



**CHAMPION IRON**

A solution to decarbonize steelmaking

---

# 2025 SUSTAINABILITY REPORT

---



# TABLE OF CONTENTS

## About this report

- About Our Reporting Practices
- Message from the Chairman of the Board of Directors
- Message from the CEO

## About Champion

- Our Operations
- Our Products
- Our Value Chain

## Our Approach to Sustainability

- Sustainability Guidance
- Sustainability Management
- Engaging with Stakeholders and First Nations
- Materiality Assessment

## Performances & Objectives

- FY25 Performance Highlights
- FY26 Targets and Indicators

## Governance

- Governance Structure
- Our performance
- Business Conduct and Ethics
- Whistleblowing and Feedback Mechanism
- Human Rights, Modern Slavery and Child Labour
- Cybersecurity
- Closure

## Health and Safety

### Our People

### Communities and Indigenous Peoples

### Environmental Stewardship

### Climate Change Management

### Content Index

### Forward Looking Statement



# ESG PERFORMANCE HIGHLIGHTS

## Environment

No major environmental incidents since Bloom Lake was recommissioned in 2018;

Maintained a 99% water reuse rate at Bloom Lake<sup>1</sup>;

Achieved an 8.7% reduction year-over-year in water consumption per tonne of iron ore concentrate produced<sup>1</sup>;

Reduced greenhouse gas emissions ("GHG") per tonne of material mined and hauled by 15.0% year-over-year<sup>2</sup>.

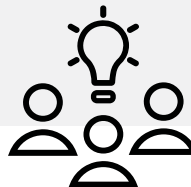


## People & Community

Employee Total Recordable Injury Frequency Rate ("TRIFR") of 1.98<sup>2</sup>, outperforming the Québec industry average of 2.61<sup>3</sup>;

Launched the Kapatakan initiative, an immersive cultural program fostering connections between the Innu community and our workforce, with participation from 89 employees;

Continued supporting local communities through donations and sponsorships, reinforcing our commitment to positively impact Québec's Côte-Nord region.



## Governance

Successfully met or exceeded 13 of the 14 sustainability targets for the reporting period<sup>2</sup>;

The Government of Canada joined Québec and Newfoundland and Labrador in recognizing high-purity iron ore as a critical mineral;

Strengthened sustainability oversight by assigning accountable executive officers to material sustainability risks<sup>2</sup>;

Reviewed, assessed, and updated all corporate policies and committee charters to align governance practices with industry standards<sup>2</sup>.



1. October 1, 2023 to September 30, 2024  
2. Financial year 2025  
3. Benchmark based on latest data from the Québec Mining Association, available on their website: <https://amq-inc.com/contenu/>.





# ABOUT THIS REPORT

---

Champion Iron Limited (“Champion” or the “Company”) prepared this report with its wholly-owned subsidiaries, Quebec Iron Ore Inc. (“QIO”) and Champion Kami Partner Inc., holding the assets of the Kami Mining Project (“Kami” or the “Kami Project”). The use of “Champion” and “the Company” in this report includes Champion Iron Limited and all its subsidiaries, including QIO and Kami. The report focuses on the Bloom Lake mining complex (“Bloom Lake Mining Complex” or “Bloom Lake”), the Company’s principal asset which is operated by QIO and located in Québec, Canada, as well as development activities associated with the Kami Project.

---







## Our Reporting Practice

Champion's sixth annual sustainability report has been prepared with reference to the Global Reporting Initiative ("GRI") Standards (2021). The report is also aligned with the Sustainability Accounting Standards Board ("SASB") Metals & Mining Industry Standard, the recommendation from the Task Force on Climate-related Financial Disclosures ("TCFD") and the Greenhouse Gas Protocol ("GHG Protocol") reporting standard developed by the World Resources Institute ("WRI") and World Business Council for Sustainable Development ("WBCSD").

This report provides an overview of Champion's approach to managing material sustainability topics associated with our business activities, including the potential impacts of our operations and the associated enterprise risks. As there have been no substantial changes to our operations or business activities during the reporting period, this year's report continues to report on the 23 material topics identified through our most recent Materiality Assessment review, conducted in January 2024. These topics have been integrated into the structure of this report and systematically organized into relevant chapters and subtopics to ensure clarity and alignment with our strategic priorities. 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.

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

This report covers a 12-month period ending March 31, 2025, aligned with the Company's 2025 financial year. Exceptions to this timeline include waste and air emissions data, which is reported on a calendar-year basis (January 1 to December 31, 2024), and water stewardship data, which follows a consistent 12-month reporting period ending September 30, 2024. Data related to energy and climate change, health and safety, human resources (including training), and financials (including procurement) are aligned with the financial year. Notably, this is our first sustainability report in which health and safety, workforce, training, land use as well as sterile rock data, follow the financial calendar.

There are no additional changes in reporting periods from our previous report. All data has been subject to internal reviews and evaluations.<sup>4</sup> 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 28, 2025 (Montréal) / May 29, 2025 (Sydney). Unless otherwise indicated, all dollar amounts are expressed in Canadian dollars.

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

The GRI, SASB and TCFD content index for the report and in the ESG Databook are available on Champion's website at [www.championiron.com](http://www.championiron.com). We welcome your comments and questions via our contact platform at the following address: [info@championiron.com](mailto:info@championiron.com).



## Message from the Chairman of the Board of Directors



**MICHAEL O'KEEFE**  
EXECUTIVE CHAIRMAN OF THE BOARD

Champion concluded its 2025 financial year with key milestones reached and numerous projects underway, reinforcing its position as a leader in the high-purity iron ore industry. Despite a challenging global economic environment, we remained resilient, advancing key growth projects while maintaining our capital return strategy. This balance allows our Company to meet the growing demand for high-purity iron ore, while delivering positive outcomes for local communities, shareholders and all stakeholders.

