 2023.

Beyond our IBA commitments, we provided $365,000 in direct financial support within our local communities, an increase from the $240,000 provided in 2022. As part of this, and in collaboration with other partners, we continued to support Cancer Fermont with their ongoing efforts to help improve the quality of life of local residents dealing with cancer.

We also partnered with Adisq, a Québec music awards gala, to sponsor the Album of the Year Award in the Indigenous Language category. We additionally donated to Maison l'Envol, a non-profit organization which provides family services, including a free perinatal clinic, in Sept-Îles, to help establish an emergency fund for families in need of critical support. Finally, we committed to supporting the Innu Nikamu festival, an innu music festival, with a donation of $500,000 over 10 years. The festival is an annual celebration of Indigenous music in Canada hosted by the Innu.
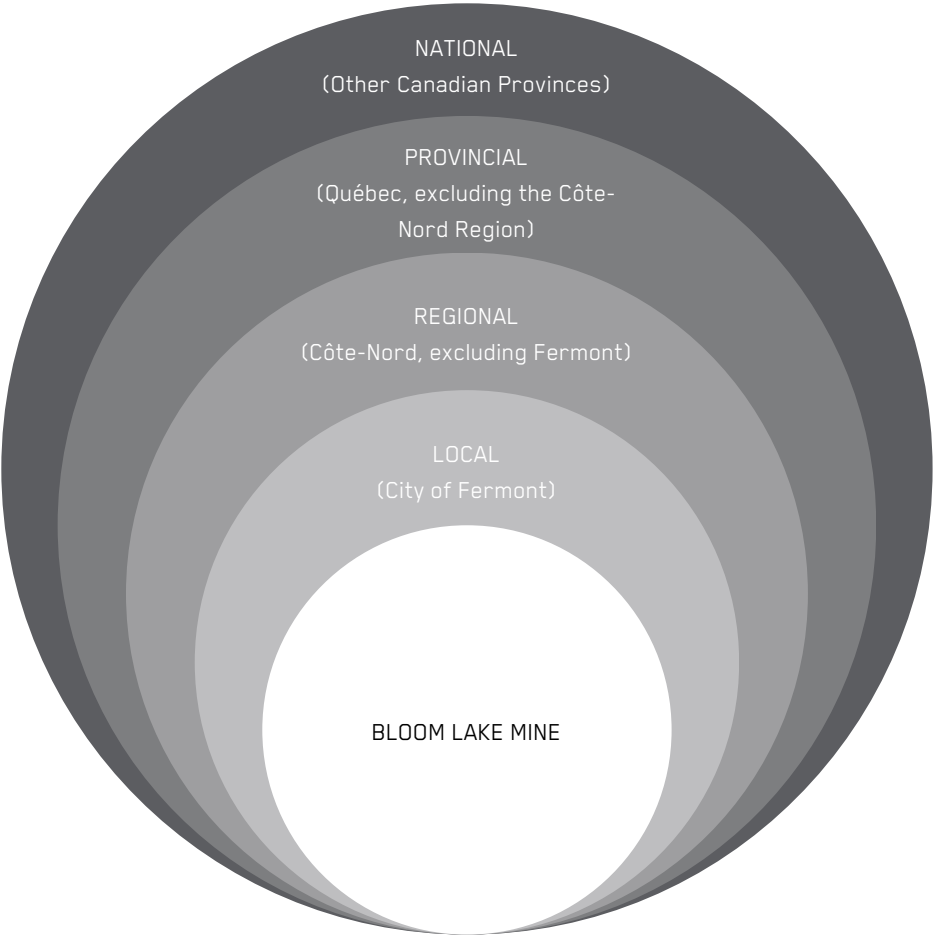
First Nations and Local Employment and Procurement

Our engagement over the course of 2023 reaffirmed that our First Nations partners' primary concerns are the training and retention of First Nations employees, First Nations' recruitment, and procurement from First Nations' enterprises.

In line with these concerns, our hiring and procurement practices encourage local and First Nations suppliers whenever possible.

We define local hiring across several geographic areas and we track our hiring and procurement spending within these definitions. Within our procurement practices, we favour companies that are either local, First Nations, or both.

In addition to providing indirect jobs in First Nations communities through our partnerships with First Nations businesses, we are the largest mining employer of First Nations people in the Québec Côte-Nord region, despite our smaller scale compared to surrounding operations.

Definition of Local

NATIONAL
(Other Canadian Provinces)

PROVINCIAL
(Québec, excluding the Côte-Nord Region)

REGIONAL
(Côte-Nord, excluding Fermont)

LOCAL
(City of Fermont)

BLOOM LAKE MINE

Local Economic Benefits:

Local and First Nations jobs [26]

2023	57
2022	51
2021	58

Regional sourcing from suppliers not including First Nations suppliers (millions of dollars) [27]

2023	389
2022	406
2021	376

Sourcing from First Nations suppliers (millions of dollars) [28]

2023	14
2022	15
2021	47.1

IBA-related community investments (millions of dollars)

2023	7.1
2022	6.8
2021	5.2

Local sourcing from suppliers not including First Nations suppliers (millions of dollars)

2023	28
2022	23
2021	17

According to the most recent demographic census data (2021), the population of the town of Fermont is nearly 2,300. The First Nations communities of Uashat mak Mani-utenam and Matimekush–Lac John represent approximately 3,000 and 600 inhabitants respectively. Champion closely collaborates with these communities to develop and hire as many of their qualified members as possible.

As of December 2023, we had 31 local First Nations employees, up from 28 in 2022. To better facilitate the integration of our Innu employees, and to enable them to succeed in their roles, in 2023 we continued to develop an Innu committee, the *Groupe Innuat Ka Tessashet* ("GIKT"). The GIKT is composed of Innu employees who can provide culturally appropriate support to other Innu employees.

This year, we established the GIKT's primary objectives and responsibilities, which include: acting as a cultural support to Innu employees; acting as a sponsor to Innu employees during their integration at QIO; and participating in consultations and cultural activities promoting multiculturalism. Specifically, the GIKT also regularly consults with Innu workers to understand their concerns, and GIKT members can accompany Innu workers, at their request, to any meetings with managers to help facilitate understanding and to limit language barriers. We plan to further define the GIKT's governance structure in 2024.

Despite our dedication to hiring qualified workers locally, our labour needs also necessitate the hiring of workers at both the regional and national level. Commuting workers at our mine site work on a rotating work schedule of 14 or 7 days, while housed at the Company's facilities in the local community, followed by 14 or 7 days off at home. The number of local employees represented 2.3% of our operational workforce in 2023, while provincial commuting employees represented nearly 98% from several remote regions across Québec including Bagotville, Mont-Joli, Sept-Îles, Rouyn-Noranda and Chibougamau. 100% of the management at the mining site (general managers and directors) are permanent residents of the province of Québec.

In terms of supporting local suppliers and First Nations businesses, Champion actively liaises with local Chambers of Commerce to help build the capacity of local businesses to work with the Company. Approximately $1 billion in contracts were awarded to companies with business units in the province of Québec over the course of the reporting period, representing a 3% increase from 2022, which accounts for 80% of all contracts awarded by the Company. Companies with a business unit located in the Côte-Nord region, where the Bloom Lake Mine site is located, received $403 million representing 32% of the Company's total expenditures. During 2023, the Company awarded $14 million in contract values to First Nations suppliers or partners.

To further contribute to local and regional business development, in 2023 we established *Investissement Mamu*, an investment fund that provides flexible loans or equity opportunities to local entrepreneurs to support the development of local businesses. In 2023, we funded four businesses through this fund. The total investment to date is at nearly $800,000.

In 2023, we completed an internal self-assessment against the criteria of the TSM Indigenous and Community Relationships Protocol (our last external assessment was completed in November 2022). Our self-assessed scores included five A scores. Our focus in the coming period will be on continuing to foster an inclusive work environment so that our First Nations employees can grow within the organization.

Local and Regional Sourcing: Value of Contracts Awarded by Champion to Suppliers in the Côte-Nord Region (FY24)

	Value (in millions of dollars)	Percentage
Sept-Îles	349	87%
Baie-Comeau	12	3%
Fermont	28	7%
Others	14	3%
Total	403	100%

Value of Contracts Awarded by Champion (FY24)

	Value (in millions of dollars)	Percentage
Québec	1,000	80%
Newfoundland and Labrador	120	10%
Others Canadian Provinces	69	5%
Other Countries	66	5%
Total	1,255	100%

Performance Indicators:
GRI 3-3, 202-1 (partial), 202-2 (partial), 203-1, 203-2, 204-1, 411-1, 413-1, 413-2, MM05, MM06, MM07, MM08, MM09 (partial)
SASB EM-MM-210a.2, EM-MM-210a.3, EM-MM-210b.1, EM-MM-210b.2

PERFORMANCE SPOTLIGHT

In recognition of our ongoing efforts to engage with our local communities, we received two awards in 2023. We were recognized by the Mining Association of Québec in the community relations category, with the award specifically referencing our efforts to promote Innu culture, language, and values.

We were also recognized by Quebec's Chamber of Commerce at its annual *Les Mercuriades* awards for our community involvement strategies and efforts, including our commitments to Innu communities.

We share this recognition with our Innu partners who have been actively engaged in these activities, and in all of our growth projects on Nitassinan, their ancestral territory.

ENVIRONMENTAL STEWARDSHIP [29]

Champion recognizes that our mining operations have direct and indirect impacts on the environment, some of which may be adverse. We aim to avoiding negative impacts wherever possible and mitigating, minimizing and compensating for them when they cannot be fully avoided. Our aim is to align with good international industry practice in our efforts to minimize our environmental footprint through responsible management of natural resources, proactive mitigation of environmental impacts, and continuous improvement in our environmental performance. We engage actively with local communities, our First Nations partners and other stakeholders to ensure transparent reporting and accountability in our environmental practices. Champion's commitment to environmental stewardship is captured in our Environment Policy.

Water Stewardship

Water is a common public resource, crucial for people and the environment, and is also an essential resource for our mining activities. Our water management approach is guided by our recognition that the watersheds near our operations are central to the livelihoods of our stakeholders, including First Nations and local communities, in addition to their importance for industry and tourism. Our water-retaining structures are proactively managed to mitigate the impact of extreme flooding or other precipitation events, and we actively recycle water and use water treatment facilities for any surplus water that is released into the environment.

With nearly 700 bodies of water and nearly 1,000 streams and rivers, the area surrounding the Bloom Lake mine is teeming with natural water resources. We consistently seek to reduce our adverse impacts on water bodies and to reduce our use of freshwater. Additionally, we engage with a wide range of local stakeholders in the implementation of adequate water management measures that meet the Company's operational needs, without compromising the water needs of other users in our watershed. Our water management directs our treated water to a single effluent point in Lake Mazaré, a subwatershed within the larger Caniapiscau River watershed, which flows into the larger James Bay/Hudson Bay watershed. Given the composition of the rock being mined at our site, our operations do not cause acid rock drainage that can negatively affect nearby waterways or ecosystems.

Our Performance

The following table provides an overview of our operational water performance over the last two years, covering the 12-month period from October 1, 2022, to September 30, 2023. This is consistent with the reporting period used for water stewardship data in past reports.

During the reporting period, the total water withdrawal [34] for our operations, which includes water used from surrounding lakes, precipitation on site, groundwater, and runoff, stood at 16.42 Mm^3, compared to 25.29 Mm^3 in 2022,[35] with 0.18 Mm^3 (0.42 Mm^3 last year) sourced from surrounding lakes.[36]

Our water intensity is calculated as total water withdrawal per tonne of iron ore concentrate produced. In 2023, this figure stood at 1.27 m3/tonne, compared to 2.8 m3/tonne in 2022. The intensity of water used from surrounding lakes in 2023 was 14 L/tonne, compared to 47 L/tonne in 2022. This reduction reflects an increase in our recycled water usage and a reduction of precipitation and snowmelt on site.

We continuously work to increase our use of recycled water in our ore treatment process to reduce our freshwater consumption. We also proactively work to understand water-related risks and we regularly collect data to establish and understand the water balance of our operations.

We share this information with our stakeholders, including local communities, so that we can understand their priorities and collaborate with them to develop solutions to minimize any negative impacts and mitigate the risks associated with our collective water use.

Water Withdrawal (Input) (Mm^3)

Pit dewatering (groundwater [30])

2023	1.96
2022	1.60

Precipitation on site

2023	14.28
2022	23.27

From surrounding lakes

2023	0.18
2022	0.42

Total water withdrawal for operations (in Mm^3) [32]

2023	16.42
2022	25.29

Operations

Change in water storage (Mm^3)

2023	-0.44
2022	1.27 [31]

Reused or recycled process water (Mm^3)

2023	25.46
2022	18.18

Percent of reused or recycled process water

2023	99%
2022	96%

Water used in the process (water trapped in tailings voids and frozen tailings water)

2023	6.92
2022	7.04

Water intensity in m^3 per tonne of iron concentrate produced [33]

2023	1.27
2022	2.80

Litres of water used from surrounding lakes per tonne of iron concentrate produced

2023	13.96
2022	47.39

Water Consumption (Output) (Mm^3)

Water discharged (Treated water returned) (Mm^3)

2023	5.56
2022	8.46

Hydrological losses

2023	4.20
2022	7.90

Number of significant incidents associated with water

2023	0
2022	0

Operation

Water withdrawal (input)

1.96 Mm^3
Pit dewatering (groundwater)

14.28 Mm^3
Precipitation on the site

0.18 Mm^3
Water used from surrounding lakes

25.46 Mm^3
Reused or recycled water

8.01 Mm^3
Water stored in basins

Operations
-0.44 Mm^3
Change in water storage

6.92 Mm^3
Use in the process

Water consumption (output)

4.20 Mm^3
Hydrological Losses

5.56 Mm^3
Treated water discharged
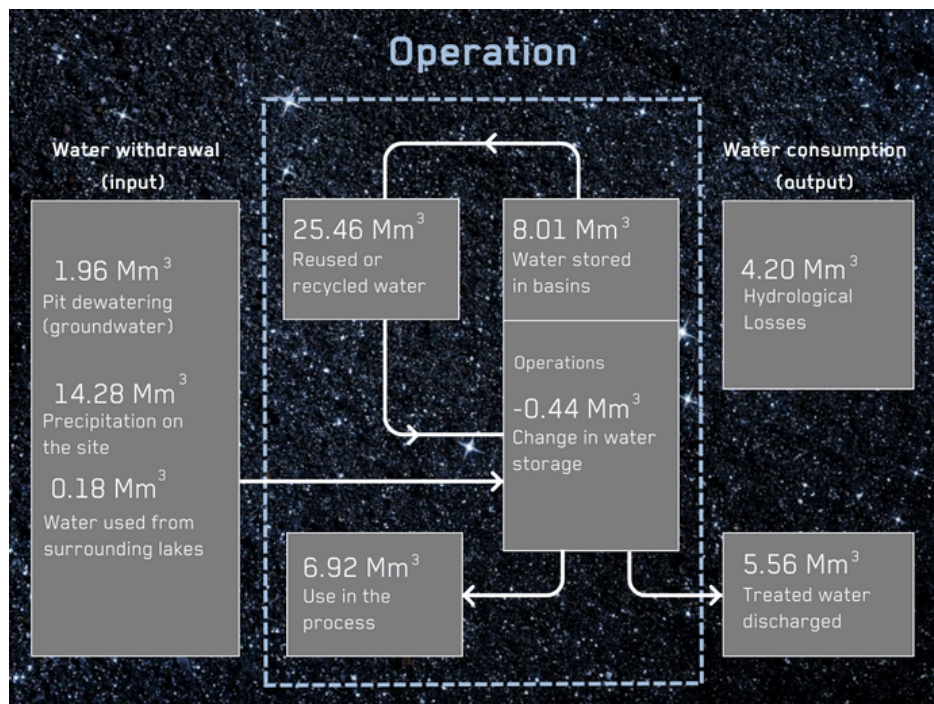
Over the course of the reporting period, we increased our reused and recycled process water from 96% in 2022 to 99% in 2023. This was partly driven by the lower level of precipitation on site in the reporting year. Our ability to maintain operations with significantly less water input from rain and snowmelt demonstrated the effectiveness of our water management processes. Our Phase II plant, which began operations in May 2022, fully operates using recycled water. Additionally, a total of 6.92 Mm^3 is used in the process. This water represents water trapped in the tailings, in the concentrate or in the interstices, and in the form of ice. The vast majority of this water never leaves the site and ends up in our tailings facility.

The treatment of mining water from our operations is another key part of our overall water stewardship efforts. We do not operate in areas of water stress[36] and there is generally a positive water balance. All precipitation and snowmelt water in contact with our mining infrastructure is captured using a network of ditches over 35 km in length, located on the outskirts of the mining facilities. These ditches are connected to 39 transit basins and 12 water retention basins that can safely contain and manage a 1 in 100-year to a 1 in 1,000-year storm event or flood. Any surplus water not used at the mine site is treated at our water treatment unit prior to discharge. Water monitoring before evacuation includes physicochemical characterization (namely for suspended solids) and biological testing (toxicity) to ensure that the released water is compliant with regulatory requirements.

In addition, our operations generated a total water output of 9.76 Mm^3, including 4.20 Mm^3 of hydrological losses characterized by evaporation, infiltration into water tables and snow sublimation, and 5.56 Mm^3 of treated water discharged. Additionally, tests are performance on all water discharged back to the environment as part of our compliance regimen and 100% of our treated water discharged was compliant with federal and provincial physicochemical quality and toxicity criteria. Discharged water is returned into Mazaré Lake, which is home to several species, none of which has special status or is a threatened or vulnerable species. Neither the Mazaré Lake nor the nearby downstream bodies of water and their associated habitats are designated as protected areas, locally, provincially, nationally or internationally.

There were no recorded incidents of non-compliance associated with water quality permits, standards, and regulations during the reporting period. There were also no incidents with environmental impact or any medium or long-term effects on water resources. In 2023, we completed the field work of an environmental effects study to determine whether effluents discharged into fish habitats affect the fish species that inhabit them. The study, which is required every three years by federal regulations, included monitoring of water quality and fish health in affected water bodies. We expect the final report of the study in the near-term.

Major Projects

In 2023, some of our water management infrastructure was improved, including two basins and two significant ditches. In addition, a mitigation plan was implemented between two basins to allow pumping from one to the other to increase operational flexibility in case of repair, maintenance or a pumping station electrical issue. Finally, a new weather forecast provider was selected providing us access to real-time locally tailored forecasts, a significant improvement from our previous reliance on forecast data from Wabush airport, located 40 km away from the mine site. This enables us to more accurately plan for predicted weather conditions on a day-to-day basis.

As part of our alignment with MAC TSM, we continue to refine our water governance, including monitoring levels of major basins to ensure that they have sufficient capacity to mitigate potential extreme weather events. In 2023, we completed an internal self-assessment, according to which we achieved level A performance across all criteria of the Water Management Protocol.

Performance Indicators:
GRI 2-27, 3-3, 303-1, 303-2, 303-3, 303-4, 303-5, 413-2
SASB EM-MM-140a.1, EM-MM-140a.2

Tailings Management

Tailings are a by-product of our mining activities and managing them is crucial to ensuring that we are responsible environmental stewards. Proper tailings management enables us to protect the safety of our workers and local communities. Champion aims to mitigate negative environmental impacts related to tailings management and is continuously working to improve its tailings management performance through monitoring, innovation and anticipation of potential risks. International standards guide us to ensure the safe design, construction, operation, and closure of our tailings management infrastructure.

Champion's iron ore recovery process, used to produce high-purity iron ore concentrate, is primarily constituted of gravimetric systems, and as such does not involve metal leaching. Therefore, the tailings deposited in our facilities do not contain harmful chemicals and primarily consist of silica, a sterile material naturally present in our ore reserves and resources. However, understanding that containing tailings in tailings management facilities, from which water can be recirculated, may pose physical risks for communities and the environment, we employ a robust tailings management strategy to avoid incidents, based on four pillars:

- safe infrastructure,
- strict design criteria,
- proactive risk management through monitoring, and
- sustainable post-closure planning.

This approach is intended to extend throughout the mining lifecycle, with our most recent feasibility study in 2019, our yearly update of the tailings deposition 5-year planning, and yearly implementation and construction work supported by a detailed engineering process.
An update on Bloom Lake's mineral resource and reserves, announced in October 2023, noted that the optimized mine plan confirms an 18-year life of mine ("LoM") based on the mineral reserves.

Our innovative and safe tailings management plan consists of managing separately fine tailings and coarse tailings (sand). This separation optimizes our use of the mine site footprint and the distinct properties and behaviours of each material, thereby reducing overall risk. As fine and coarse tailings retain water and settle differently over time, they are each subject to tailored management approaches. By adapting our design according to water retention capacity, among other factors, we design, build and manage more stable and safe infrastructures.

Our tailings management facilities are built on the foundation of the Canadian Shield, a geologically stable region. We employ an impervious water retention design for storing our fine tailings, contained by a staged water dam. For coarse tailings, which represent most of our tailings waste, we employ an improved upstream construction method that consists of using a sloped, filtering, pervious (free draining) starter dike built on stable coarse draining tailings, and upstream finger drains.

Monitoring instruments are installed in specific areas around our tailings structures to facilitate continuous and real time monitoring through a telecommunications system. This enables us to identify any situation that may require action to maintain or improve the safety of our infrastructure and prevent any incident.

All retaining structures are subject to systematic visual inspections throughout the year and are guided by our robust risk management process cycle. Staff carry out weekly routine inspections on major infrastructure.

Tailings Governance

Champion's tailings governance structure is designed to ensure the utmost safety and integrity of our tailings facilities. In line with the overall governance structure described in the Sustainability Governance section, our Board of Directors establishes our strategic direction for tailings management, with our CEO cascading the vision down to our COO, acting as the Accountable Officer who delegates the responsibility to our Tailings Corporate Director and Tailings Responsible Person who oversees the operations of our tailings management facilities. On site responsibilities are given by the General Manager ("GM") to the Tailings Manager, who in turn is supported by a Tailings Operations Superintendent for day-to-day management.
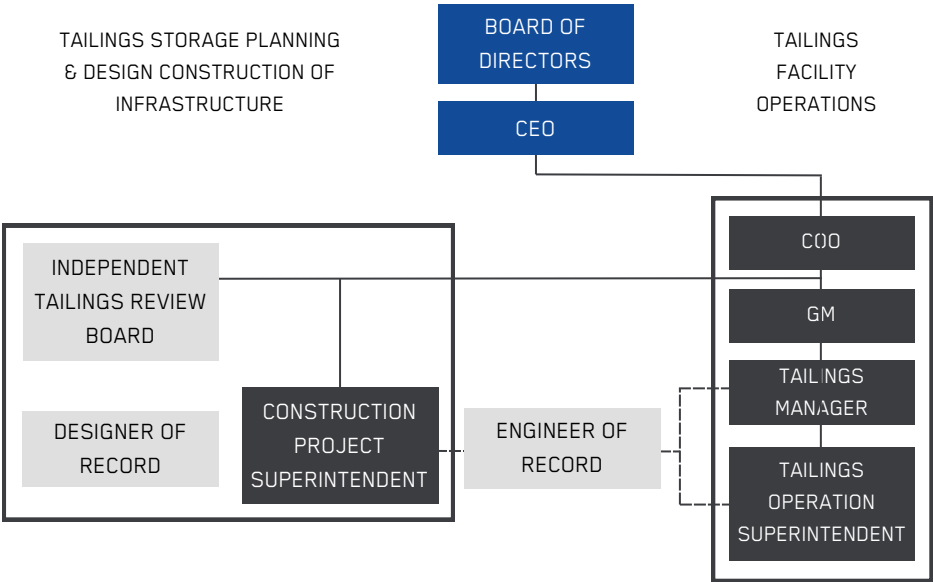
In accordance with industry guidance and best practices, our governance framework further includes an Engineer of Record ("EoR"), an independent third-party expert engaged since 2021. The EoR role is performed by a global leading engineering professional services firm, mandated with the detailed and ongoing review of the tailings facility, including detailed monthly assessments of critical components (dikes, ditches, weirs, culverts, pipes, etc.).

External assessments are carried out annually, while specific inspections are also performed as needed to monitor any irregularities or emerging risks noted during detailed internal or statutory inspections.

Finally, our Independent Tailings Review Board ("ITRB") is comprised of independent experts tasked with reviewing and overseeing our Tailings Management System, and providing impartial, third-party advice based on best available practice and technologies.

Our site-level EPRP includes a dedicated section on managing the unlikely event of a tailings management facility failure.

The following tables provide details on our tailings management facilities, as well as our tailings governance structure.

TAILINGS STORAGE PLANNING & DESIGN CONSTRUCTION OF INFRASTRUCTURE

BOARD OF DIRECTORS

CEO

TAILINGS FACILITY OPERATIONS

COO

GM

INDEPENDENT TAILINGS REVIEW BOARD

DESIGNER OF RECORD

CONSTRUCTION PROJECT SUPERINTENDENT

ENGINEER OF RECORD

TAILINGS MANAGER

TAILINGS OPERATION SUPERINTENDENT

Facility name	Bloom Lake Mine Complex TSF	Bloom Lake Mine Complex TSF
Location	Fermont, Quebec, Canada	Fermont, Quebec, Canada
Ownership status	100% owned	100% owned
Operational status	Active	Active
Construction method	Fine Tailings: impervious Water retention type.	Coarse Tailings: pervious starter dike and upstream finger drains for drained coarse tailings, Improved upstream construction
Maximum permitted storage capacity	62 Mm^3	146 Mm^3
Current amount of tailings stored	9.2 Mm^3	44.3 Mm^3
Consequence classification	High, as per CDA	High, as per CDA
Material findings	No	No
Mitigation measures	No	No
Site-specific Emergency Preparedness and Response Plan	Yes	Yes

Our Performance

In 2023, we achieved 100% compliance with the objectives of our tailings monitoring program, including weekly, monthly and statutory inspections, based on the criteria of the TSM Tailings Management Protocol. The table below summarizes our tailings management performance for 2021, 2022 and 2023. Additionally, we reused 4% of our mine tailings during the period.

Tonnes of mine tailings produced (millions)

2023	26.0
2022	17.3
2021	13.6

Tonnes of mine tailings reused as construction material (millions)

2023	1.1
2022	1.0
2021	2.3

Tonnes of mine tailings stored (millions)

2023	24.9
2022	16.3
2021	11.3

The doubling of our production nameplate capacity following the completion of our Phase II expansion in 2022 has increased the annual volume of tailings that we produce. In 2023, we produced 26.0 million tonnes of tailings, up from 17.3 million tonnes in 2022.

With this change, we have continued to focus on improving our tailings management. In 2023, we restructured our tailings and water management department, adding a Director-level position to oversee tailings governance, and reviewing roles and responsibilities assigned to team members involved in governance and risks to further optimize departmental operations. We also visited the tailings management facilities of other mining operations, to benchmark our practices, and identify opportunities for improvement.

An annual inspection was carried out in June 2023 by the EoR, confirming that our retention structures perform as expected. The inspection did not detect any major anomalies within our structures. In line with recommendations from the Canadian Dam Association ("CDA"), we also completed a dam safety review ("DSR").

The independent third-party review, which is separate from our EoR and Independent Tailings Review Board reviews, included a site visit in August 2023, a review of data and reports, a review of dam classifications, and a failure mode and effects analysis. The report is expected to be finalized in the near-term. In support of our emergency response planning, we also completed an annual review of our mine 1-year Tailings Management Plan and began a review of our dam break analysis, set for completion in the near-term. We are planning to undertake a new dam break analysis in 2028.

Additionally, several tailings works were completed during the year in line with our objective to maintain structural integrity, ensure robust construction quality control and overall strong management performance. We began the construction of a new dam, raised dikes, and maintained and improved peripheral ditches. We also further optimized the predictive and reactive instruments we employ for real time monitoring of dike and dam movements.

We periodically perform chemical analyses and leaching tests on representative samples of both fine and coarse mine tailings from the Bloom Lake site to determine their acid-generating potential and the leachability of metals from tailings, against set criteria established by the Québec Ministry of the Environment. Our last set of chemical tests was conducted in 2022, and results were below established thresholds. Historically, such reviews have shown that the Bloom Lake tailings have no potential for acid generation, due to their very low sulfur content.

Our ITRB visited the site in the summer of 2023, and produced a report submitted at the end of March 2024 with positive conclusions. Additionally, it included some recommendations, which we are carefully evaluating and planning to implement in the year ahead.

Over the past three years, the Company's implementation of MAC TSM's Tailings Management Protocol has put in place rigorous standards for the responsible management of tailings. In 2023, we completed an internal self-assessment, and achieved level A performance across all criteria of the Tailings Management Protocol. This followed an external assessment completed in November 2022. In September 2023, we presented our EPRP to Fermont municipal representatives.

Lastly, as part of our emergency planning, we conducted an EPRP simulation of a tailings facility failure in October 2023, which did not include external stakeholders.

> Performance Indicators:
> GRI 3-3, 413-2, MM03
> SASB EM-MM-150a.5, EM-MM-540a.2, EM-MM-540a.3

Sterile Rock, Waste and Hazardous Materials Management

In addition to tailings, the main sources of waste generated by our site activities include sterile rock, as well as non-mineral waste, such as industrial and domestic waste. We minimize waste generation or eliminate it at source when possible, and we seek to maximize the longevity of the products we use, recycle where possible, and optimize transportation and storage processes to reduce our environmental footprint. In the event that industrial and domestic waste cannot be recovered or recycled, we dispose of it offsite in a responsible and compliant manner. This disposal is completed by adopting operational controls, including controlled storage whenever this may be needed.

To safely access iron ore reserves and resources, our mining operations remove sterile rock, which has minimal or no recoverable iron content.[38] We store this rock in designated areas on site where some of it is reused as aggregate for the construction of site access roads and other infrastructures, and to optimize our sterile rock storage sites to reduce hauling distances. Additionally, we prioritize depositing sterile rock in a stable configuration to support the eventual implementation of the mine closure plan.

The non-mineral waste produced at Bloom Lake includes non-hazardous and hazardous waste. Our non-hazardous waste mostly includes scrap metal, contaminated soil and sludge, inert industrial waste, wood, and domestic waste. Our hazardous waste consists mostly of oily water, used oil and grease, oil filters, and rags soiled with hydrocarbons.

Waste recycling and disposal are handled offsite, based on the Company's decision to not bury or incinerate any waste on site. Non-hazardous and hazardous waste are responsibly disposed offsite in accordance with regulatory requirements.

Our Performance

There were no issues of legal or regulatory non-compliance related to our waste management activities in 2023. A total of 23.5 million tonnes of sterile rock were excavated at the Bloom Lake Mine site. Approximately 2.6 million tonnes were reused as aggregate for the construction of site access roads and other infrastructure (up from 1.9 million in 2022), while 20.9 million tonnes were stored within our on-site waste storage facilities. We continued to optimize rock storage areas, and in 2023, we reduced the height of lifts in one of our sterile rock dumps. This reduced the travel distance of our hauling trucks, thereby reducing fuel consumption, GHG emissions and transportation costs.

Total Sterile Rock Excavated (in million tonnes):

Sterile rock reused

2023	2.6
2022	1.9
2021	2.3

Sterile rock stored

2023	20.9
2022	17.7
2021	17.2

Total sterile rock excavated

2023	23.5
2022	19.6
2021	19.2

Total iron ore concentrate produced (wmt)

2023	13.6
2022	9.9
2021	8.1

Tonne of sterile rock excavated per tonne of iron ore produced

2023	1.7
2022	2.0
2021	2.4

We track and record the quantity of waste produced at Bloom Lake, including non-hazardous and hazardous waste, and disclose this data to regulatory authorities as required. We calculate the amount of non-hazardous waste and hazardous waste produced by tracking invoices we receive from contractors who are hired to either reuse/upgrade, recycle, or dispose of the waste produced. In the future, we plan to improve our visibility of how waste is handled by contractors.

In 2023, we generated slightly more hazardous and non-hazardous waste than in 2022. The[39] total waste produced, aside from tailings and sterile rock, was 8,019 tonnes, up from 7,704 tonnes in 2022 because of increased activities associated with the ramp up of the Phase II project. However, the amount of non-mineral waste produced per tonne of iron ore concentrate declined during the reporting period from 0.77 in 2022 to 0.59 kg per tonne.

Waste Generated per Tonne of Iron Concentrate Produced, Excluding Sterile Rock and Tailings (in kilograms):

Non-hazardous waste generated per tonne of iron concentrate produced[40]

2023	0.51
2022	0.67[42]
2021	0.95[41]

Hazardous waste generated per tonne of iron concentrate produced

2023	0.08
2022	0.10[43]
2021	0.09

Total non-mineral waste generated per tonne of iron concentrate produced

2023	0.59
2022	0.77[45]
2021	1.04[44]

Of the non-hazardous waste produced, 35% was reused or repurposed offsite, while approximately 19% was recycled offsite. Accordingly, 54% of non-hazardous waste was diverted from disposal, while 46% was disposed.[46] Of the hazardous waste produced, 38% was diverted from disposal and recycled or repurposed offsite, while 62% was disposed. As a result, 4,121 tonnes, or 51% of non-mineral waste were diverted from disposal, while another 3,899 tonnes, or 49%, were disposed.