Looking ahead, the global transition to green steelmaking offers a unique opportunity for our business. Several governments worldwide are encouraging the steel industry's transition from Blast Furnaces and Basic Oxygen Furnaces ("BF-BOF") to Direct Reduced Iron and Electric Arc Furnaces ("DRI-EAF"), which requires high-purity iron ore. This transition is gaining momentum, particularly in Europe, the Middle East and North Africa, where numerous low-carbon iron and steel projects have been announced or are under construction.

Once completed, our Direct Reduction Pellet Feed ("DRPF") plant will mark a major milestone and will produce some of the highest purity iron ore globally, meeting the rapidly expanding needs of the green steel sector. The completion of this project also represents the culmination of a multi-year capital expenditure program focused on optimizing operations, increasing production volumes and enhancing product quality. These strategic investments strengthen our role in the green steel supply chain and are geared to increase cash flows, creating new opportunities to maximize shareholder value.

Our vision for the growing demand for high-purity iron ore has been validated by leading industry players. Our high-quality resources, the continued support of our host communities, and our proven operational capabilities have attracted Nippon Steel Corporation ("Nippon") and Sojitz Corporation ("Sojitz") as strategic partners for the Kami Project. This important milestone enables our Company to further evaluate and advance the Kami Project with third-party funding, including an ongoing feasibility study, as we explore its potential development in the coming years.

Looking further ahead, the de-risking and development of our Cluster II hub, which contains historical resources<sup>i</sup> several times greater than those at Bloom Lake, could provide the scale needed to support a broader transition to green steelmaking across the industry.

I want to express my gratitude to our dedicated team, whose hard work and commitment have been instrumental to this year's achievements. I also extend sincere thanks to our shareholders and First Nations partners for their trust and support, which continue to empower us to bring our vision to life and position Champion Iron as a global leader in the green steel supply chain.

i. The historical mineral resources are strictly historical in nature, are non-compliant with National Instrument 43-101 – Standards of Disclosure for Mineral Projects or the Joint Ore Reserves Committee Code (2012 edition and its updates) and should therefore not be relied upon.





## Message from the CEO



DAVID CATAFORD  
CEO

I am proud of our dedicated workforce. Their resilience, adaptability and commitment enabled us to pursue our growth ambitions, even while navigating economic uncertainty and unexpected challenges, including last year's forest fires.

Over the past several years, Bloom Lake has proven its operational stability. This has provided a solid foundation to strengthen our position as a leading high-purity iron ore producer, a critical mineral now recognized by the Government of Canada and the provinces where we operate. This recognition underscores the unique role our Company plays in contributing to the decarbonization of the steel industry, which represents nearly 10% of global GHG emissions.

Leveraging our skilled workforce, access to hydroelectric power, and the ongoing support of our communities and governments, we continue to develop projects that meet the rising demand for high-purity products essential to the green steel transition.

Our DRPF project remains on track for commissioning in December 2025. Not only will this project enable steelmakers to reduce emissions, it will also improve our Company's ability to command higher pricing premiums and strengthen our presence in growing global markets.

We are also proud to welcome Nippon and Sojitz as future partners in the Kami Project. As strategic partners of our Company, they share our long-term vision for the future of high-purity iron ore products and will be instrumental in advancing a project that can bring lasting economic benefits to the Labrador West region.

This past year, we further optimized operations while upholding our deep commitment to sustainability. We implemented new initiatives to reduce our carbon footprint and maintained our support for the communities where we operate.

Champion also reinforced its commitment to raise employee awareness of the rich cultural heritage of its First Nations partners. We launched Kapatakan, a cultural immersion program designed to strengthen employee interaction and engagement with the Uashat Mak Mani-Utenam Innu community.

At the heart of our success are the strong trust-based relationships we have developed with our Innu partners, the extraordinary talent within our workforce, and the ongoing support of our shareholders.

On behalf of the entire management team at Champion: thank you, merci, tshinashkumitin.

Performance Indicators: GRI 2-22



# ABOUT CHAMPION IRON LIMITED

Champion, through its wholly-owned subsidiary Quebec Iron Ore Inc., owns and operates the Bloom Lake Mining Complex located on the south end of the Labrador Trough, approximately 13 kilometres north of Fermont, Québec. Bloom Lake is an open-pit operation with two concentration plants that primarily source energy from renewable hydroelectric power, having a combined nameplate capacity of 15M wmt per year that produce lower 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, Champion is investing to upgrade half of Bloom Lake's mine capacity to a direct reduction quality pellet feed iron ore with up to 69% Fe. Bloom Lake's high-grade and lower contaminant iron ore products have attracted a premium to the Platts IODEX 62% Fe iron ore benchmark. Champion 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 the Kamistatusset mining properties, a project with an expected annual production of 9M wmt per year of direct reduction quality iron grading above 67.5% Fe, located near available infrastructure and only 21 kilometres southeast of Bloom Lake. In December 2024, Champion entered into a binding agreement with Nippon Steel Corporation and Sojitz Corporation to form a partnership to evaluate the potential development of the Kami project, including the completion of a definitive feasibility study. Champion also owns a portfolio of exploration and development projects in the Labrador Trough, including the Cluster II portfolio of properties, located within 60 kilometres south of Bloom Lake.

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 employs over 1,300 employees, predominantly based in Québec to support QIO's operations, and two employees in Newfoundland-Labrador ("NL") to support the development of the Kami project, and continues to be one of the largest employers of First Nations in the region.





## Our Vision

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

## Our Mission

Produce responsible materials with ingenuity, caring and inclusivity 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. Bloom Lake has a nameplate capacity of 15 million wmtper annum of high-purity 66.2% Fe iron ore concentrate with low contaminants. Champion is currently investing to upgrade half of Bloom Lake's capacity up to 69% Fe direct reduction quality iron ore.