Non-hazardous Waste Generated in tonnes in 2023 (Excluding Sterile Rock and Tailings):

Reused/repurposed offsite

Scrap metal

2023	2,154
2022	1,761
2021	2,227

Rubber

2023	0
2022	4
2021	132

Tires

2023	274
2022	195
2021	351

Total reused/repurposed

2023	2,428
2022	1,960
2021	2,710

Recycled offsite

Paper and cardboard

2023	108
2022	86
2021	55

Wood

2023	1,072
2022	1,041
2021	2,055

Mixed non-hazardous waste

2023	107
2022	69
2021	133

Total recycled

2023	1,288[47]
2022	1,196
2021	2,243

Responsible offsite waste disposal [48]

Contaminated Soil and sludge[49]

2023	2,028
2022	2,148
2021	1,718

Inert industrial waste

2023	1,215
2022	1,408
2021	1,009

Total disposed offsite

2023	3,243
2022	3,556[51]
2021	2,722[50]

Total non-hazardous waste generated

2023	6,958[54]
2022	6,712[53]
2021	7,680[52]

In 2023, we updated our Environmental Policy to further emphasize our commitment to improve our environmental performance by optimizing our consumption of natural resources and energy. This includes an emphasis on improving waste treatment practices to increase reuse and recycling. In 2023, we also stopped using disposable plastic bags and disposable coffee containers at our camp to reduce waste.

During the reporting period, discussions that began in 2021 continued with the town of Fermont and another regional iron ore producer, to develop a waste management site in Fermont that can also process organic waste, supporting future reclamation efforts. The project would produce significant cost savings for the Company, since currently waste is sent to a site further south in the province.

Performance Indicators:
GRI 2-4, 2-27, 3-3, 306-1, 306-2 (partial), 306-3, 306-4, 306-5 (partial), 413-2
SASB EM-MM-150a.4, EM-MM-150a.6, EM-MM-150a.7, EM-MM-150a.8, EM-MM-150a.9, EM-MM-150a.10

Hazardous Waste Generated in tonnes in 2023:

Recycled or upgraded offsite

Waste oils

2023	355
2022	247
2021	198

Used oil filters

2023	33
2022	17
2021	15

Aerosol

2023	4
2022	2
2021	2

Batteries

2023	2
2022	5
2021	7

Antifreeze

2023	10
2022	15
2021	8 [55]

Contaminated empty containers

2023	2
2022	2
2021	1

Total recycled or upgraded

2023	405 [57]
2022	288
2021	231 [56]

Responsible offsite disposal

Oily water

2023	431
2022	474
2021	338

Rags soiled with hydrocarbons

2023	174
2022	156
2021	133

Contaminated water

2023	13
2022	1
2021	4

Contaminated sludge

2023	0.4
2022	23
2021	3

Used grease

2023	11
2022	19
2021	7

Contaminated fuel

2023	8
2022	6
2021	5

Mercury waste

2023	0.6
2022	0.2
2021	0.3

Other

2023	17
2022	25
2021	13

Total disposed offsite

2023	655
2022	704
2021	503

Total hazardous waste generated

2023	1,061[58]
2022	992
2021	734

Energy & Climate Change

Energy consumption efficiency is central in our efforts to lessen our impact on climate change. Understanding, mitigating and adapting to the risks that climate change poses to our operations and where we operate is a core part of being a responsible operator, and is fundamental to respecting our relationships with local communities and our First Nations partners.

As a financially material factor, climate change is considered in our operational management, as well as during our evaluation of growth opportunities. In particular, climate change scenarios were considered in the Bloom Lake mine's recommissioning completed in 2018, throughout its recently completed Phase II expansion and in anticipation of future operations. Notably, such analysis includes planning and infrastructure development, especially in relation to Tailings Management and Water Stewardship. In 2023, we completed a study of physical climate risks related to climate change, which will help in planning our operations going forward.

We actively work to improve energy efficiency, reduce our operational GHG emissions and overall carbon footprint. As such, we are committed to identifying and strategically managing our climate-related risks and opportunities. Accordingly, in 2021, we aligned our business strategy and reporting on climate change with the recommendations of the TCFD. This represents the third time we are reporting in accordance with the TCFD's recommendations. TCFD details are provided at the end of this section and in the Appendix. Recognizing that the TCFD fulfilled its mandate and was disbanded in October 2023, and that the International Sustainability Standards Board ("ISSB") of the IFRS Foundation took over responsibility for climate-related financial reporting in 2024, Champion intends to assess and plan for appropriate alignment with the ISSB Standards in future reporting periods.

This is the first time that we are reporting our performance for the period covering April 1st 2023 to March 31st 2024, coinciding with Champion's financial year. As a result, where relevant, we are including details on our performance for the period from January 1st to March 31st, 2023. All year-on-year comparisons in this section refer to the 2024 financial year, ended March 31, 2024 and the 2022 calendar year.

Our Performance

In our 2024 financial year, our operations consumed a total of 3,708 TJ (or 3,708,000 GJ) of energy, an increase of 24% from the previous year, attributable to a 42% production increase at Bloom Lake. A total of 56% (2,063 TJ) of the energy consumed in our 2024 financial year came from renewable hydroelectric power (or grid electricity), while 44% came from fuel combustion. Energy consumption intensity (consumed per tonne of iron concentrate produced) stood at 265 MJ, down from 299 MJ in 2022. Our total energy consumption, by types of energy consumed, is listed at page 60.

Despite our increased annual total energy consumption, our GHG emissions intensity continues to rank favourably when compared to our peers globally, currently standing at 8.95 kg of CO_2 per tonne of iron concentrate produced, down from 9.8 kg in 2022. This performance represents a new annual record for the lowest emission intensity per tonne of high-purity iron ore produced.

Seaborn iron ore emission intensity curve (by producer)*
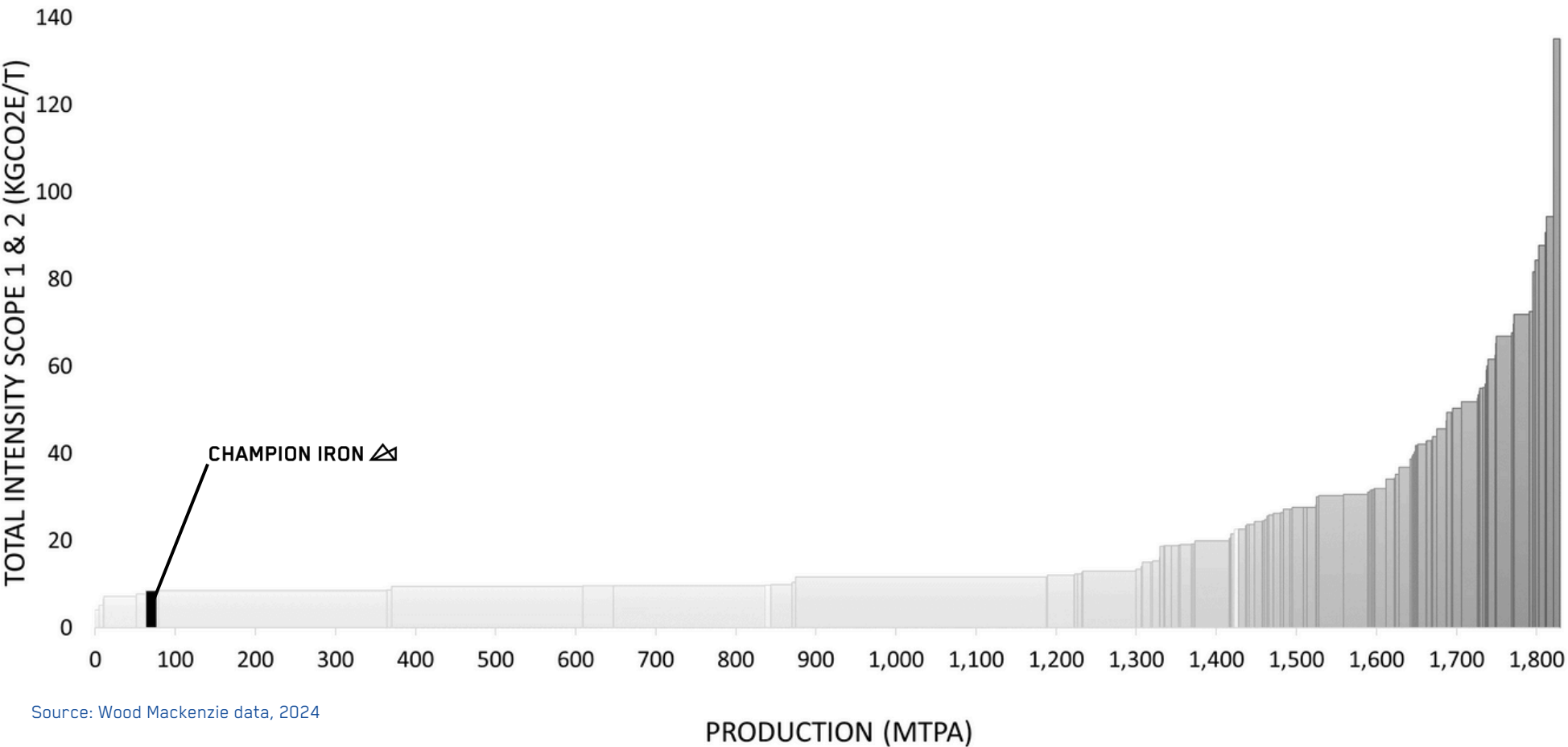
Source: Wood Mackenzie data, 2024

*This chart includes direct shipping ore activities, iron ore concentrate, lumps & fines. It excludes pellets operations' emissions.

An Overview of our Energy Consumption and Emissions:

	Calendar 2021	Calendar 2022	Jan-Mar 2023	FY2024 (April 2023-March 2024)
Total energy consumed (TJ)	2,346	2,838	1,021	3,708
Total GHG emissions (tonne CO2e)	83,918	97,943	39,466	126,786
Energy consumed per tonne of iron concentrate produced (MJ)[59]	304	299	331	265
Total GHG emitted per tonne of iron concentrate produced (kg CO2e)[60]	10.49	9.82	12.80	8.95
Total iron ore concentrate produced (T)	8,049,700	9,971,400	3,084,200	14,162,400

Total Energy Consumption (in TJ):

	Calendar 2021	Calendar 2022	Jan-Mar 2023	FY2024 (April 2023-March 2024)
Diesel	975	1,131	442	1,515
Gas	45	59	17	64
Light Oil Fuel	51	59	61	66
Hydroelectricity	1,275	1,589	501	2,063
Total	2,346	2,838	1,021	3,708

Our GHG Scope 1 and Scope 2 emissions were calculated based on the Greenhouse Gas Protocol Accounting and Reporting Standards ("GHG Protocol"). In terms of Scope 3 emissions, one of our 2023 sustainability objectives was to adopt a methodology to assess our Scope 3 emissions to be able to evaluate and disclose them in the next reporting period.

In FY2024, a total of 125,617 tonnes of CO2e (99%) were emitted from Scope 1 direct sources while 1,169 tonnes of CO2e originated from Scope 2 indirect hydroelectric sources (1%). All our GHG emissions fall under the Québec regulations and the cap-and-trade system, however, a portion of it is directly managed by suppliers as per legislation. Our emissions, in absolute terms, are listed in the following table.

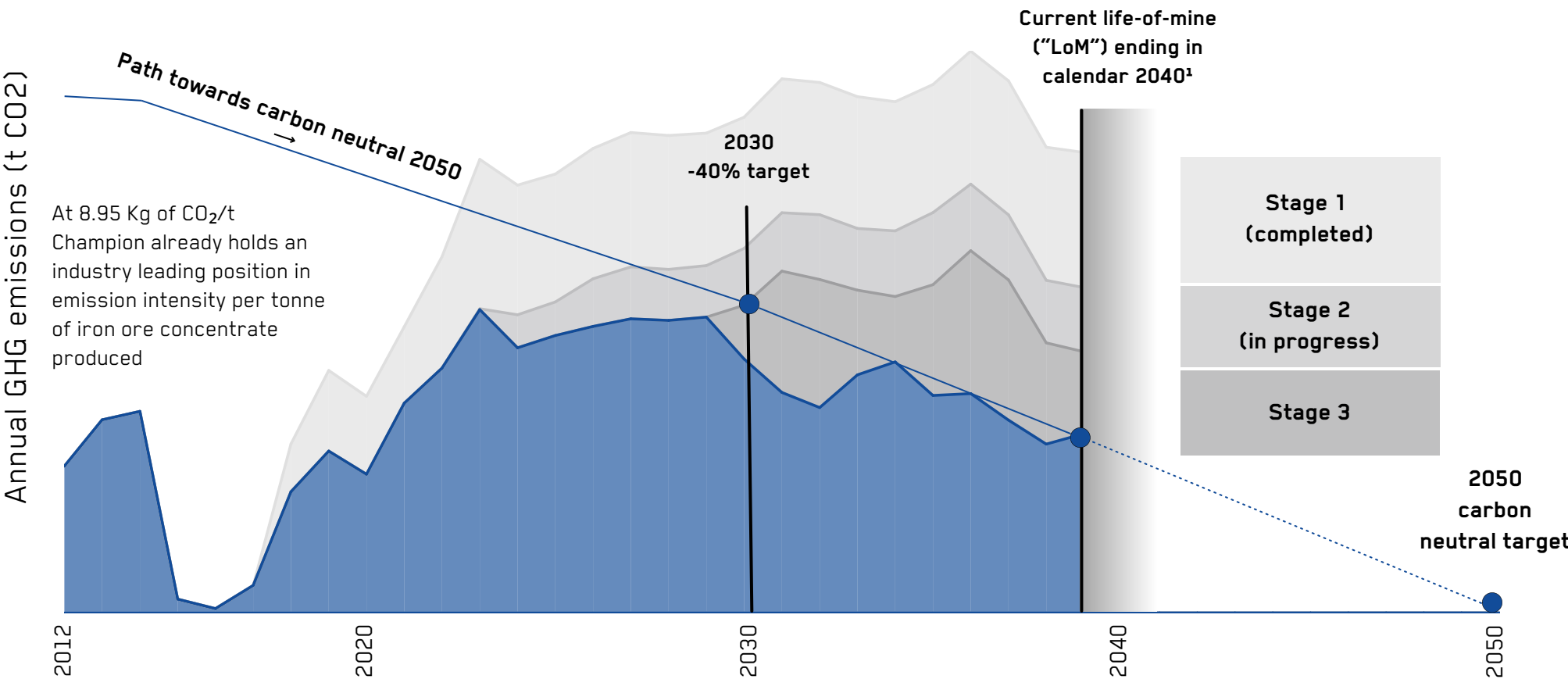## GHG Emissions (tonnes of CO2e):[61]

	Calendar 2021	Calendar 2022	Jan-Mar 2023	FY2024 (April 2023-March 2024)
Scope 1	83,918	97,281	39,182	125,617
Scope 2	531	662	284	1,169
Total GHG emitted per tonne of iron concentrate produced (kg CO2e) [61]	10.49	9.82	12.80	8.95

Benefiting from access to renewable hydroelectricity, our Company ranks as a global leader in scope 1 and 2 emission intensity per tonne of high-grade iron ore produced. As noted under Our Operations, in January 2023, Champion completed a feasibility study which evaluated the modifications required to produce an industry-leading direct reduction quality pellet feed iron ore with up to 69% Fe. This project could enable our Company to engage with DRI and electric arc furnaces EAF steel producers who manufacture steel without the use of coal, significantly reducing emissions when compared to traditional steelmaking methods. In January 2024, the Board approved a final investment for the project, which is expected to be commissioned during the second half of the 2025 calendar year, subject to completing key construction milestones in the near term.

During FY2024, in collaboration with an internationally reputable consulting firm, we mapped our supply chain emissions and developed a methodology in line with GHG Protocol guidance to estimate our Scope 3 emissions. With our methodology now selected, we set an objective to report our Scope 3 emissions in 2025. We discuss this further in the Metrics and Targets section of this report.