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 provides a sustainable solution for the green steel<sup>5</sup> supply chain by transforming its high-purity resources to enable emission reductions for the steelmaking industry, which represents nearly 10% of global greenhouse gases emissions<sup>6</sup>. The Company has proven its capability to produce a direct reduction quality iron ore which is used in direct reduced iron and electric arc furnace steelmaking, which generates significantly less GHG emissions than traditional steelmaking methods due to its lower dependence on coal. Enabled by its significant resources across the Labrador Trough, our Company’s growth initiatives include several projects including:

## 1-Direct Reduction Pellet Feed Project

The Direct Reduction Pellet Feed Project aimed at upgrading half of Bloom Lake’s capacity to DR-quality iron ore grading up to 69% Fe. DR-quality iron ore enables a structural shift in the steel industry to produce steel with significantly less GHG emissions. More details on the DRPF project are available on our website at [championiron.com](https://championiron.com).

## 2-Kami Project

Champion owns the Kamistatusset mining properties, located a few kilometres south-east of Bloom Lake near available infrastructure. In March 2024, the Company announced the findings of a study for the Kami Project, which evaluated an estimated annual production of 9M wmt per year of DR quality iron grading above 67.5% Fe. In December 2024, Champion entered into a binding agreement with Nippon and Sojitz to form a partnership for the joint ownership and development of Kami, including the completion of a definitive feasibility study by end of calendar 2026. More details on the Kami Project and the partnership announcement with Nippon and Sojitz are available on our website at [championiron.com](https://championiron.com).

In addition to these projects, Champion owns a portfolio of exploration and development projects in the Labrador Trough, including the Cluster II portfolio of properties, located within 60 km south of Bloom Lake.



PERFORMANCE SPOTLIGHT	
Our Economic Contributions (FY2025)	Revenues: <b>\$1,606.6M</b> Net Profit: <b>\$142.0M</b> Procurement Spent <sup>7</sup> : <b>\$1,650M</b> Salary Spent: <b>\$259.9M</b> Income and mining taxes paid: <b>\$96.6M</b>
Our Production (FY2025)	Ore mined and hauled: <b>39,884,000</b> wet metric tonnes  Iron ore concentrate produced: <b>13,834,200</b> wet metric tonnes  Iron concentrate sold: <b>13,491,200</b> dry metric tonnes
Our People (FY2025)	Total number of Champion’s employees <sup>8</sup> : <b>1,307</b> Local and First Nations employees: <b>72</b>

5. Green steel refers to steel that is produced using processes that significantly reduce or eliminate carbon dioxide (CO<sub>2</sub>) emissions compared to traditional steelmaking, which typically relies on blast furnaces that use coal as both a fuel and a reductant.  
6. IEA (2023), Emissions Measurement and Data Collection for a Net Zero Steel Industry, IEA, Paris <https://www.iea.org/reports/emissions-measurement-and-data-collection-for-a-net-zero-steel-industry>, Licence: CC BY 4.0  
7. Including capital investments  
8. Total permanent and contractual positions.





## Our Products



Benefiting from an industry-leading high-purity resource, Champion commercially produces a low contaminant 66.2% Fe iron ore concentrate, with a proven ability to produce a DR quality pellet feed at 67.5% Fe, while advancing the DRPF project which is expected to produce DR quality pellet feed at up to 69% Fe. Our high-purity products meet the highest standards among steelmakers who rely on our materials to decarbonize their operations and are 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 high-purity 66.2% Fe iron ore concentrate is completed using chemical-free gravimetric and magnetic processes. Champion's high-purity iron ore concentrate enables steelmakers to use significantly less energy in the steelmaking process, and 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 engage with DRI and EAF steelmakers, further contributing to the decarbonization of the steel industry. Accordingly, the transition to DRI-EAF steelmaking is critical as this transformation process produces approximately 50% of the emissions associated with the traditional BF-BOF steelmaking process.





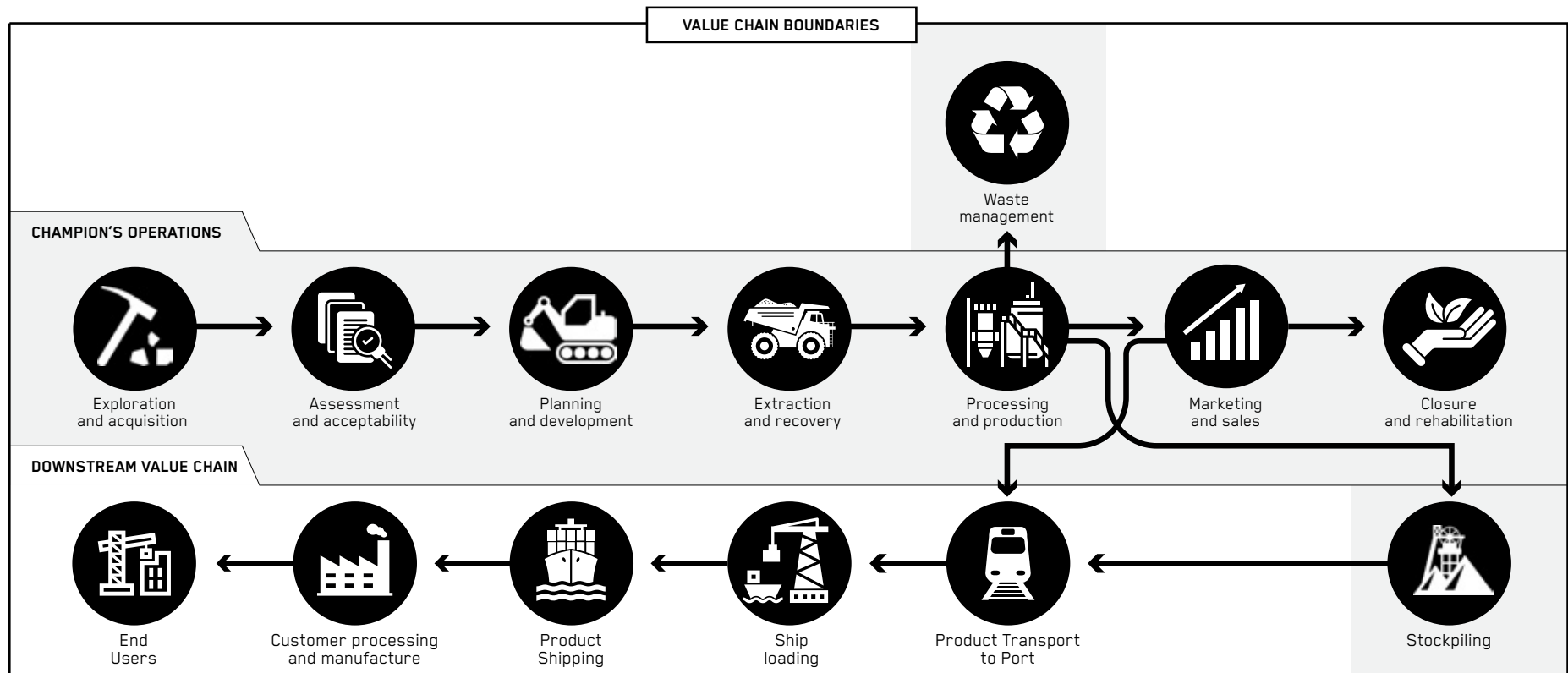
## Our Value Chain

Since recommissioning Bloom Lake in 2018, Champion has delivered its iron ore concentrate to steelmakers located in 40 different countries. We promote sustainability within our value chain by focusing on our own responsible sourcing and by reducing our environmental footprint. During the reporting period, we enhanced our practices by mapping our value chain. While there were no significant changes during the reporting period, we conducted thorough risk assessments of our supply chain, providing our Company with a structure and ability to improve the visibility of risks and opportunities in the future. Champion's value chain includes 1,254 Tier 1<sup>9</sup> suppliers, who provide the goods, materials, and services required for our operations. We aim to positively impact our stakeholders, including Indigenous communities and the greater Québec Côte-Nord region where we operate. Our procurement practices encourage sourcing from local companies, whereby 78% of our spending is allocated to suppliers located in Québec.

Additionally, 93% of procurement is from suppliers located in Canada. The remaining 7% of our procurement is sourced from outside of Canada, predominantly from Germany, Australia, Italy, Japan, Singapore and the United States.

Our direct supply chain primarily supports our mining operations and growth projects and this includes transportation, mining equipment and 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.

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







# OUR APPROACH TO SUSTAINABILITY





## Our Approach to Sustainability

Champion aims to positively impact its stakeholders and our dedication to sustainability is deeply anchored in our culture. Champion's vision, strategy and values guide its approach to sustainability. By innovating and producing high-purity iron ore products, we enable our customers to produce steel more sustainably. We continuously strive 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](#). 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<sup>10</sup>.

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.

Our commitment to human rights is included in mandatory human rights training that all Champion employees and Management must undertake as part of our annual Code of Conduct training. In addition, training on the Prevention and Management of Harassment and Discrimination is included in our employees' annual learning program. While our policy commitments mainly 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. All our publicly available policies can be found on our website at [www.championiron.com](http://www.championiron.com). Champion's Board of Directors and its relevant committees annually review the policies and how they are applied, in line with the vision, values, and objectives of the Company. Accordingly, during the reporting period, all corporate policies were thoroughly reviewed and updated when deemed required.

In line with our sustainability commitments, we aim to reduce the environmental footprint of our activities along three primary axes. First, we strive to reduce our GHG emissions at the Bloom Lake mine site and from our supply chain. Second, we seek to maximize the use of recycled water at the mine site, hence reducing freshwater use. At Bloom Lake, a system of 50 collector basins collects rainwater and snowmelt that comes in contact with our infrastructure and this water is then used in our ore treatment process. 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.

### Performance Indicators: GRI 2-24

10. 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.



## Sustainability Guidance

We employ several standards and frameworks as a reference in the daily management of our material sustainability topics, including planning, strategy development, objective setting, implementation, monitoring, and evaluation. Specifically, we draw inspiration from the Equator Principles and are aligned with the Mining Association of Canada's ("MAC") Towards Sustainable Mining ("TSM") standard.

### **Toward Sustainable Mining Initiative**

The MAC TSM framework establishes protocols for assessing mining companies' performance in key environmental and social categories in addition to providing a governance framework that promotes continuous improvement. Champion completed its third TSM self-assessment for the Bloom Lake Mine in 2024. Overall ratings from protocols and indicators evaluated in the previous year maintained their 2023 ratings, which were published on the MAC's website. In 2023, a new protocol on equitable, diverse, and inclusive workplaces was launched. While public results are expected in 2026, the Company has proactively incorporated the protocol into its self-assessment to develop an action plan for performance improvement in the coming years. Additionally, a TSM external audit is scheduled for 2025, with results anticipated for disclosure in 2026.

### **Equator Principles**

Our Company's development activities draw inspiration from 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 use of the associated risk management process.