Since the recommissioning of Bloom Lake in 2018, we achieved an average annual emissions reduction of 31% of CO2e per annum when compared to 2014, when the mine closed under a different owner. As we optimize operations, we continue to evaluate initiatives and alternatives required to meet our 2030 GHG reduction target. In 2022, we adopted our 2050 carbon neutral goal in addition to a near-term goal to reduce emissions by 40% by 2030, based on 2014 emission intensity. Our roadmap to be carbon neutral by 2050 is illustrated in the graphic at page 61. We continuously develop projects to reduce the intensity of our emissions related to ore extraction, processing, and transport, and to enable us to reach our 2030 and 2050 targets.

Envisioned Roadmap to Carbon Neutral 2050

Path towards carbon neutral 2050

At 8.95 Kg of CO_2/t Champion already holds an industry leading position in emission intensity per tonne of iron ore concentrate produced

Annual GHG emissions (t CO2)

2030 -40% target

Current life-of-mine ("LoM") ending in calendar 2040[1]

Stage 1 (completed)

Stage 2 (in progress)

Stage 3

2050 carbon neutral target

2012   2020   2030   2040   2050

Source : Champion Iron Limited

Note: 1. 2023 LoM ends in FY41 with residual production. FY40 is therefore the last full financial year of production. For GHG calculation, 2039 is the last full calendar year of production. See disclosure page for statement regarding the 2023 Technical Report.

Work Programs Identified to Reduce Emissions In Line with the Company's Targets
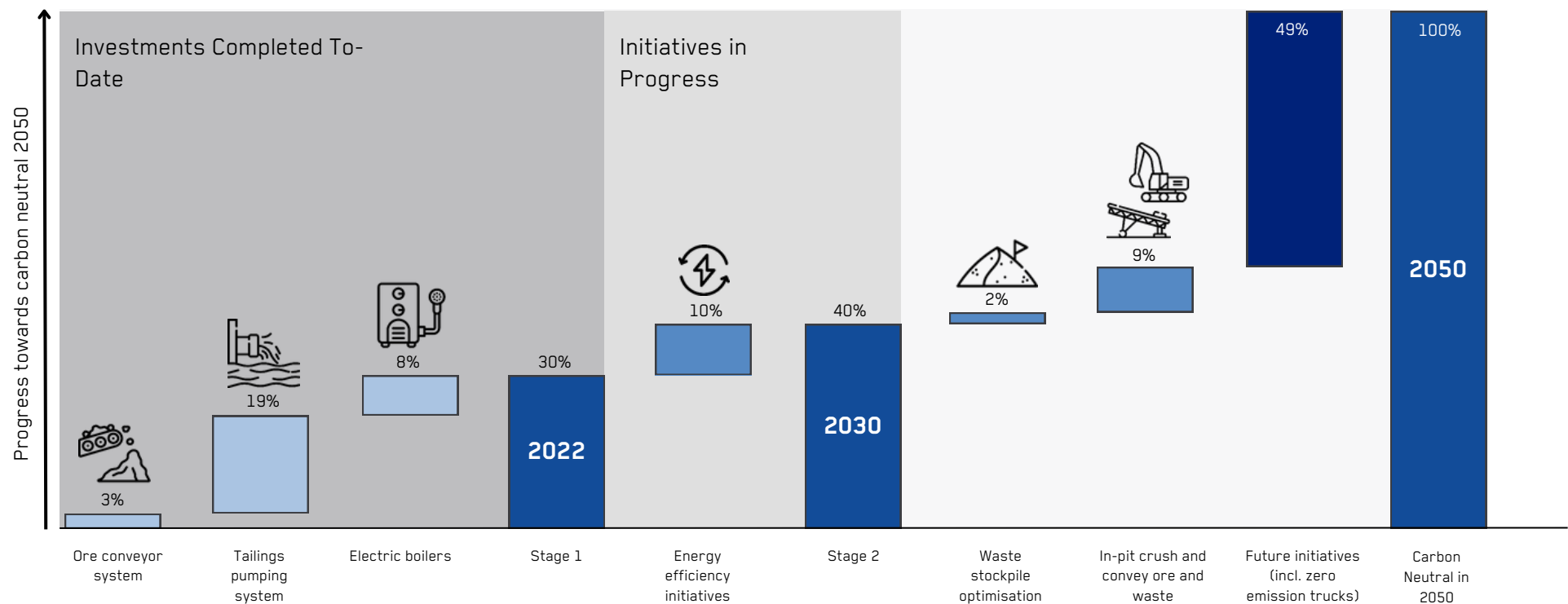
Source : Champion Iron Limited

In 2023, we continued to work on establishing a specific list of GHG reduction initiatives required to reach our targets, including electrification and energy efficiency projects, as illustrated in the graphic above. In the coming periods, we will continue refining and piloting these projects, and implement those which will better advance alignment with our 2030 target.

Following a gap analysis completed in 2022, we are drawing guidance from the ISO 50001 Energy Management standard to support our GHG reduction goals and efforts to optimize our GHG management systems. Our operations are also aligned with MAC TSM's Climate Change Protocol, which focuses on mitigation and adaptation strategies to manage climate-related risks.

In May 2023, forest fires located approximately 300 km south of Bloom Lake interrupted railway service on which our operations rely. While there was no damage to our site, the forest fires disrupted railway services between May 30 and June 10, 2023, affecting our supply chain, and significantly delaying the sale of our iron ore concentrate.

This event led us to complete a third-party assessment of our forest fire risk, which identified risk mitigation measures, most of which have either been implemented or are ongoing. Identified risk mitigating measures include initiatives such as: moving flammable liquids away from forest areas; ensuring an adequate supply of sprinklers, pipes and pumps; developing plans for protecting stored equipment, contingency and operational continuity plans for electricity cuts or fuel shortages; and vegetation management. Finally, in line with our value of transparency, we participated in our first Carbon Disclosure Project ("CDP") assessment in 2023.

Task Force on Climate-Related Financial Disclosures (TCFD) Framework Alignment

This 2023 sustainability report marks the third year in which our climate-related disclosure is framed by the TCFD recommendations. It covers our progress and our planned future actions across the 11 disclosure recommendations, under four key areas: governance, strategy, risk management, and metrics and targets.

Governance: Our governance around climate-related risk and opportunities

Strategy: The actual and potential impacts of climate-related risk and opportunities on our business, strategy and financial planning

Risk Management: The processes we use to identify, assess and manage climate-related risks

Metrics & Targets: The metrics and targets used to assess and manage relevant climate-related risks and opportunities

Governance

The Board of Directors, supported by the SIA Committee, is Champion's ultimate body responsible for monitoring and acting on climate change-related risks, opportunities, and strategies. The SIA Committee, which reports to the Board of Directors and meets at least quarterly, is accountable for overseeing all of Champion's sustainability and climate change performance areas, including risk assessment, management performance, corporate strategy approval, metrics and KPI setting, monitoring and approving public disclosure in relation to sustainability matters, and monitoring and reviewing the management of climate-change issues. Scheduled quarterly operations updates keep the Board of Directors informed on operations, which integrate climate-related topics as part of normal operations oversight. Additionally, issues deemed significant by the Management team can be brought directly to the Board's attention on an ad hoc basis.

The COO, supported by internal and external energy management experts, is responsible for the Company's management, measuring, monitoring and reporting of GHG emissions, including the setting of goals. As part of our formal reporting process, the COO and Champion's Management team regularly report to the SIA Committee on material climate change-related topics, to maintain accountability for climate change performance. The COO is kept informed by the GM, who in turn is informed by site superintendents of any emerging climate-related issues, including how they are being addressed and managed.

Climate-related policies, strategies and information are subject to the Board of Directors and its specific committees, a process aligned with the same governance to review financial information. The SIA Committee, which is comprised of non-executive Board members, reports its findings and recommendations to the Board of Directors and assists the Management in establishing climate change policies, and as such, performs a key governance function. Further details can be found in the Governance section of this report.

As noted in our 2023 Sustainability Report, in 2023 we introduced KPIs for key Executives remuneration that relate to the Company's sustainability practices, including performance on climate change strategy. This initiative ensures the alignment of Champion's executive compensation and the Company's climate-related initiatives. Additionally, the annual review of policies, including the environmental policy, as well as performance against strategies in relation to our GHG emissions, are also tied to the KPIs that guide executive compensation. Accordingly, the disclosure of initiatives required to meet our 2030 target and the development of our Scope 3 methodology were linked to the Management team's Short-Term Incentive Plan ("STIP") during FY2024. During FY2025, one of our core sustainability commitments is to disclose our inaugural Scope 3 GHG estimate and further improve visibility regarding initiatives required to meet our 2030 emission reduction target. The Remuneration, People and Governance Committee oversees the setting of such sustainability metrics and targets linked to executive compensation, and makes recommendations to the Board, as appropriate.

Strategy

Champion understands that both physical and transition climate-related risks will have an impact on our Company and that these will evolve over time signifying that there is a range of plausible future climate scenarios that could affect our business activities. Accordingly, our strategic planning for climate-related organisational resilience is based on multiple credible scenarios, integrates a range of risks and opportunities, and considers three time horizons: 2024-2030, 2030-2050 and 2051-2080.

Planning for Physical Risk

In FY2024, in partnership with an external consultant, we completed an analysis of climate-related physical risks related to our operations and physical infrastructure. The analysis also considered the impact of climate-related physical risks on critical third-party infrastructure required by our business, including the Port of Sept-Iles and the railways connecting Bloom Lake and the port facilities. The analysis is based on the IPCC CMIP6, the latest climate data. In line with TCFD recommendations to consider two scenarios, the analysis considers SSP1-2.6 (a very low GHG emissions pathway, wherein CO_2 emissions decline to net-zero around 2050, limiting global warming to below 2°C) and SSP3-7.0 (a high GHG emissions pathway, wherein substantial challenges exist to mitigate and adapt to environmental damage, and CO_2 emissions roughly double from current levels by 2100). The focus of this study was on a short-term and long-term horizon of 2024-2030 and 2030-2050,[63] respectively.

Further studies could be considered in the future as we refine our physical risk analysis and planning. Several climate risks were considered in the analysis, including extreme heat, extreme cold, riverine flooding, pluvial flooding, coastal flooding, water scarcity, wildfires, landslides, and hurricanes. The highest priority for physical climate risks identified were linked to flooding, forest fires and extreme heat. Authoritative sources on climate change, including government and subject matter expert reports as well as peer-reviewed research, suggest an increased risk of flooding in Québec linked to climate change in the future, making it a particularly significant component of our physical risk analysis outcomes. In both scenarios, and for both timelines, quantities of rainfall are expected to increase. However, the Bloom Lake mine has undergone significant mitigations against flood risk at the mine, including considerations of future climate trends.
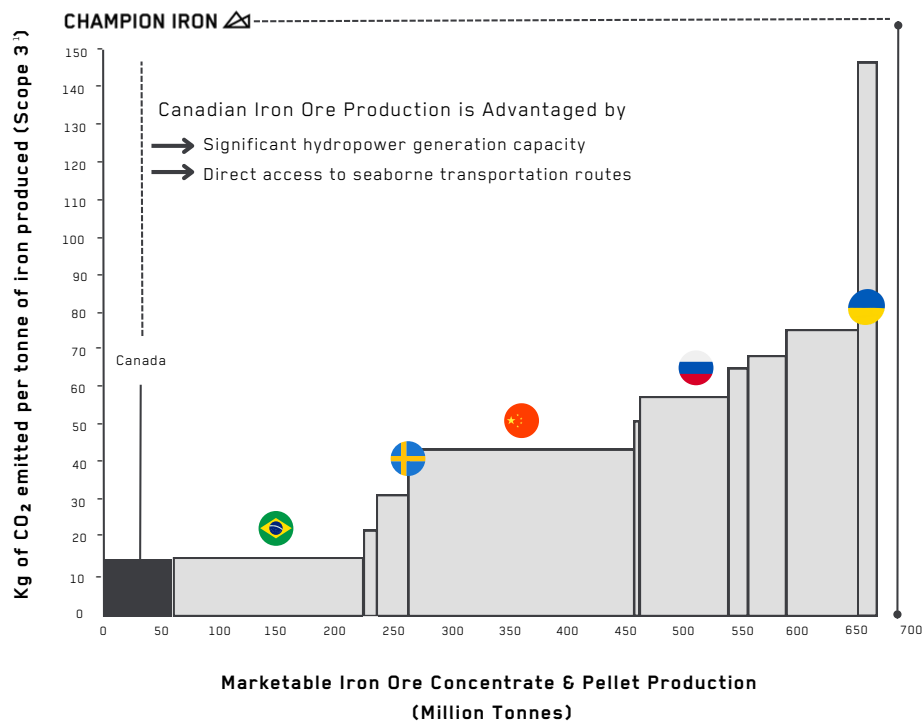
- Our 1st priority risk identified for physical climate-related risk was an interruption to rail services due to flooding, forest fires or extreme heat, with higher probability and impact linked to multiple climate hazards. Flooding can wash away rails, and standing water in low-lying areas can submerge tracks. Smoke from wildfires can delay or stop services, while extreme heat can cause tracks to buckle and tires or brakes to fail.

Our 2nd and 3rd highest priority for physical climate risks are both low probability and low impact, but are highly relevant to our business.

- Our 2nd highest priority risk identified was flooding at the mine, which can affect tailings or cause damage to equipment. Flood risk at the mine had also been previously identified in our 2019 climate risk study, which pointed to long-term risks that included potential dike failure from extreme and inconsistent precipitation events that could release tailings into the environment. Our 2023 analysis found that since the 2019 study, the Bloom Lake mine has undertaken significant efforts to mitigate this risk.
- Finally, our 3rd highest priority physical climate risk identified was a storm or flood at the port that damages infrastructure or causes prolonged inaccessibility. While this is a notable risk, the analysis concluded that the port is well-designed to withstand such impacts.

We recognize that operational disruptions ensuing from such climate-related events may be material and may have financial implications for our company. Based on the insights gleaned in 2023, we expect to develop a list of risks for financial analysis, which could enable the Company to estimate financial impacts by integrating financial data with both historical and scenario-based climate data.

Y-axis: Kg of CO₂ emitted per tonne of iron produced (Scope 3¹)

Canadian Iron Ore Production is Advantaged by

→ Significant hydropower generation capacity
→ Direct access to seaborne transportation routes

Canada

X-axis: Marketable Iron Ore Concentrate & Pellet Production
(Million Tonnes)

¹ Scope 3 stops at Third Party Port and Transport Fees Downstream but excludes BOF
supply / Iron ore supply: Wood Mackenzie 2020 data, Champion Iron Limited

Industry leading CO2 intensity per tonne

Champion Iron ranks amongst one of the lowest emission intensity producers of iron ore globally at 8.95 kg of CO2 eq per tonne produced during the 2024 financial year.

Planning for Transition Risk

The study undertaken in 2023 did not consider transition risks or potential opportunities linked to climate change. However, our previous 2019 climate study did consider some potential opportunities, such as longer summers positively influencing energy consumption. This example could provide energy savings due to a reduced need for winter heating, as well as accelerating revegetation during reclamation activities.

As discussed in our 2024 Annual Report, we recognize that our operations are energy intensive and that we may be impacted by current and emerging policies and regulations relating to GHG emission levels, energy efficiency and reporting of climate change-related risks.

While some of the costs associated with reducing emissions may be offset by increased energy efficiency and technological innovation, the current regulatory trend may result in additional transition costs relating to the Company's operations. In addition, global efforts to transition to a lower-carbon economy may entail extensive policy, legal, technological, and market changes to address mitigation and adaptation requirements related to climate change. Depending on external factors, transition risks may pose varying levels of financial and reputational risk to the business.

As a result, we are focusing on reducing GHG emissions and continuing the development of a roadmap to meet our 2030 target of reducing our GHG intensity by 40%, which is aligned with Canada's reduction targets. As part of our commitment to reduce emissions, we will consider adapting to any potential future increases in Canada's Nationally Determined Contribution ("NDC"), under the United Nations Intergovernmental Panel on Climate Change ("IPCC"), that may flow through to the private sector. While our Company has committed to a goal of carbon neutrality by 2050, we already rank as a global leader for scope 1 and 2 emission intensity per tonne of high-grade iron ore concentrate produced.

Strategic Innovation for Greener Steel

While Champion continuously seeks to minimize the climate-related impact of its operations, the Company's largest potential positive impact is in the downstream use of its product in steelmaking. Benefiting from one of the highest quality iron ore concentrates globally, Champion's 66.2% Fe iron ore enables steelmakers to significantly reduce energy consumption in steelmaking, by reducing the use of coal. Based on Champion's expanded nameplate capacity of 15 Mtpa and a comparative sourcing of lower quality iron ore at 58% Fe, end users of Champion's high-purity 66.2% Fe iron ore concentrate can reduce emissions in their steelmaking process by nearly 2Mt of CO_2 equivalent per year in the traditional Blast Furnaces and Basic Oxygen Furnaces steelmaking method. The impact of this steelmaking emission reduction is over 20 times greater than the emissions currently produced at the Bloom Lake mine.