Performance Indicators: GRI 2-28

## Sustainability Management

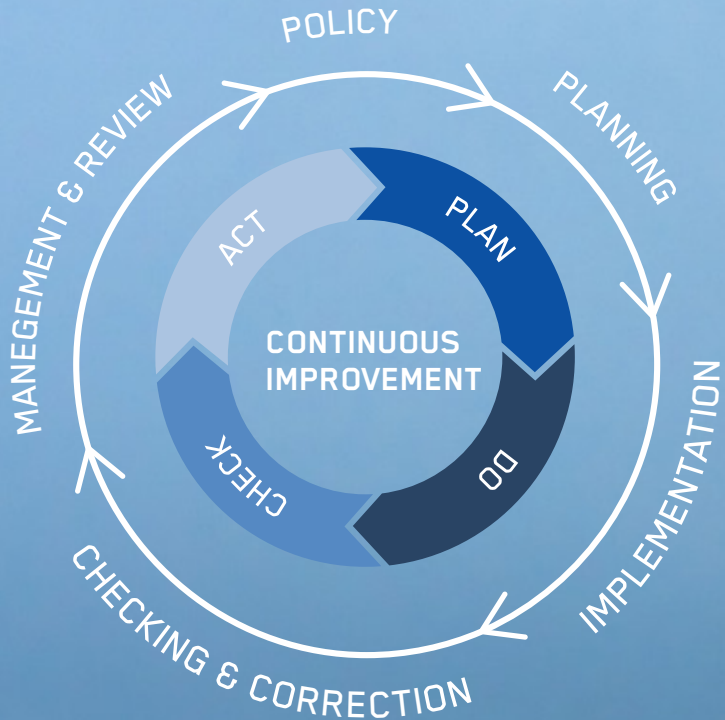
As part of its aim to positively impact all stakeholders, Champion establishes strategic sustainable development objectives aligned with its commitments, policies, and risk management. We are reporting our performance against targets for the reporting period and have also updated our targets and indicators for 2025. Our targets and indicators can be found under [FY2025 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 sustainability approach focuses on risk management, emergency preparedness and response, incident management, and compliance obligation management. The Plan-Do-Check-Act cycle is applied to ensure we are continuously improving our sustainability management. Our emergency preparedness and response plans ("EPRPs") aim to mitigate and control the potential effects of an emergency. Since 2022, we have audited our approach yearly in accordance with the MAC TSM Crisis Management and Communications Planning Protocols. Our 2024 audits concluded that our crisis management and communications planning are in line with the TSM protocols. In December 2024, we carried out our annual emergency simulation exercise as part of our EPRP. The exercise highlighted the usefulness of simulation exercises in improving communication workflows and providing a clearer understanding of how to effectively manage such an 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 of incidents that do occur. We monitor legal and legislative requirements to ensure compliance with our requirements and commitments, including our obligations to Indigenous communities.

Foundational to our sustainability management framework is our dedication to continuous improvement across the project lifecycle. 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 performance and enables us to respond to any emerging issues. The Sustainability and Indigenous Affairs Committee ("SIA") 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.





## 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 relatively high recovery rate of over 83% historically and 78.3% during the reporting year. Such a recovery rate compares favourably to the Labrador Trough’s average recovery rate and aligns with our sustainability goal to optimize the extraction of valuable minerals from our ore deposits. Additionally, this efficiency underscores the Company’s commitment to optimizing resource utilization and minimizing waste, simultaneously enhancing the overall economic viability of our mining operations. Such a high recovery rate is made possible by the significant investments in innovative technologies, resulting in an iron recovery rate exceeding regional averages for other iron ore producers. Moreover, our Environmental policy highlights our commitment to optimize our energy and natural resource consumption.

Performance Indicators: GRI 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 formally identify all our stakeholders, their interests and the degree to which they are affected by our activities. We engage with all stakeholders in the same respectful manner. This approach helps us to better identify risks and opportunities, and to develop long-lasting relationships that are mutually beneficial.

Through 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 approach. To support this strategy and enhance governance and outcomes, we also have an operational grievance mechanism to monitor and track external feedback.

We actively engage with multiple stakeholders to foster strong and transparent relationships, ensuring that their perspectives are heard and considered. Our approach is built around four key types of engagement:

- **Informing**, to provide clear and accessible information;
- **Consulting**, to gather feedback and insights;
- **Dialoguing**, to facilitate meaningful discussions and shared understanding;
- **Collaborating**, to work together on solutions and initiatives.



Through these commitments, we strive to build trust, encourage participation, and create long-term value with all our stakeholders.

Our interactions with stakeholders are guided by our governance approach which seeks to identify our stakeholders' concerns so that we can evaluate and implement suitable mitigation measures. During the reporting period, we identified mitigation measures to address impacts associated with our exploration activities following engagement with relevant stakeholders. In addition, our engagement approach for the Kami project and the Social Monitoring Program ("SMP") are further discussed in the [Communities and Indigenous Peoples' section](#).

Since the recommissioning of Bloom Lake, our commitment to establishing and maintaining strong constructive relationships with our First Nations partners has been central to our vision. Over the past years, our Materiality Assessment review 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 and our development projects. Specifically, we are currently collaborating with Kami project stakeholders to develop an impact and benefits agreement that is financially fair for all parties and that will have socio-economic benefits for the region and its people, should there be future operations at that site. Additionally, we developed a working committee composed of cabin owners from Labrador, the municipalities of Wabush, Labrador City & Fermont, as well as the recreational community, to discuss the progress of the Kami project and to understand their concerns in relation to the project so we can mitigate those concerns as much as possible. We value constructive feedback from our stakeholders and regularly integrate it into 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 environment, and the potential risks these factors pose to the Company's resilience and financial performance.

In 2023, we reviewed our material topics through a double materiality assessment process, aligned with recognized industry practices and guided by GRI 3: Material Topics 2021. Our previous assessments enabled 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. Considering our business had no significant changes since the last reporting period, the process included undertaking several virtual and in-person interviews with internal stakeholders to identify and validate any changes in key impacts and risks associated with our business identified in previous assessments. Following the interview process, we developed a preliminary revised list of material topics, which was then prioritized through an online survey, conducted with an extensive list of Company subject matter experts and key external stakeholders.

Accordingly, in 2024 we conducted a review of our 2023 materiality assessment results and determined that our list of 23 material topics remains relevant, as no substantial changes or additional topics emerged during the reporting period. Additionally, Champion reviewed its topic list against the GRI 14 Mining Sector Standard to ensure that all key topics material to the Company are covered.

Looking ahead, in 2025, we will refine and update our process to prepare for alignment with the Australian Accounting Standards Board ("AASB") S1 General Requirements for Disclosure of Sustainability-related financial information.