We continuously innovate to improve the quality of our product to meet the demands of the global green steel supply chain, and to capitalize on the accelerating emissions reduction shift in the steel industry.

Emissions are therefore a key factor when considering strategic investments into growth projects, such as our DRPF project, which is designed to be carbon neutral. In 2023, we announced the positive findings of the DRPF Project's Feasibility Study, which evaluated increasing half of Bloom Lake's capacity from 66.2% Fe to a direct reduction pellet feed quality iron ore up to 69% Fe.

This transition would enable the Company to engage with producers of DRI-EAF, who manufacture steel without coal, thereby enabling emissions reductions in the steelmaking process by the equivalent of nearly five million tonnes of CO_2 per year [64] when compared to traditional BF-BOF steelmaking.

Over time, the Company has the opportunity to convert the entire 15Mtpa nameplate capacity of the Bloom Lake site to a direct reduction pellet feed quality iron ore, potentially reducing emissions in the steelmaking process by as much 9.7Mt of CO_2 per year, which is approximately 100 times more than the Bloom Lake mine's current emissions.

	Current Product	DRPF Potential
Material	15Mtpa with 66.2%	15Mtpa with DRPF 69%
Route	BF/BOF	DRI/EAF
Savings	1.9 Mt of CO2/year	9.7 Mt of Co2/year
Equivalent	420,000 cars/year	2,150,000 cars/year

[1] Phase II expected nameplate capacity of 15Mtpa | 2. Assumes 4,600 Kg of CO2 eq per vehicle/year (Source: US Environmental Protection Agency and Natural Resources Canada). BF/BOF reduction assumes a ratio of 1.5t of iron ore concentrate per tonne of steel produced and a reduction emission of 9.6% for Champion's 66.4% Fe (as per FY21 results) compared to 58% Fe (Based on Wood Mackenzie estimate of 8% reduction for P65 vs. P58). DRI/EAF steel making route assumes 1.47 tonne of pellet feed concentrate per tonne of steel produced. Sources: Champion Iron Limited, Wood Mackenzie data.
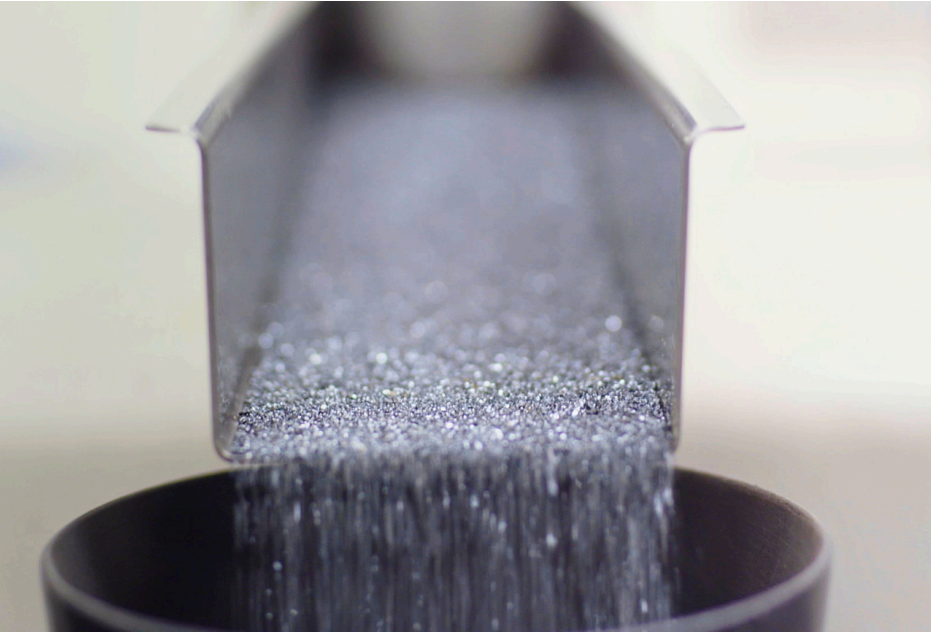
Resilient Growth

Looking forward, we will continue to assess and disclose climate-related risks and impacts as per evolving practices and regulations, as we understand the materiality of this topic and the importance of providing accurate and transparent disclosures to our stakeholders.

Champion intends to expand its scenario analysis of climate change-related risks and opportunities through a transition risk assessment near-term. We will also work to improve the quality of our disclosures as our governance, strategy and risk management approaches continue to mature, including consideration of assurance over our climate-related information to enhance credibility and accountability.

Going forward, we will also continue to consider how we can best prepare for the post-closure phase of our operations, which will likely take place under climatic conditions different from those currently prevailing at the site.

Risk Management

The Company's climate-related risk management process is integrated into its overall risk management framework, which consists of four components: identification, evaluation, action, and monitoring. Champion's risk management framework, described in Sustainability Management, provides a consistent approach to identify, assess, manage and mitigate material environmental and social risks throughout our operations and value chain. We assess a range of climate-related risks, including in our ongoing reviews of current and emerging regulations, legal and market drivers, and evolving technology and associated innovation opportunities. Using both quantitative and qualitative methods we evaluate risks, and manage them by determining risk appetite, communicating key risks, and resourcing appropriate mitigation measures.

All employees are expected to identify climate-related risks, as with other material risks, while managers integrate risk management into departmental management strategy planning and decision-making. Both managers and employees are responsible for the implementation and operation of the risk management process. The Board of Directors determines acceptable risk levels and oversees the process, the Management team aligns risk management with Company strategy, and the Risk Management Committee approves and monitors specific strategies. Other relevant senior members of the Company integrate risk management into their respective departmental strategies, Risk Management Program Managers support implementation within their areas, and Risk Owners manage responses to specific climate-related risks.

Risks are prioritized by management according to their probability and materiality for our operations, including the time period in which the risks may occur. The materiality of potential risks is evaluated by the Management team as a component of their periodic materiality assessment process. Internal monitoring processes ensure that any relevant risks are identified and brought to the attention of the appropriate managers, with senior management providing oversight of the risk management process.

Management of climate-related risks, such as floods, fires, regulatory changes, and energy security are incorporated into Champion's overall business risk management framework. Our energy experts, which are supported by external consultants, monitor the majority of the Company's climate-related risks and collaborate with the Management team who reports to the SIA Committee who are tasked with overseeing climate-related risks, and then reports to the Board of Directors.

Recognizing that dike breaches and water discharge events arising from extreme weather are a significant industry risk, we particularly integrate the management and oversight of tailings and water factors, as described in Tailings Management, in our climate risk management approach. We continually update our operating procedures to focus on prevention and mitigation, as industry standards and stakeholder expectations evolve.

Following our physical climate risk screening and scenario analysis study in 2023, we will undertake a financial driver analysis and quantification process on a short list of risks, which will enable Champion to estimate impacts in monetary terms, to better integrate an understanding of climate risks and impacts alongside other types of risk within our overall enterprise risk management approach.
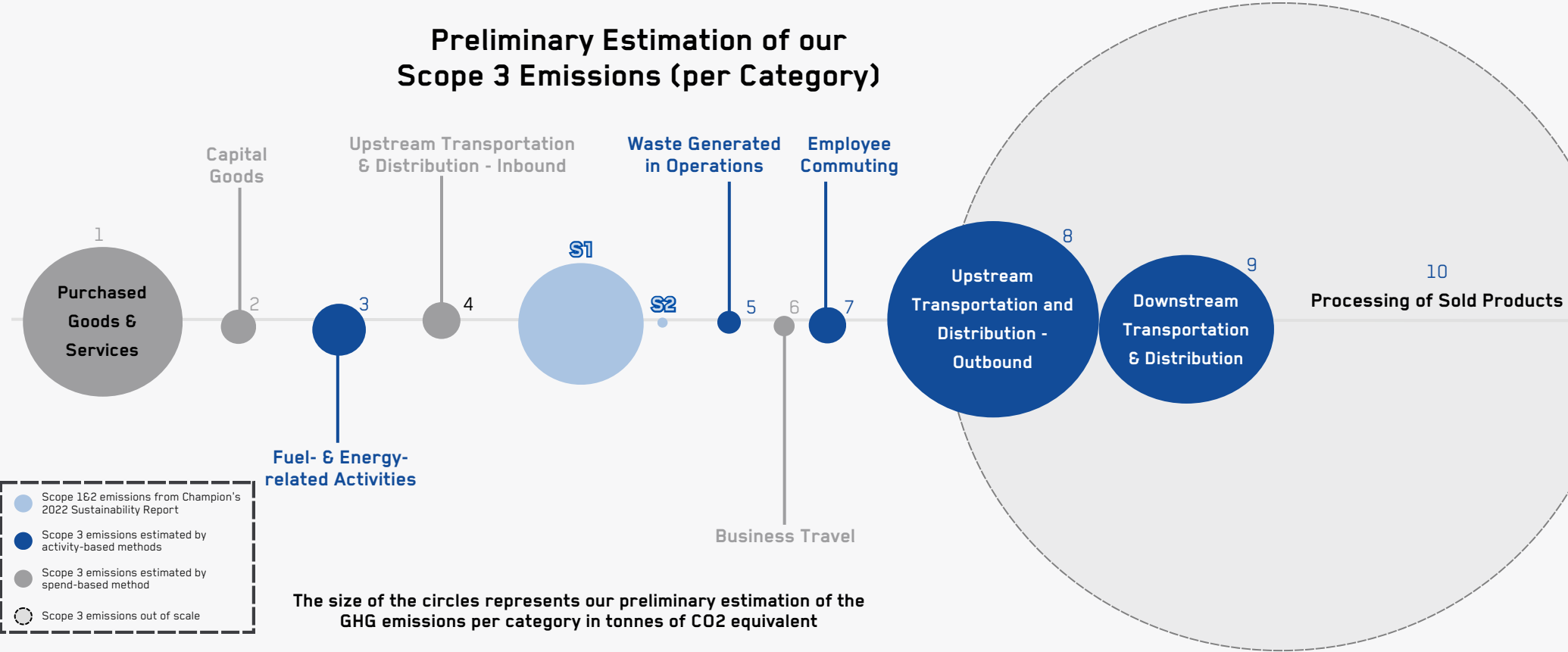
Metrics and Targets

Champion currently monitors direct (Scope 1) and indirect (Scope 2) emissions. Supported by a third-party consultant with a positive international reputation, and with a desire to better understand our GHG emission footprint across our value chain, during the reporting period we undertook an evaluation to map the emissions across our supply chain and develop a clear and consistent methodology to begin quantifying our Scope 3 emissions based on GHG Protocol guidance. We completed an evaluation of the 15 categories of the GHG protocol, enabling us to determine which categories were material and which were of lower significance.

This assessment also identified categories that were either not applicable or potentially too complex, such as category 12 End-of-Life Treatment of Sold Products, given that our product becomes steel and that this material is recyclable. We concluded that the most material and relevant scope 3 categories for our value chain include the following: Category 1 (purchased goods and services); Category 2 (capital goods); Category 3 (fuel and energy-related activities); Category 4 (upstream transportation and distribution); Category 5 (waste generated in operations); Category 6 (business travel); Category 7 (employee commuting); Category 9 (downstream transportation and distribution); and Category 10 (processing of sold products).

For these relevant categories, we can account for our emissions using established analytical approaches, such as considering spend, average-data, fuel, distance, and waste type. Notably, Category 10 (processing of sold products) was estimated to account for over 95% of Champion's scope 3 emissions, further enforcing our vision for the DRPF project and its potential impact to reduce emissions across the green steel supply chain.

Our evaluation further concluded that the following scope 3 categories are not presently material or relevant for our business activities or value chain, namely: categories 8, 11, 12, 13, 14, and 15, which include upstream leased assets, use of sold products, end-of-life treatment of sold products, downstream leased assets, franchises, and investments, respectively.

Preliminary Estimation of our Scope 3 Emissions (per Category)

Capital Goods

Upstream Transportation & Distribution - Inbound

Waste Generated in Operations

Employee Commuting

S1

S2

Purchased Goods & Services

Fuel- & Energy-related Activities

Upstream Transportation and Distribution - Outbound

Downstream Transportation & Distribution

Processing of Sold Products

Business Travel

Scope 1&2 emissions from Champion's 2022 Sustainability Report

Scope 3 emissions estimated by activity-based methods

Scope 3 emissions estimated by spend-based method

Scope 3 emissions out of scale

The size of the circles represents our preliminary estimation of the GHG emissions per category in tonnes of CO2 equivalent

Current Champion GHG Calculation Boundaries

SCOPE 3

Business travel
Category 6

Employee Commuting
Category 7

Mining, refining, processing of purchased good and fuels
Category 1,3

Purchased goods transportation
Category 4

SCOPE 1

On-site waste disposal (tailings, solids)

Ore

Mining

On-site waste disposal

Concentrator

IRON ORE CONCENTRATE

Product transportation
Category 4

Downstream processing
Category 10

STEEL

Product transportation
Category 9

Purchased goods
Category 2

SCOPE 2

Grid-supplied electricity

Champion also tracks a range of other climate-relevant metrics, whereby further details can be found at the beginning of this section, and in the Air Quality, Land Use and Biodiversity, and Water Stewardship sections of this report.[66]

Our GHG reduction targets currently reflect historical trends. As per TCFD recommendations, Champion will start to use forward-looking metrics and targets in future periods as we come to better understand our climate change related risks and opportunities.

Air Quality

Mining and mineral processing activities such as fuel combustion, blasting, hauling and the handling and storage of materials can cause adverse air quality impacts. We use a preventive management approach to reduce or control our generation and emission of air pollutants, and we regularly monitor our infrastructure and processes.

The primary air emissions associated with our mining activities include total particulate matters ("TPM") which comprise particles of less than 10 microns ["PM10"] and fine dust particles with a diameter of less than 2.5 microns ["PM2.5"], generated by sources such as vehicle traffic, unloading of materials, storage of mine tailings, blasting, and crushing. Other emissions include gases generated by the combustion of fuels from mobile or stationary sources, including carbon monoxide (CO), sulfur dioxide (SO2) and nitrogen oxide (NOx), but do not include any ozone-depleting substances or hazardous pollutants (HAP).

Our Performance

As part of our compliance requirements, we are required to measure and report our air emissions. During the reporting period, our emissions did not exceed regulatory limits. We remain committed to mitigating the impact of our dust emissions. Revegetation efforts, described further in the Land Use and Biodiversity section of this report, are helping mitigate dust formation. In 2023, we tested new dust suppression methods, which involve using a flake formula rather than the previously used liquid dust suppressant, resulting in positive results to date.[67] Pending further positive tests, we plan to use this new method moving forward.

Our blasting emulsion recipe, developed between 2021 and 2023, has continued to successfully reduce NOx produced from rock blasting fumes. Finally, we installed a new air sampling station at our Mamu Camp in January 2024 to monitor the quality of the air where some of our workers are staying.

Type of Air Emission	Year		
	2021	2022	2023
Nitrogen oxide (NOx) emissions per tonne of iron concentrate produced (kg)	0.0295	0.0126	0.0170
PM2.5 fine particle emissions per tonne of iron concentrate produced (kg)	0.0336	0.0338	0.0259

The increase in gas emissions as shown in the following table is attributed to an increase of our production as more sterile rock was mined and hauled in 2023 compared to 2022. This also affected the intensity of our gas emissions. However, the dust suppression methods tested in 2023 yielded a reduction of PM10 and PM2.5 particles.

Performance Indicators:
GRI 2-4, 3-3, 201-2, 302-1, 302-3, 305-1, 305-2, 305-4, 305-5 (partial)
SASB EM-MM-110a.1, EM-MM-110a.2, EM-MM-130a.1

Type of Air Emission (in Tonnes)	Year		
	2021	2022	2023
Carbon Monoxide (CO)	233	278	422
Nitrogen Oxide (NOx)	145	147[68]	232
Sulphur Dioxide (SO2)	9.6	9.6[69]	15
Lead (Pb)	.015	.005	.010
Mercury (Hg)	.00006	.00019	0.00021
Volatile organic compounds	7.8	7.1[70]	11.6
Particles ← 10 microns (PM10)	2,011[71]	2,823[72]	2,633
Particles ← 2.5 microns (PM2.5)	283[73]	386[74]	353

Land Use and Biodiversity

Biodiversity loss and adverse ecosystem impacts constitute a risk to all people and the broader environment. The Bloom Lake mine is located in the Canadian boreal forest, home to many species of plants and animals, as well as natural resources upon which First Nations and local communities depend. Our management approach to biodiversity is rooted in the precautionary principle, leading us to always err on the side of protective action where there is any uncertainty about the impact of our activities on local ecosystems.