Our 2024 materiality assessment review methodology is summarized below:

## 1 - Review of

- a. Potential emerging impacts related to the Bloom Lake mine operations and development projects
- b. Company's risks register to identify potential new risks and opportunities including ESG-related factors

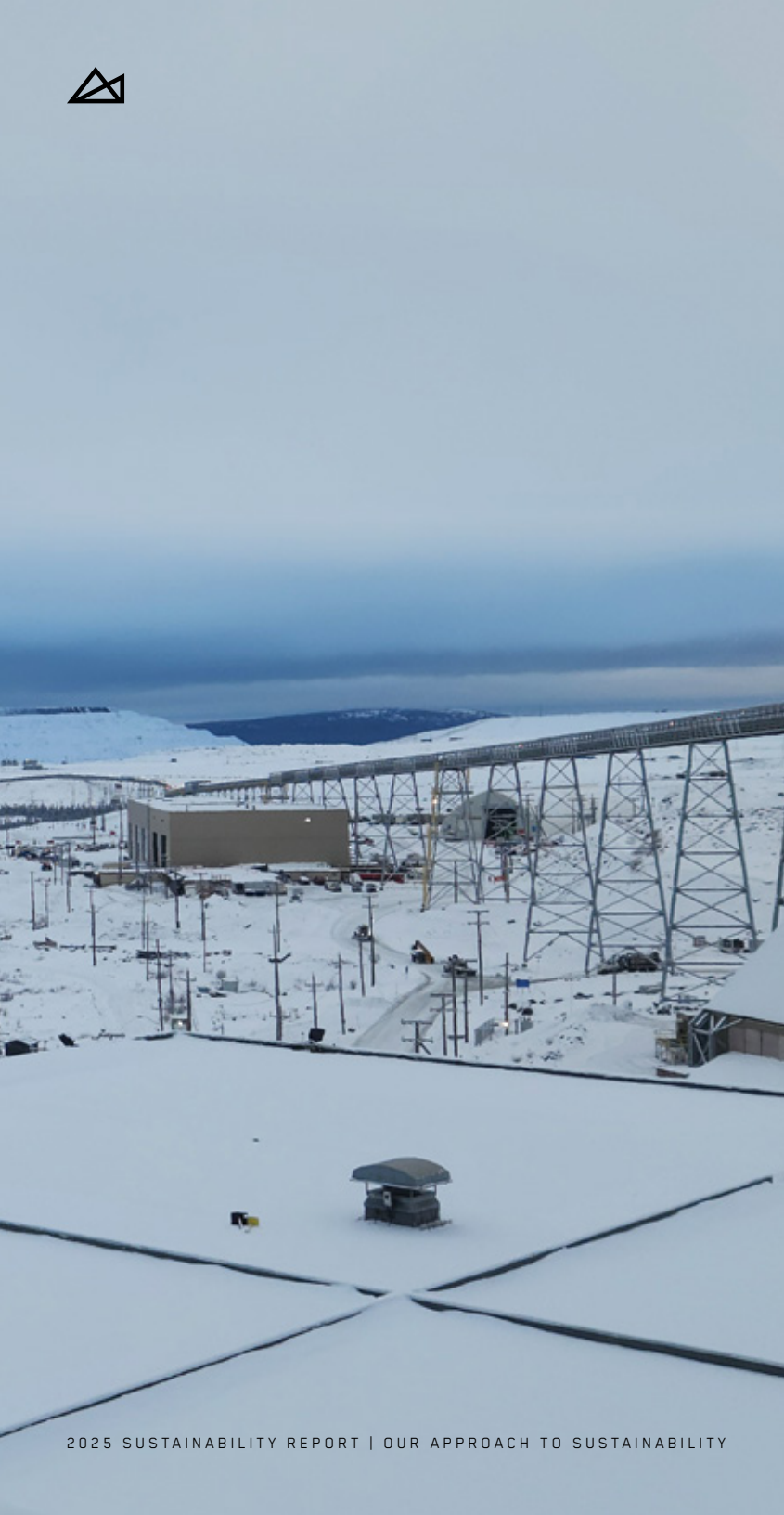
## 2 - Reviewal of the 2023 assessment findings by

- a. the Risk Management Committee
- b. the Management team

## 3 - The SIA Committee approval of the material topics.

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.





Material Topic List		2024	2025	CHANGE
1.	Engagement with First Nations	●	●	
2.	Rights of First Nations and Protection of Cultural Heritage	●	●	
3.	Employee Health, Safety and Well-being	●	●	
4.	Community Relations	●	●	
5.	Economic Performance	●	●	
6.	First Nations Employment and Procurement	●	●	
7.	GHG Emissions and Climate Change	●	●	
8.	Responsible Production and Product Stewardship	●	●	+1
9.	Local Employment and Procurement	●	●	+1
10.	Labour Relations	●	●	-2
11.	Tailings Management	●	●	
12.	Water Stewardship	●	●	
13.	Diversity, Equity, and Inclusion	●	●	
14.	Training and Skills Development	●	●	
15.	Land Use and Biodiversity	●	●	
16.	Board Related Governance	●	●	
17.	Air Quality	●	●	+1
18.	Business Ethics, Bribery, and Corruption	●	●	-1
19.	Waste and Hazardous Materials Management	●	●	+2
20.	Mine Closure	●	●	+2
21.	Board Composition	○	○	-2
22.	Cybersecurity	○	○	-2
23.	Modern Slavery and Human Rights	○	○	

Less Material ○ → ● → ● → ● More Material



# 2025 Performance Highlights

2025 Performance Highlights	FY2024	FY2025
<b>Benefit footprint</b>		
Community investment	\$7.1M	\$7.4M
Sourcing from regional suppliers	\$403.3M	\$472.0M
Sourcing from First Nations suppliers	\$14.0M	\$11.7M
Total Taxes paid to government <sup>11</sup>	\$26.9M	\$106.6M
<b>Health and safety</b>		
Total Recordable Injury Frequency (QIO)	1.91	1.98
Total Recordable Injury Frequency (Contractor)	4.18	3.10
Lost time injury Frequency (QIO)	1.04	0.95
Lost time injury Frequency (Contractor)	1.67	0.91
<b>Human Resources</b>		
Total permanent employees	1,192	1,307
Local and First Nations employees	61	72
Salaries & Benefits	\$208.4M	\$259.9M
<b>Communities &amp; First Nations</b>		
First Nations employees	34	44
Percentage of employees having completed First Nations cultural sensitivity training	100%	100%
Grievances received	Not applicable, target set for FY2025	2
Grievances addressed	100%	100%

11. Include mining, income, school and municipal taxes

2025 Performance Highlights	FY2024	FY2025
<b>Environment</b>		
Energy - Energy Consumed (TJ)	3,708	3,763
Climate Change - Total GHG Emissions, Scope 1 & 2 (T CO <sub>2</sub> e)	126,786	125,289
Climate Change - Total GHG Emissions, Scope 3 (Mt CO <sub>2</sub> e)	15.97	18.29
Tailings - Compliance with monitoring program for tailings retaining structures	100%	100%
<b>Intensity (per tonne of iron concentrate produced)</b>		
Domestic waste generated	0.51kg	0.72kg
Hazardous waste generated	0.08	0.10kg
Total CO <sub>2</sub> emitted (Scope 1 & 2)	8.95	9.06
<b>Governance</b>		
	Update SIA Committee charter to include oversight of biodiversity.	Update of the SIA Committee charter to reflect the executive team's responsibility to oversee climate-related risk management.