Champion's biodiversity strategy is built on understanding and evaluating our dependencies and impacts on natural systems, as well as the important species that live within them, and understanding associated risks and opportunities. This involves understanding the special value that our First Nations partners and local communities place on various ecosystem resources and services in the region. This knowledge guides our strategic actions to prioritize the prevention of negative impacts. If impacts cannot be avoided, we reduce them as much as possible and implement measures to mitigate the impacts through technological innovation, targeted technical adjustments, or appropriate nature-based solutions. Moreover, if negative impacts persist and our operations cause biodiversity loss, we are committed to pursuing compensation measures equivalent to or greater than the loss.

Our Performance

A biodiversity portrait of the Bloom Lake mine area, produced in 2020, illustrated that vegetation is the main group contributing to local biodiversity, representing 40% of the total number of species, followed by invertebrates at 33% and birds at 20%. There are no areas officially designated as protected areas, nor as areas of high biodiversity, in or adjacent to our operations. Specifically, none of the lakes around the Bloom Lake mine, including the Mazaré Lake into which we return treated water, are designated as protected areas either locally, provincially, nationally, or internationally. However, there are five biodiversity reserves within 50 km of the mine site that are designated protected areas including: the Paakumshumwaau-Maatuskaau biodiversity reserve, the Gensart Lake biodiversity reserve, the Moisie River aquatic reserve, the Lac Ménistouc biodiversity reserve and the Bright Sand Lake biodiversity reserve. In terms of species at risk, vegetation and birds are the two groups with the highest proportionate representation in the Bloom Lake Mine area at 43% each. In 2024, we are planning to update our biodiversity portrait of species at the site.

Biodiversity[75] portrait of the Bloom Lake mine area	
Number of families	204
Number of species	880
Number of species at risk	33

Performance Indicators:
GRI 3-3, 305-6, 305-7, 413-2
SASB EM-MM-120a.1

During the reporting period, we updated the list of species with a specific International Union for Conservation of Nature ("IUCN") status based on the IUCN Red List of Threatened Species, which are listed in the following table.[76] The list includes four Vulnerable species: three bird species - Rusty Blackbird, Chimney Swift, and Evening Grosbeak; and one mammalian species, the Woodland Caribou. While the Woodland Caribou is not found directly on our mine site, it can be present in the region and we appreciate its importance for First Nations communities.

The primary impact of our operations on all these species is habitat loss, which we seek to limit by minimizing our footprint, avoiding deforestation where possible and engaging in progressive site restoration to revive habitats as soon as possible.

During the reporting period, we continued to implement our existing Biodiversity Protection and Monitoring Action Plan, which encompasses the Bloom Lake Mine site area, and covers the period 2021-2024. With an aim to reduce threats to biodiversity and increase ecosystem resilience, we are working with regional organizations, our First Nations partners, and various levels of government on implementation. The plan includes activities such as creating nesting habitats for bank swallows, bat conservation, and monitoring aquatic communities downstream from the mine site.

| Group	Scientific Name	English Name	IUCN Status[77]
Mammals	Microtus Chrotorrhinus	Rock Vole	LC
Mammals	Rangifer Tarandus	Woodland Caribou	VU
Mammals	Myotis Septentrionalis	Northern Myotis Bat	NT
Birds	Aquila Chrysaetos	Golden Eagle	LC
Birds	Haliaeetus Leucocephalus	Bald Eagle	LC
Birds	Histrionicuis Histrionicus	Harlequin Duck	LC
Birds	Bucephala Islandica	Barrow's Goldeneye Duck	LC
Birds	Chaetura Pélagica	Chimney Swift	VU
Birds	Chordeiles Minor	Common Nighthawk	LC
Birds	Coccothraustes Vespertinus	Evening Grosbeak	VU
Birds	Riparia Riparia	Sand Martin	LC
Birds	Hirundo Rustica	Barn Swallow	LC
Birds	Euphagus Carolinus	Rusty Blackbird	VU
Birds	Phalaropus Lobatus	Red-necked Phalarope	LC
Birds	Asio Fammeus	Short-eared Owl	LC
Floristic Species	Drosera Linearis	Slenderleaf Sundew	LC

Biodiversity Projects

We continued with the implementation of one of our major biodiversity projects, which was developed with our ITUM partners. The project focuses on better understanding the Atlantic salmon habitat and populations in the Moisie River, with the ultimate objective to improve the management of salmon populations. In early 2023, we had planned to implement a counting program, as per our agreement with ITUM, but unforeseen forest fires in the area prompted a postponement. In response, after engaging with ITUM, we committed to conduct a study on the forest fires' impacts, particularly focused on the increased sedimentation in the Moisie River. The study, which focuses on water and sediment quality, will be completed in 2024. In the coming period, we will continue to explore how we can install a counting barrier to enable us to count the salmon population in the Moisie River, as per our original commitment. One of our other biodiversity projects, which is a collaboration with the Québec government, focuses on mitigating the negative impact of human economic activity on the habitat of the Woodland Caribou, was paused in 2023 as we await changing regulations.

Over the course of 2023, we also continued to develop our fish habitat compensation plan, required by regulations as the Bloom Lake site encroaches on several fish bearing water bodies. This year's focus was on completing broad public consultation from February to March 2023, and Indigenous consultation between April and December 2023. With the program, developed in collaboration with our First Nations partners, we aim to restore degraded fish habitats and improve access to spawning grounds, hence offsetting the lost fish habitat.

As part of our regulatory commitments relating to the expansion of our Tailings Management Facilities, which will require some areas of forest to be cleared, we conducted a survey on bald eagle and bat habitats. The study did not find any nests or bat nurseries in the area analyzed. However, mitigation measures will be established if these species are spotted in the future.

Finally, we also reached an agreement with Québec's environmental ministry regarding projects to include within our wetland habitats compensation plan. One of the projects will focus on the stabilization and revegetation of a portion of the abandoned Lake Jeannine mine tailings facility, located near the ghost town of Gagnon, Québec. By offsetting the effects of our operations through specific projects, we contribute to improving the quality of ecosystems that are crucial to biodiversity and the environment.

CHAMPION IRON
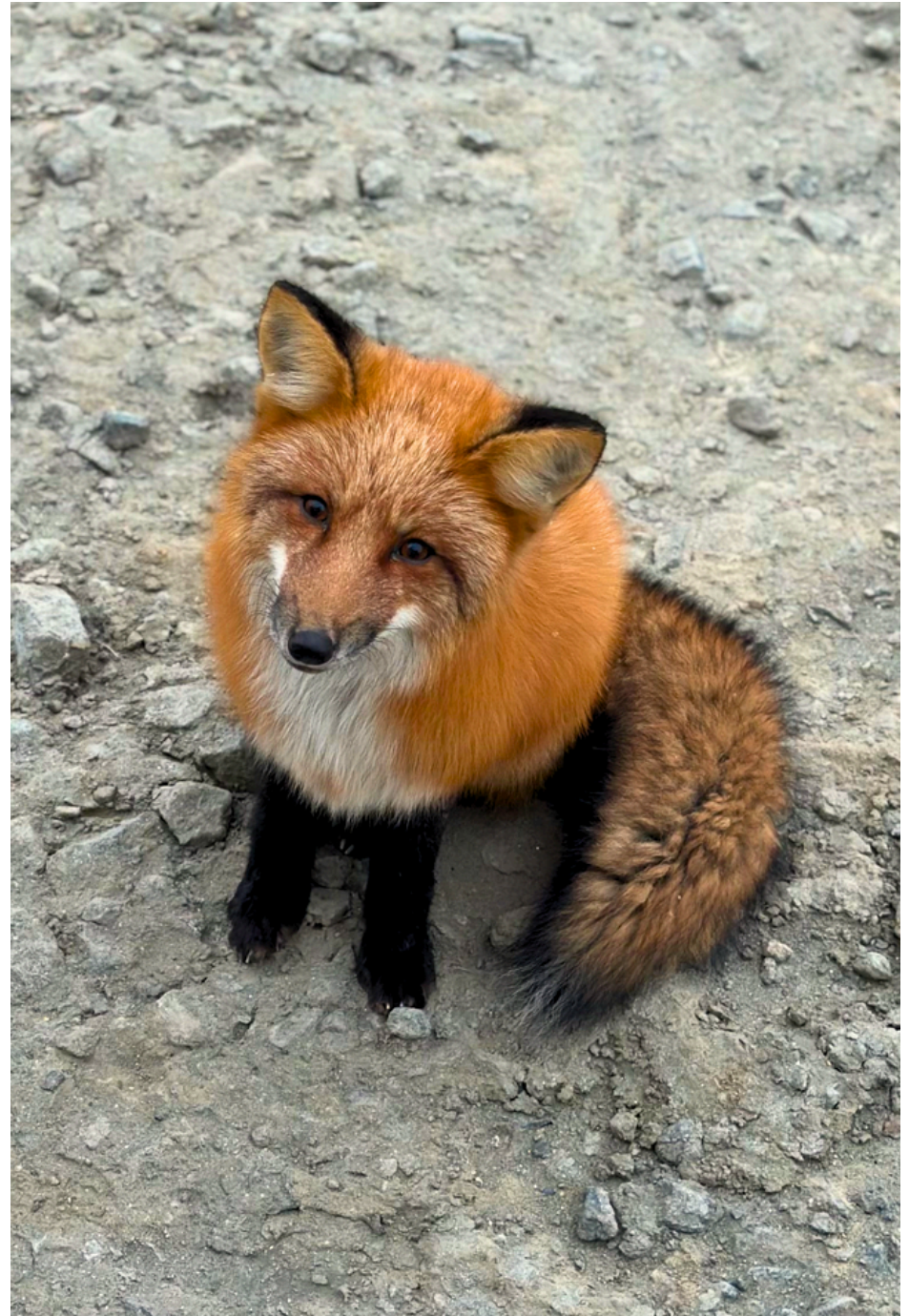
With the goal of minimizing our ecological footprint and protecting local vegetation, we continuously restore and revegetate areas affected by our operations during the mining life cycle. During the reporting period, we revegetated 2 hectares, and our primary focus was on maintaining areas revegetated previously to ensure that our approach to revegetation work is sustainable.

Areas Revegetated, Disturbed and Restored Areas (in Hectares)			
	2021	2022	2023
Revegetated Area	17	15	2
Area Previously Used and Unrestored	1,297	1,369	1,461
New Area Used	89	108	251
New Restored Area	17	15	2
Area Used and Not Restored at the End of the Year	1,369	1,461	1,710

In the upcoming period, we will focus on revegetation efforts of impacted areas, and on implementing our various biodiversity projects, including those included in our compensation plans. We will also consider what would be required for us to begin disclosing our biodiversity performance in alignment with the Taskforce on Nature-related Financial Disclosures (TNFD).

Performance Indicators:
GRI 3-3, 304-1, 304-2, 304-3, 304-4, 413-2, MM01, MM02
SASB EM-MM-160a.1, EM-MM-160a.2, EM-MM-160a.3

PERFORMANCE SPOTLIGHT

Champion is committed to producing responsible materials and reducing our carbon footprint through innovative practices, aligning with partners advocating for positive change.

We are already quantifying and reporting our Scope 1 and 2 GHG emissions. We are now tackling the evaluation of our scope 3 greenhouse gas emissions. Adopting a rigorous methodology aligned with the GHG Protocol, we have collaborated with renowned partners to define a comprehensive approach covering nine GHG emission categories. Our methodology ensures relevance to our operations and high traceability of production-related data.

This exercise will enable us to pinpoint actionable strategies to reduce our greenhouse gas footprint across our supply chain, and to further position our Company to contribute to global climate resilience efforts.

Aligned with our corporate value of transparency, we set an objective to disclose our inaugural scope 3 GHG emissions in our upcoming 2025 financial year reporting.

Endnotes

1 For administrative reasons, Champion's reporting period and financial year do not align.

2 We will not be seeking external assurance for this report.

3 To clarify, while DR refers to the direct pellet feed product itself, DRPF refers to the flotation plant that produces the DR product.

4 Total permanent and contractual positions.

5 Tier 1 suppliers are those with whom Champion engages with directly.

6 Our governance and sustainability policies do not explicitly reference due diligence and the application of the precautionary principle, but they are guided by those principles.

7 Reporting periods vary between KPIs, but are consistent year over year, with exception of GHG emissions which are now reported on financial calendar.

8 There is no stakeholder representation within the Board of Directors.

9 Mr. O'Keeffe, as the chair of the Board, is also a member of the executive, and is covered by the conflicts of interest clause of Champion's Code of Conduct.

10 Conflicts of interest are not disclosed to shareholders.

11 Champion's mining operations are exclusively conducted in Canada, and we have no production in countries that have the 20 lowest rankings in the Transparency International Corruption Perception Index.

12 This number differs slightly from the one disclosed in our February 29, 2024 press release regarding the announcement of a new collective agreement since the reporting period ends on December 31, 2023.

13 Recordable injury per 200,000 hours worked.

14 Task safety analysis focuses on a particular task, ensuring that the task can be performed safely. Pre-task safety analysis focuses on a person's knowledge of the job and work environment, to ensure that they can safely perform the task before they begin.

15 We define a disabling injury as any injury that prevents a person from performing a regularly established job for one full day (24 hours) beyond the day of the accident.

16 Average number of days lost per injury.

17 Values reported over 200,000 hours worked (excluding contractors and subcontractors), based on the international standard set by the Occupational Safety and Health Administration.

18 Employment data numbers are calculated according to head count. We do not collect data on workers who are not our employees but whose work is controlled by the organization (including contractors), with the exception of data on the number of First Nations workers indirectly employed by the Company. However, our OHS system does track contractor OHS metrics for contractors on site.

19 0.35% of our full-time employees are therefore non-permanent contract employees.

20 We did not have any non-guaranteed hours or part-time employees during 2022. Data are as of December 31 for each calendar year.

21 This number differs slightly from the one disclosed in our February 29, 2024, press release regarding the announcement of a new collective agreement as the reporting period ends on December 31, 2023.

22 Temporary employees do not have access to pension plans and group insurance benefits, including our telemedicine service.

23 We do not collect data on training hours received disaggregated by gender.

24 Our operations are not located in or near areas where artisanal or small-scale mining takes place. None of our operations or reserves are located in areas of active conflict.

25 Our IBA was established with the community of Uashat mak Mani-utenam and includes benefit provisions for the community of Matimekush–Lac John as well.

26 Includes all First Nations workers, and non-First Nations local (Fermont) employees.

27 Not including local (Fermont).

28 First Nations businesses or businesses that are First Nations partners.

29 Data presented in this section cover the calendar year 2023, except for the water data that covers the 12 months period from October 1 2022 to September 30 2023, and the Energy & GHG data which covers the financial year of the Company, from April 1 2023 to March 31 2024.

30 Pit dewatering includes surface water and pit dewatering water.

31 This figure was incorrectly reported in the 2022 Sustainability Report as 1.5 due to a clerical error.

32 Total water withdrawal includes pit dewatering, precipitation on site and water taken from surrounding lakes.

33 We updated our methodology to better reflect our total water consumption as previous intensity didn't include precipitation on site.

34 In line with GRI, we define water withdrawal as: sum of all water drawn from surface water, groundwater, seawater, or a third party for any use over the course of the reporting period. In the context of our operations, this includes water taken from surrounding lakes, precipitation on site, groundwater, and runoff.

35 In the 2022 Sustainability Report, this figure was incorrectly reported as 14.8 Mm^3 due to a calculation error.

36 Water taken from surrounding lakes includes Bloom Lake and Confusion Lake.

37 Defined as the ability, or lack thereof, to meet human and ecological demand for fresh water.

38 Sterile rock includes waste rock and does not include overburden.

39 This figure was incorrectly reported in the 2022 Sustainability Report as 7,735 due to a calculation error of one input.

40 This figure does not include sterile rock or hazardous waste.

41 This figure was incorrectly reported in the 2022 Sustainability Report as 1.01 due to a calculation error.

42 This figure was incorrectly reported in the 2022 Sustainability Report as 0.60 due to a calculation error.

43 This figure was incorrectly reported in the 2022 Sustainability Report as 0.09 due to a calculation error.

44 This figure was incorrectly reported in the 2022 Sustainability Report as 0.11 due to a calculation error.

45 This figure was incorrectly reported in the 2022 Sustainability Report as 0.69 due to a calculation error.

46 Due to rounding errors, the percentage of total non-hazardous waste recycled and reused offsite (at 53%) does not exactly correspond to the sum of the percentage of reused or repurposed non-hazardous waste and recycled non-hazardous waste (at 54%).

47 Due to rounding errors, the total amount of total non-hazardous waste recycled offsite (at 1,288) does not exactly correspond to the sum of each category presented above, which would add up to 1,287.

48 In our 2021 and 2022 sustainability reports, we included biomedical waste (334 tonnes in 2021 and 31 tonnes in 2022). However, these figures were incorrect because of a conversion error. Our total biomedical waste is negligible, at 0.002 tonnes for 2023, hence we have removed reference to it.

49 In previous sustainability reports, we reported figures for contaminated soil and sludge separately. However, this is no longer possible for administrative reasons, so we are presenting this as a combined figure.

50 This figure was incorrectly reported in the 2022 Sustainability Report as 3,056 because it included an incorrect figure for biomedical waste.

51 This figure was incorrectly reported in the 2022 Sustainability Report as 3,587 because it included an incorrect figure for biomedical waste.

52 This figure was incorrectly reported in the 2022 Sustainability Report as 8.007 because it included an incorrect figure for biomedical waste.

53 This figure was incorrectly reported in the 2022 Sustainability Report as 6,743 because it included an incorrect figure for biomedical waste.

54 Due to rounding errors, the total amount of non-hazardous waste generated (at 6,958) does not exactly correspond to the sum of each category presented above, which would add up to 6,959.

55 This figure was incorrectly reported in the 2022 Sustainability Report as 12 due to a calculation error.

56 This figure was incorrectly reported in the 2021 Sustainability Report as 234 due to a calculation error.

57 Due to rounding errors, the total amount of total hazardous waste recycled or upgraded offsite (at 405) does not exactly correspond to the sum of each category presented above, which would add up to 406.

58 Due to rounding errors, the total amount of total hazardous waste generated (at 1,061) does not exactly correspond to the sum of each category presented above, which would add up to 1,060.

59 This figure is calculated based on the total energy consumption that includes diesel, gas, light oil fuel, and hydroelectricity.

60 This figure is calculated based on the total GHG emissions, which include Scope 1 (material transportation, stationary and portable combustion, and explosives), and Scope 2 (hydropower).

61 In previous Sustainability Reports, we provided a breakdown of our Scope 1 emissions by source (material transportation, stationary and portable combustion, and explosives). However, given the change in reporting period, we are unable to provide this breakdown for FY2024.

62 This figure is calculated based on the total GHG emissions, which include Scope 1 (material transportation, stationary and portable combustion, and explosives), and Scope 2 (hydropower).

63 The 2051-2080 time horizon was part of a 2019 climate risk study.

64 Estimated GHG reductions are linked to the production of 7.5 Mtpa of direct reduction pellet feed quality iron ore up to 69% Fe, including the difference in emissions between BF-BOF and DRI-EAF steelmaking.

65 In previous sustainability reports, our visual included categories 11-15. However, following a proper assessment, categories 11 through 15 were deemed not relevant. They have therefore been eliminated in this updated visual representation of the company's emissions calculation boundaries.

66 Data on revegetated land, mining wastewater and any effluent events in this report are reported in absolute terms.

67 The flake formula we use is certified by Quebec's environmental ministry, is considered safe for the environment and meets the BNQ 2410-300 standard.

68 This figure was incorrectly reported in the 2022 Sustainability Report as 142 due to a calculation error.

69 This figure was incorrectly reported in the 2022 Sustainability Report as 9.2 due to a calculation error.

70 This figure was incorrectly reported in the 2022 Sustainability Report as 6.7 due to a calculation error.

71 This figure was incorrectly reported in the 2022 Sustainability Report as 1,891 due to a calculation error.

72 This figure was incorrectly reported in the 2022 Sustainability Report as 2,766 due to a calculation error.

73 This figure was incorrectly reported in the 2022 Sustainability Report as 265 due to a calculation error.

74 This figure was incorrectly reported in the 2022 Sustainability Report as 378 due to a calculation error.

75 This includes vegetation, invertebrates, birds, mammals, herpetofauna and fish.

76 This identification process produced a longer list of IUCN Red List species than we had reported in previous sustainability reports, which were based on our 2019 Environmental Impact Assessment that referenced the IUCN Red List and Canada's national conservation list.

77 According to the IUCN: VU refers to Vulnerable; NT refers to Near Threatened; and LC refers to Least Concern. Vulnerable species are considered to be facing a high risk of extinction in the wild. Near threatened species are not yet vulnerable, but are close to qualifying for that category in the future. Least concern species do not meet the criteria of NT.

78 This figure was incorrectly reported in the 2022 Sustainability Report as 1,462 due to a rounding error.

Global Reporting Initiative (GRI) content index

Statement of use	Champion Iron has reported in accordance with the GRI Universal Standards 2021 for the period from January 1, 2023 to December 31, 2023. This excludes data for water stewardship, which covers the 12-month period ended September 30, 2023, consistent with previous reports. It also excludes data for energy and climate change, which aligns with our financial year. Financial data presented herein aligns with the Company's 2024 financial year ended March 31, 2024.
Applicable GRI Sector Standard(s)	G4 Mining and Metals Sector Disclosures

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION IN 2023 SUSTAINABILITY REPORT	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	About this Report p.4 About Champion p.8-12	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.		
	2-2 Entities included in the organization's sustainability reporting	About this Report p.4			
	2-3 Reporting period, frequency and contact point	About this Report p.4			
	2-4 Restatements of information	Water Stewardship p.50 Land Use and Biodiversity p.72			
	2-5 External assurance	About this Report p.4			
	2-6 Activities, value chain and other business relationships	Our Operations p.9 Our Products p.11 Our Value Chain p.12			
	2-7 Employees	Our People p.36-37			
	2-8 Workers who are not employees	Our People p.36-37			

	2-9 Governance structure and composition	Governance p.22-25 2023 Management Information Circular p.53-61			
	2-10 Nomination and selection of the highest governance body	Governance p.23			
	2-11 Chair of the highest governance body	Governance p.23			
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance p.23-26			
	2-13 Delegation of responsibility for managing impacts	Governance p.23-26			
	2-14 Role of the highest governance body in sustainability reporting	Governance p.23-26			
	2-15 Conflicts of interest	Governance p.27 Code of Conduct			
	2-16 Communication of critical concerns	Governance p.24	i, Number and nature of critical concerns brought to the highest governance body.	Information unavailable/incomplete.	At present, we do not collect this information.
	2-17 Collective knowledge of the highest governance body	Governance p.24			
	2-18 Evaluation of the performance of the highest governance body	Governance p.24	i, Details on what is included in the evaluation of performance of the highest governance body.	Information unavailable/incomplete.	At present, we are not able to report this information.
	2-19 Remuneration policies	Governance p.24-25 2023 Management Information Circular p.12-15			

	2-20 Process to determine remuneration	Governance p.24-25 2023 Management Information Circular p.16-27		
	2-21 Annual total compensation ratio		All data required under 2-21.	At present, we are not able to report this information, We will likely report on this next year.
	2-22 Statement on sustainable development strategy	Message of the CEO p.7		
	2-23 Policy commitments	Our Approach to Sustainability p.13 Governance Structure p.23 Human Rights p.29 - Human Rights - Environmental Policy - Responsible Procurement - Occupational Health and Safety - Prevention of Harassment and Discrimination at Work - Donation and Sponsorship		
	2-24 Embedding policy commitments	Our Approach to Sustainability p.13 - Human Rights - Responsible Procurement		
	2-25 Processes to remediate negative impacts	Sustainability Management p.15 Whistleblowing and Feedback Mechanisms p.28 Human Rights, Modern Slavery and Child Labour p.29 Our People - Labour Relations p.38 Rights of First Nations, Engagement, and Protection of Cultural Heritage p.44		

	2-26 Mechanisms for seeking advice and raising concerns	Whistleblowing and Feedback Mechanisms p.28 Our People - Labour Relations p.38 Rights of First Nations, Engagement, and Protection of Cultural Heritage p.44
	2-27 Compliance with laws and regulations	Compliance with Laws and Ethics - Code of Conduct
	2-28 Membership associations	Sustainability Guidance p.14 Engaging with Stakeholders and First Nations p.16
	2-29 Approach to stakeholder engagement	Engaging with Stakeholders and First Nations p.16
	2-30 Collective bargaining agreements	Human Rights, Modern Slavery and Child Labour p.29

Material topics			

| **GRI 3: Material Topics 2021** | 3-1 Process to determine material topics | Materiality Assessment p.17-18 | A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available. |
| | 3-2 List of material topics | Materiality Assessment p.17-18 | |

Economic performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Conduct and Ethics p.27			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Taxes Paid p.22 2023 Performance Highlights p.19 Our Economic Contribution p.10 2024 Annual Report			
	201-2 Financial implications and other risks and opportunities due to climate change	TCFD Framework Alignment p.63			
	201-3 Defined benefit plan obligations and other retirement plans	Remuneration Policies p.64			
	201-4 Financial assistance received from government		i, All requirements listed under 201-4.	Information unavailable/incomplete.	At present, we do not collect this information.

Market presence					
GRI 3: Material Topics 2021	3-3 Management of material topics	Labour Relations p.38 Communities p.43			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Labour Relations p.38 First Nations and Local Employment and Procurement p.46-47			
	202-2 Proportion of senior management hired from the local community	First Nations and Local Employment and Procurement p.46-47	i, Proportion of senior management hired from the local community.	Information unavailable/incomplete.	At present, we do not collect this information.

Indirect economic impacts		
GRI 3: Material Topics 2021	3-3 Management of material topics	[Communities](#) p.43
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	[Communities - Our Performance](#) p.44-46 [2023 Performance Highlights](#) p.19
	203-2 Significant indirect economic impacts	[Communities - Our Performance](#) p.44-46
Procurement practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	[Communities](#) p.43
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	[First Nations and Local Employment and Procurement](#) p.46-47 [2023 Performance Highlights](#) p.19
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	[Governance](#) p.22 [Code of Conduct](#) p.3
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	[Business Conduct and Ethics](#) p.27-28
	205-2 Communication and training about anti-corruption policies and procedures	[Business Conduct and Ethics](#) p.27-28
	205-3 Confirmed incidents of corruption and actions taken	[Business Conduct and Ethics](#) p.27-28

Anti-competitive behavior					
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance p.22			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Conduct and Ethics p.27			
Tax					
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Conduct and Ethics p.27			
GRI 207: Tax 2019	207-1 Approach to tax	Business Conduct and Ethics p.27	i, Items related to tax strategy, governance, and link to sustainable development.	Information unavailable/incomplete.	At present, we do not collect this information.
	207-2 Tax governance, control, and risk management		i, All items listed under 201-2	Information unavailable/incomplete.	At present, we do not collect this information.
	207-3 Stakeholder engagement and management of concerns related to tax		i, All items listed under 201-3	Information unavailable/incomplete.	At present, we do not collect this information.
	207-4 Country-by-country reporting	2024 Annual Report	ii, All items listed under 207-4b	Information unavailable/incomplete.	At present, we do not collect this information

Materials					
GRI 3: Material Topics 2021	3-3 Management of material topics	[Responsible Consumption and Production](#) p.30			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	[Responsible Consumption and Production](#) p.30 [2023 Performance Highlights](#) p.19			
	301-2 Recycled input materials used	[Responsible Consumption and Production](#) p.30 [2023 Performance Highlights](#) p.19			
	301-3 Reclaimed products and their packaging materials		i, All items listed under 301-3	Not applicable	This is not applicable to our operations.

Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	[Energy & Climate Change](#) p.58			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	[Environment: Our Performance](#) p.58-60 [2023 Performance Highlights](#) p.19			
	302-2 Energy consumption outside of the organization			Information unavailable/incomplete	At present, we do not collect this information.
	302-3 Energy intensity	[Environment: Our Performance](#) p.58-60			
	302-4 Reduction of energy consumption		i, All requirements under 302-4	Information unavailable/incomplete	At present, we do not collect this information.
	302-5 Reductions in energy requirements of products and services		i, All requirements under 302-5	Information unavailable/incomplete	At present, we do not collect this information.

Water and effluents					
GRI 3: Material Topics 2021	3-3 Management of material topics	[Environment: Water Stewardship](#) p.49			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	[Water Stewardship](#) p.50-51			

	303-2 Management of water discharge-related impacts	[Water Stewardship](#) p.50-51
	303-3 Water withdrawal	[Water Stewardship](#) p.50-51
	303-4 Water discharge	[Water Stewardship](#) p.50-51
	303-5 Water consumption	[Water Stewardship](#) p.50-51
Biodiversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	[Land Use and Biodiversity](#) p.71
GRI 101: Biodiversity 2024	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	[Land Use and Biodiversity](#) p.71-74
	304-2 Significant impacts of activities, products and services on biodiversity	[Land Use and Biodiversity](#) p.71-74
	304-3 Habitats protected or restored	[Land Use and Biodiversity](#) p.71-74 [2023 Performance Highlights](#) p.19
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	[Land Use and Biodiversity](#) p.71-72
GRI G4: Mining and Metals	MM01 Amount of land disturbed or rehabilitated	[Land Use and Biodiversity](#) p.75
GRI G4: Mining and Metals	MM02 Sites identified as requiring biodiversity management plans according to stated criteria, and sites with plans in place	[Land Use and Biodiversity](#) p.71-73

Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	Environment: Energy and Climate Change p.58			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environment: Energy and Climate Change p.60			
	305-2 Energy indirect (Scope 2) GHG emissions	Environment: Energy and Climate Change p.60			
	305-3 Other indirect (Scope 3) GHG emissions		i, All requirements under 305-3	Information unavailable/incomplete.	At present, we do not collect this information.
	305-4 GHG emissions intensity	GHG Emissions p.60			
	305-5 Reduction of GHG emissions	GHG Emissions p.60	i, Total reductions of CO2 in metric tonnes equivalent (we provide an average) - ii, Standards, methodologies or calculation tools used.	Information unavailable/incomplete.	We provide an average reduced compared to the base year.
	305-6 Emissions of ozone-depleting substances (ODS)	Air Quality p.70-71			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Air Quality p.70-71			
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sterile Rock, Waste and Hazardous Materials Management p.55			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Sterile Rock, Waste and Hazardous Materials Management p.55-58			
	306-2 Management of significant waste-related impacts	Sterile Rock, Waste and Hazardous Materials Management p.55-58	i, We do not provide detailed information regarding oversight of whether our waste disposal contractor meets environmental criteria.	Information unavailable/incomplete.	At present, we do not collect this information.

	306-3 Waste generated	[Sterile Rock, Waste and Hazardous Materials Management](#) p.55-58			
	306-4 Waste diverted from disposal	[Sterile Rock, Waste and Hazardous Materials Management](#) p.55-58			
	306-5 Waste directed to disposal	[Sterile Rock, Waste and Hazardous Materials Management](#) p.55-58	i, We do not provide a breakdown of how waste is treated once it is off-site for disposal.	Information unavailable/incomplete.	At present, we do not collect this information.
GRI G4: Mining and Metals	MM03 Total amounts of overburden, rock, tailings and sludge, and their associated risks	[Tailings Management](#) p.52			
Supplier environmental assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	[Value Chain Management](#) p.30			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	[Governance: Value Chain Management](#) p.30	i, We do not provide a percentage of new contractors screened with environmental criteria.	Information unavailable/incomplete.	At present, we do not collect this information.
	308-2 Negative environmental impacts in the supply chain and actions taken	[Governance: Value Chain Management](#) p.30			
Employment					
GRI 3: Material Topics 2021	3-3 Management of material topics	[Labour Relations](#) p.38			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	[Our People](#) p.40	i, We do not provide information on new hires by region.	Information unavailable/incomplete.	At present, we do not collect this information.

	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our People p.39-42
	401-3 Parental leave	Our People p.39-42

Labor/management relations		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our People p.36
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Our People p.39
GRI G4: Mining and Metals	MM04 Strikes and Lockouts	Our People p.38

Occupational health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Health and Safety p.32 Occupational Health and Safety Policy
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and Safety p.33
	403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety p.33-34
	403-3 Occupational health services	Health and Safety p.33-34

	403-4 Worker participation, consultation, and communication on occupational health and safety	Health and Safety p.33-34			
	403-5 Worker training on occupational health and safety	Health and Safety p.34			
	403-6 Promotion of worker health	Health and Safety p.34-35			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety p.34-35			
	403-8 Workers covered by an occupational health and safety management system	Health and Safety p.33			
	403-9 Work-related injuries	Health and Safety p.34 2023 Performance Highlights p.19			
	403-10 Work-related ill health	Health and Safety p.34			
Training and education					
GRI 3: Material Topics 2021	3-3 Management of material topics	Our People p.36			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Our People p.39	i, Average training by gender.	Information unavailable/incomplete.	At present, we do not collect this information.