Performance Indicators: GRI 3-1, 3-2





# PERFORMANCE & OBJECTIVES





# Performance Highlights

During the reporting period, we successfully met 13 out of the 14 sustainability targets set in the previous sustainability report<sup>12</sup>.

FY25 Sustainability Report Objectives		Cumulative FY25	● Objective achieved   ● Below target
Environment compliance	Achieve 0 major or significant environmental incident/violation.	● 0 infraction	
Water Management	% of recycled water : 80%	● 99.0%	
Tailings Management	Achieve 100% compliance with the MAC tailings management governance model and framework towards monitoring tailings retaining structures.	● 100%	
GHG	2030 target : Identified a list of projects that are expected to contribute to the 2030 target and monitor projects' effectiveness.	● Achieved	
	2050 target : Disclose our first Scope 3 emissions aligned with the GHG Protocol.	● Achieved	
Health & Safety	Incident frequency (QIO) : 1.9 Incident frequency (Contractor) : 3.1 Zero fatalities	● 1.98 ● 3.10 ● 0	
Diversity & Inclusion	Year-on-year increase in number of women employees working for the Company and deploy supporting initiatives to develop women.	● Achieved Including new hires and departures, Champion employs 13 more permanent women year-on-year, net of departures, bringing the total to 20 including temporary staff. Several initiatives deployed during the year.	
Community Relations	Address 100% of grievances within 30 days.	● 100% of the grievances received addressed within 30 days.	
First Nations Partners	Organize and hold an annual consultation with our First Nations partners to assess alignment and opportunities to improve collaboration.	● Achieved	
Diversity	Maintain a minimum of 30% of women on our board of directors.	● 38%	
Management	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.	● Achieved	
Toward Sustainable Mining	Reach and maintain "A" ratings or "compliant" assessments in 90% of categories.	● Achieved, 90.9%	

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



## FY2026 Targets and Indicators

Throughout the 2025 financial year, we reviewed and optimized our sustainable development objectives, ensuring that they are aligned with the expectations of our stakeholders. This comprehensive process aims to exceed the standards set by our stakeholders, while also 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 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.

### FY2026 Sustainable Development Objectives

#### Environment

Environmental Compliance	Achieve 0 major or significant environmental incident/environmental violation.
Water Management	% of reused/recycled water: 90%.
Tailings Management	Achieve 100% compliance with the Mining Association of Canada's tailings management governance model and framework towards monitoring tailings retaining structures.
Climate change	Governance: Complete an initial Transition Risk Assessment, identifying risks and opportunities that arise from efforts to transition to a lower-carbon economy, including policy, technological, market and reputational elements.  GHG emissions : Assess the Scope 3 impact and emission reduction opportunities of the commercialization of the DRPF project, producing DR quality iron ore.

#### Social

Health & Safety	Incident frequency (QIO) : 1.9 Zero fatalities	Incident frequency (Contractor) : 3.0 Ultimate target of zero harm
Diversity and Inclusion	Achieve year-on-year increase in number of women employees working at the Company and implement supporting initiatives to foster their development.	
Community Relations	Address 100% of grievances within 30 days.	
First Nations Partners	Organize and hold an annual consultation with our First Nations partners to assess alignment and opportunities to improve collaboration.	

#### Governance

Diversity	Maintain a minimum of 30% of women on our board of directors.
Management	Update 100% of public corporate governance and sustainability policies, as needed, and adopt new policies, to reflect stakeholder expectations and align with industry best practices as per the Company's annual policy review framework.
Australian Accountability Standard Board	Identify and disclose physical and transition climate-related risks and opportunities, analyse their financial impact where possible, and optimize the Company's visibility in mitigating risks while leveraging its unique position in the green steel supply chain.





# GOVERNANCE





# Governance Structure

Our suite of corporate governance and sustainability policies, available on our website at [championiron.com](https://championiron.com), guide the conduct of our business practices and establishes commitments and expectations to be met across the organization.

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. All our public corporate policies were reviewed and approved by our Board of Directors during the reporting period. Champion’s sustainability and governance policies and charters are available at [www.championiron.com](https://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. On March 31, 2025, Champion’s Board was composed of eight members including three women (38%) and one member of a visible minority. 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 [2024 Management Information Circular](#). 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.

## 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. The revised charter now reflects the executive team’s responsibility to oversee the management of material sustainability-related risks, including with respect to climate change.

We also reviewed and 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 charter update expanded the scope of the committee to include a review of the human resources key performance indicators in the areas of engagement, diversity, and inclusion. The Committee is also 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 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 with respect to establishing appropriate remuneration levels and policies for directors and senior executives.





Champion's [Code of Conduct](#) stipulates that all directors have an obligation to exercise independent judgment 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.

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 is responsible for compliance with accounting policies and standards, compliance with legal requirements, and taking an active interest in ethical considerations regarding the Company's policies and practices. The Audit Committee also reviews the Company's risk management system to ensure that exposure to various sources of risk is minimized and monitors standards of corporate conduct, including any potential conflicts of interest.

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 the assistance of the Remuneration, People and Governance Committee.