	404-2 Programs for upgrading employee skills and transition assistance programs	Our People p.39
	404-3 Percentage of employees receiving regular performance and career development reviews	Our People p.39

Diversity and equal opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our People p.36
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Our People p.40
	405-2 Ratio of basic salary and remuneration of women to men	Our People p.41

Non-discrimination		
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Rights, Modern Slavery and Child Labour p.29 - Prevention of Harassment and Discrimination at Work
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Rights, Modern Slavery and Child Labour p.29

Freedom of association and collective bargaining		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our People p.36
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Our People p.38

Child labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	[Human Rights, Modern Slavery and Child Labour](#) p.29 [Modern Slavery Statement](#)
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	[Human Rights, Modern Slavery and Child Labour](#) p.29
Forced or compulsory labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	[Human Rights, Modern Slavery and Child Labour](#) p.29 [Modern Slavery Statement](#)
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	[Human Rights, Modern Slavery and Child Labour](#) p.29
Security practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	[Human Rights, Modern Slavery and Child Labour](#) p.29 [Modern Slavery Statement](#)
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	[Human Rights, Modern Slavery and Child Labour](#) p.29
Rights of indigenous peoples		
GRI 3: Material Topics 2021	3-3 Management of material topics	[Communities and Indigenous Peoples](#) p.43-44
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	[Rights of First Nations, Engagement, and Protection of Cultural Heritage](#) p.44

GRI G4: Mining and Metals	MM05 Operations taking place in or near Indigenous territory	[Communities and Indigenous Peoples](#) p.44
GRI G4: Mining and Metals	MM08 Number of company operating sites where artisanal and small-scale mining takes place on or adjacent to the site, the associated risks, and the actions taken to manage and mitigate the risks	[Communities and Indigenous Peoples](#) p.44
Local communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	[Communities and Indigenous Peoples](#) p.43-44
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	[Communities and Indigenous Peoples](#) p.44-47
	413-2 Operations with significant actual and potential negative impacts on local communities	[Communities and Indigenous Peoples](#) p.44-47 [Closure](#) p.26
GRI G4: Mining and Metals	MM06 Disputes relating to land use, customary rights or local communities and indigenous peoples	[Communities and Indigenous Peoples](#) p.45
GRI G4: Mining and Metals	MM07 Use of grievances mechanisms & outcomes	[Communities and Indigenous Peoples](#) p.44-45

Supplier social assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Value Chain Management p.30			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Governance: Value Chain Management p.30	i, Percentage of suppliers screened according to social criteria.	Information unavailable/incomplete.	At present, we do not collect this information.
	414-2 Negative social impacts in the supply chain and actions taken	Governance: Value Chain Management p.30			
Public policy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Conduct and Ethics p.27			
GRI 415: Public Policy 2016	415-1 Political contributions	Business Conduct and Ethics p.27			
Customer health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics			Not applicable	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories			Not applicable	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services			Not applicable	
Marketing and labeling					
GRI 3: Material Topics 2021	3-3 Management of material topics			Not applicable	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling			Not applicable	

	417-2 Incidents of non-compliance concerning product and service information and labeling	Not applicable
	417-3 Incidents of non-compliance concerning marketing communications	Not applicable

Customer privacy		
GRI 3: Material Topics 2021	3-3 Management of material topics	[Cybersecurity](#) p.31
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	[Cybersecurity](#) p.31

Other Mining and Metals Sector Disclosures		
GRI G4: Mining and Metals	MM09 Sites where resettlement took place, the number of households resettled in each, and how their livelihoods were affected in the process,	[Communities and Indigenous Peoples](#) p.44-47
GRI G4: Mining and Metals	MM10 Number and percentage of operations with a closure plan	[Governance: Closure](#) p.31

Sustainability Accounting Standards Board (SASB) Content Index

Champion Iron has reported in accordance with the SASB Mining & Metals Standard 2023 for the period from January 1, 2023 to December 31, 2023. This excludes data for water stewardship, which covers the 12-month period ended September 30, 2023, consistent with previous reports. It also excludes data for energy and climate change, which aligns with our financial year. Financial data presented herein aligns with the Company's 2024 financial year ended March 31, 2024.

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS				
SASB Metals & Mining Standard Code	**Accounting Metric**	**Unit of Measure**	**Reference**	**Commentary**
GREENHOUSE GAS EMISSIONS				
EM-MM-110a,1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations.	Metric tonnes CO-e	(a) 125,617 tonnes of CO2e (b) 100% are covered by Quebec's cap and trade system	
EM-MM-110a,2	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	N/A	Energy and Climate Change: TCFD Framework Alignment - Strategy p.64-69	
AIR QUALITY				
EM-MM-120a,1	Air emissions of the following pollutants: (1) CO, (2) NOx (excluding N2O), (3) SOx, (4) particulate matter (PM10), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs)	Metric tonnes (t)	(1) CO - 422 t - (2) NOx - 232 t - (3) SOx - 15 t - (4) PM10 - 2,633 t - (5) Hg - 0,00021 t - (6) Pb - 0,010 t - (7) VOCs - 11,6 t	Air Quality p.70-71
ENERGY MANAGEMENT				
EM-MM-130a,1	(1) Total energy consumed, (2) percentage grid, (3) percentage renewable	1) Gigajoules; 2) Percentage	(1) 3,708 TJ - (2) 44% of fuel combustion - (3) 56% of renewable hydroelectric power	Energy & Climate: Performance p.60

WATER MANAGEMENT				
EM-MM-140a,1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	1) Thousand cubic metres; 2) Percentage	(1) 16.24 million cubic metres, 0% from regions with High or Extremely High Baseline Water Stress. (2) 11.12 million cubic metres of water consumed, 0% from regions with High or Extremely High Baseline Water Stress.	
EM-MM-140a,2	Number of incidents of non-compliance associated with permits, standards, and regulations	Number	0	No incidents of non-compliance associated with water quality permits, standards, and regulations, were recorded during the reporting period.

WASTE AND HAZARDOUS MATERIALS MANAGEMENT				
EM-MM-150a,4	Total weight of non-mineral waste generated	Metric tonnes (t)	Total non-mineral waste generated per tonne of iron concentrate produced: 0,59 kg per tonne	
EM-MM-150a,5	Total weight of tailings produced	Metric tonnes (t)	Total mine tailings produced: 26.0 million tonnes	
EM-MM-150a,6	Total weight of waste rock generated	Metric tonnes (t)	Total steril rock excavated: 23.5 million tonnes	
EM-MM-150a,7	Total weight of hazardous waste generated	Metric tonnes (t)	0,08 kg per tonne of iron concentrate produced	To define hazardous waste, we employ Québec regulations regarding hazardous materials.
EM-MM-150a,8	Total weight of hazardous waste recycled	Metric tonnes (t)	405 tonnes	We do not employ a specific definition of recyclable hazardous waste. We recycle those hazardous waste materials that are accepted by the third-party contractor that manages our hazardous waste.
EM-MM-150a,9	Number of significant incidents associated with hazardous materials and waste management	Number	0	There were no issues of legal or regulatory non-compliance in 2023 related to our waste management activities.
EM-MM-150a,10	Description of waste and hazardous materials management policies and procedures for active and inactive operations	N/A	Sterile Rock, Waste and Hazardous Materials Management p.55-58	

BIODIVERSITY IMPACTS

EM-MM-160a,1	Description of environmental management policies and practices for active sites	N/A	Land Use and Biodiversity p.71-74	The Bloom Lake Biodiversity Protection and Monitoring Plan was developed by a third party.
EM-MM-160a,2	Percentage of mine sites where acid rock drainage is: (1) predicted to occur, (2) actively mitigated, and (3) under treatment or remediation	Percentage	0	Water Stewardship p.50 Operations do not cause acid rock drainage that can negatively affect nearby waterways or ecosystems.
EM-MM-160a,3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Percentage	(1) Proven 100% (2) Probable 100%	Five reserves within 50 km of the mine site are designated protected areas including: the Paakumshumwaau-Maatuskaau biodiversity reserve, the Gensart Lake biodiversity reserve, the Moisie River aquatic reserve, the Lac Ménistouc biodiversity reserve and the Bright Sand Lake biodiversity reserve, In terms of species at risk, vegetation and birds are the two groups with the highest proportionate representation in the Bloom Lake Mine area at 43% each.

SECURITY, HUMAN RIGHTS & RIGHTS OF INDIGENOUS PEOPLES

EM-MM-210a,1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Percentage	(1) Proven: 0% (2) Probable: 0%	Human Rights, Modern Slavery and Child Labour p.29 No proven or probable reserves are located in areas of active conflict.
EM-MM-210a,2	Percentage of (1) proved and (2) probable reserves in or near Indigenous land	Percentage	(1) Proven: 100% (2) Probable: 100%	Communities and Indigenous Peoples p.44
EM-MM-210a,3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	N/A	Communities and Indigenous Peoples p.44 Human Rights, Modern Slavery and Child Labour p.29 Our Approach to Sustainability p.13	

COMMUNITY RELATIONS

EM-MM-210b,1	Discussion of process to manage risks and opportunities associated with community rights and interests	N/A	Communities and Indigenous Peoples p.44-47	
EM-MM-210b,2	Number and duration (# of days) of non-technical production delays	Number	0	No technical delays or stoppages arising from community unrest during the reporting period.

LABOUR RELATIONS

EM-MM-310a,1	Percentage of active workforce covered under collective bargaining agreements, broken down by U,S, and foreign employees	Percentage	62.20%	Our People p.38
EM-MM-310a,2	Number and duration of strikes and lockouts	Number, Days	0	No labour-related work stoppages, strikes or lockouts during the reporting period.

WORKFORCE HEALTH & SAFETY

EM-MM-320a,1	(1) MSHA all-incidence rate, (2) fatality rate, (3) near miss frequency rate (NMFR) and (4) average hours of health, safety, and emergency response training for (a) full-time employees and (b) contract employees	Rate	(1) Total Recordable Injury Frequency Rate – 2,85 (2) Fatality Rate - 0 (3) Near Miss Frequency Rate - 8.27 (4) For administrative reasons, we are unable to provide this information.	Health and Safety p.33-34

BUSINESS ETHICS & TRANSPARENCY

EM-MM-510a,1	Description of the management system for prevention of corruption and bribery throughout the value chain	N/A	Business Conduct and Ethics p.27-28	
EM-MM-510a,2	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Metric tonnes (t) saleable	0	Champion has no production in countries that have the 20 lowest rankings in the Transparency International Corruption Perception Index, Operations are exclusively conducted in Canada.

TAILINGS STORAGE FACILITIES MANAGEMENT

EM-MM-540a,1	Tailings storage facility inventory table: (1) facility name, (2) location, (3) ownership status, (4) operational status, (5) construction method, (6) maximum permitted storage capacity, (7) current amount of tailings stored, (8) consequence classification, (9) date of most recent independent technical review, (10) material findings, (11) mitigation measures,(12) site-specific EPRP	Various	The tailings storage facility inventory table can be found in Tailings Management p.53
EM-MM-540a,2	Summary of tailings management systems and governance structure used to monitor and maintain stability of tailings storage facilities	N/A	Tailings Management p.53-54
EM-MM-540a,3	Approach to development of Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities	N/A	Tailings Management p.53-54

SASB Metals & Mining Standard Code	Activity Metric	Unit of Measure	Section	Commentary
SASB EM-MM-000,A	Production of (1) metal ores and (2) finished metal products	Metric tonnes (t) saleable	(1) 14,162,400 wet metric tonnes of iron ore concentrate produced. (2) 11,643,700 dry metric tonnes of iron concentrate sold.	
SASB EM-MM-000,B	Total number of employees, percentage of contractors	Number, Percentage	Among our 1,145 full-time employees, 4 (0.35%) hold non-permanent contracts.	

Task Force on Climate-Related Financial Disclosures Index

Champion Iron has reported in accordance with the TCFD for the period from April 1, 2023 to March 31, 2024. Page number references below refer to the Company's 2023 Sustainability Report.

Disclosure	CIA Response
Governance (TCFD-G)	**Notes**
a) Describe the Board's oversight of climate-related risks and opportunities.	Energy and Climate Change: TCFD Framework Alignment - Governance p.63 2024 Annual Report
b) Describe management's role in assessing and managing climate-related risks and opportunities.	Energy and Climate Change: TCFD Framework Alignment - Governance p.63
Strategy (TCFD-S)	Notes
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Energy and Climate Change: TCFD Framework Alignment - Strategy p.64-67
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Energy and Climate Change: TCFD Framework Alignment - Strategy p.64-67
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Energy and Climate Change: TCFD Framework Alignment - Strategy p.64-67
Risk Management (TCFD-R)	Notes
a) Describe the organisation's processes for identifying and assessing climate-related risks.	Energy and Climate Change p.58 TCFD Framework Alignment - Risk Management p.67
b) Describe the organisation's processes for managing climate-related risks.	Energy and Climate Change p.58 TCFD Framework Alignment - Risk Management p.67
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Energy and Climate Change p.58 TCFD Framework Alignment - Risk Management p.67

Metrics and Targets (TCFD-M)	Notes
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Energy and Climate Change: TCFD Framework Alignment - Metrics p.67-69 Air Quality p.70-71 Land Use and Biodiversity p.71-74 Water Stewardship p.50-51
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Energy and Climate Change - Our Performance p.58 TCFD Framework Alignment - Metrics p.67-69
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Energy and Climate Change: TCFD Framework Alignment - Metrics p.67-69 Air Quality p.70-71 Land Use and Biodiversity p.71-74 Water Stewardship p.50-51

Forward Looking Statement

This Sustainability Report (the "Report") contains certain information and statements, which may constitute "forward-looking information" within the meaning of applicable securities laws (collectively referred to herein as "forward-looking statements"). Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "aims", "targets" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control.

Specific Forward-Looking Statements

All statements in this Report, other than statements of historical facts, that address targets, objectives or future events, developments or performance that Champion expects to occur are forward-looking statements. Forward-looking statements include, among other things, Management's expectations regarding: sustainability, environmental, social and governance related initiatives, objectives, targets and expectations, expected implications thereof and the Company's positioning in connection therewith; the shift in steel industry production methods towards reducing emissions and green steel, and the Company's participation therein, contribution thereto and positioning in connection therewith, including related research and development and the transition of the Company's product offering and expected benefits thereof; the project to upgrade the Bloom Lake iron ore concentrate to a higher grade with lower contaminants and to commercially produce a DR quality pellet feed iron ore, expected project timeline, capital expenditure, budget and financing, production metrics, technical parameters, expected environmental footprint and benefits; the Kami Project's study, its purpose, including evaluating the potential to produce a DR grade product, expected project timeline, production metrics, technical parameters, expected environmental footprint, benefits and related engagement with stakeholders and strategic partners; Cluster II opportunities and the Company's growth and opportunities generally.

Deemed Forward-Looking Statements

Statements relating to "reserves" or "resources" are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated and that the reserves can be profitably mined in the future. Actual reserves and resources may be greater or less than the estimates.

Risks

Although Champion believes the expectations expressed or implied in such forward-looking statements are based on reasonable assumptions, such forward-looking statements involve known and unknown risks, uncertainties and other factors, most of which are beyond the control of the Company, which may cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include, without limitation: the results of feasibility studies; changes in the assumptions used to prepare feasibility studies; project delays; timing and uncertainty of industry shift to green steel and EAFs, impacting demand for high-grade feed; continued availability of capital and financing and general economic, market and business conditions; general economic, competitive, political and social uncertainties; future prices of iron ore; future transportation costs; failure of plant, equipment or processes to operate as anticipated; delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities; and the effects of catastrophes and public health crises, including the impact of COVID-19, on the global economy, the iron ore market and Champion's operations; as well as those factors discussed in the section entitled "Risk Factors" of the Company's 2024 Annual Information Form and the risks and uncertainties discussed in the Company's management's discussion and analysis for the financial year ended March 31, 2024, all of which are available on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website at www.championiron.com. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information.

Additional Updates

All of the forward-looking information contained in this Report is given as of the date hereof or such other date or dates specified in the forward-looking statements and is based upon the opinions and estimates of Champion's Management and information available to Management as at the date hereof. Champion disclaims any intention or obligation to update or revise any of the forward-looking information, whether as a result of new information, future events or otherwise, except as required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements. Champion cautions that the foregoing list of risks and uncertainties is not exhaustive. Readers should carefully consider the above factors as well as the uncertainties they represent and the risks they entail.

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