# Remuneration Policies

The [2024 Management Information Circular](#) details the process for determining remuneration for members of the Board of Directors 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 practices 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's 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<sup>13</sup>, which are governed by the laws of the Province of Québec. 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 ("STI") compensation for the Board of Directors and senior executives is tied to the Company's sustainable development objectives and an additional fifteen percent of the STI was based on health and safety targets including no fatalities and minimal time lost due to injuries. These objectives and performances are described in the Sustainable Development Objectives table discussed in the [FY2025 Targets and Indicators](#) section. Further details are provided in the [Management Information Circular](#).



13. As defined in Form 51-102F6 Statement of Executive Compensation.



# Sustainability Governance

The oversight and governance of Champion's sustainability performance begins with the Board and the SIA Committee and flows outward to Management and throughout our operations. In 2024, the Board's charter was reviewed and updated to strengthen sustainability governance practices. This revision integrates the consideration of risks and opportunities into the Board's strategic planning and enhances the performance evaluation process for the Board, its committees, and its directors. The SIA Committee monitors and reviews environmental, health and safety, community and social 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, biodiversity, health and safety, human rights, and community relations, including the Company's relationships with Indigenous communities, transparency, ethics and related matters.

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, and current and emerging trends relating to sustainability, as well as assessing the 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 sustainability governance practices are followed. 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.

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 its Management team. They deploy sustainability and climate-related 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. Our integrated sustainability structure, which illustrates the roles that are directly accountable or responsible for Champion's sustainability-related decision-making and performance, is available on our website at [www.championiron.com](http://www.championiron.com).

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 (partial), 2-12, 2-13, 2-14, 2-15 (partial), 2-16 (partial), 2-18 (partial), 2-19, 2-20, 2-23, 405-1 (partial), 14.21.5 (partial)



# Our Performance

On March 31, 2025, women represented 38% of Champion’s Board of Directors, 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 continues to implement systems designed to support its GHG 2030 and 2050 reduction targets. More details in relation to these targets are provided in the [Energy & Climate Change section](#).

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 optimized our cultural diversity and sensitivity training with the deployment of the Kapataken program, discussed further in the [Our People section](#).

## Business Conduct and Ethics

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<sup>14</sup>. The code also sets forth our commitment to sustainable and socially responsible resource development. As part of the annual review of policies and charters, the Board reviewed the Code during the reporting year. This review introduced a definition of ‘conflicts of interest’ and established a list of prohibited behaviours, including fraud, embezzlement, extortion, kickbacks, and facilitation payments.

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 during the reporting period. 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 and as reflected in our [Tax Policy](#), 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, 2024 to March 31, 2025.

Taxes Paid (\$M)	FY2024	FY2025
Municipal	10.9	9.0
Income	14.3	62.1
Mining	0.8	34.6
Mining Leases	0.4	0.4
School	0.5	0.3
Others	0.4	0.3
TOTAL	27.3	106.6 <sup>15</sup>

Performance Indicators: GRI 2-27, 3-3, 201-1 (partial), 205-1, 205-2, 205-3, 206-1, 207-1 (partial), 415-1, 14.9.2 (partial), 14.22.2, 14.22.3, 14.22.4, 14.23.4 (partial), 14.24.2 SASB EM-MM-510a.1, EM-MM-510a.2

14. Champion’s mining operations are exclusively conducted in Canada, hence we have no production in countries that have the 20 lowest rankings in the Transparency International Corruption Perception Index.  
15. Figures may not add up precisely to the stated total due to rounding; however, the total (106.6) is correct.





### 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 Employee Grievance Mechanism is designed to allow any employee to report a business ethics or human rights concern to a Human Resources representative, to their Union representative, or to a designated independent third-party mechanism, as included in 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.

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. 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. Further details are included in the [Communities and First Nations section of this report](#).

During the reporting year, we remained committed to effectively manage community grievances. Every filed complaint was successfully addressed and resolved within the 30-day review period, aligned with our Company's objective, and we diligently followed up with all complainants.

Performance Indicators: GRI 2-25, 2-26

### Human Rights, Modern Slavery and Child Labour

Our commitment to ethical and sustainable business conduct prioritizes respect for human rights. We recognize that our stakeholders value respect and the protection of human rights, and we understand that strong relationships with local communities are essential to our ability to operate our business sustainably. Our detailed approach and engagements towards mitigating our exposure to human rights, modern slavery and child labour risks are discussed in our latest Modern Slavery and Child Labour in the Supply Chain report, available on our website.

Performance Indicators:  
GRI 2-23 (partial), 2-25 (partial), 3-3, 408-1, 409-1  
SASB EM-MM-210a.3 (partial)

### Value Chain Management

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 these risks. Our Modern Slavery and Child Labour in Supply Chain Report, which is available on our website at [championiron.com](http://championiron.com), discusses Champion's operational and supply chain risks of causing, contributing to, or being linked to modern slavery. This report also describes the steps taken during our last financial year to prevent and reduce risks related to forced labour and child labour within our activities and supply chain.

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





**Responsible Consumption and Production**

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 the financial year 2025 was approximately 76.53 million tonnes. Of this amount, 76.52 million tonnes are ore and sterile rock. Of the remaining 11,443 tonnes of materials, 6,397 (55.9%) tonnes were either recycled, reused or repurposed offsite.

Performance Indicators: GRI 3-3, 301-1, 301-2.

**Cybersecurity**

In 2024, we conducted a new assessment with a third-party expert to measure the progress we made in improving cybersecurity and to identify further opportunities to optimize our practices. As part of our continuous improvement efforts, we also finalized a Business Impact Analysis to enhance our cybersecurity. We maintain our cybersecurity awareness program, which includes regular training and phishing simulation exercises to strengthen employee vigilance. 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 substantial iron resources and reserves to sustain our operations for a significant period, our resources and reserves are finite. Accordingly, planning for the eventual closure of the mine and the mine site’s reclamation is central to our operations, over the long term.

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, \$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 9 hectares. Further details are provided in the [Land Use and Biodiversity](#) section of this report.

GRI 3-3, 304-3 (partial), 14.8.4, 14.8.5, 14.8.8.







# HEALTH AND SAFETY







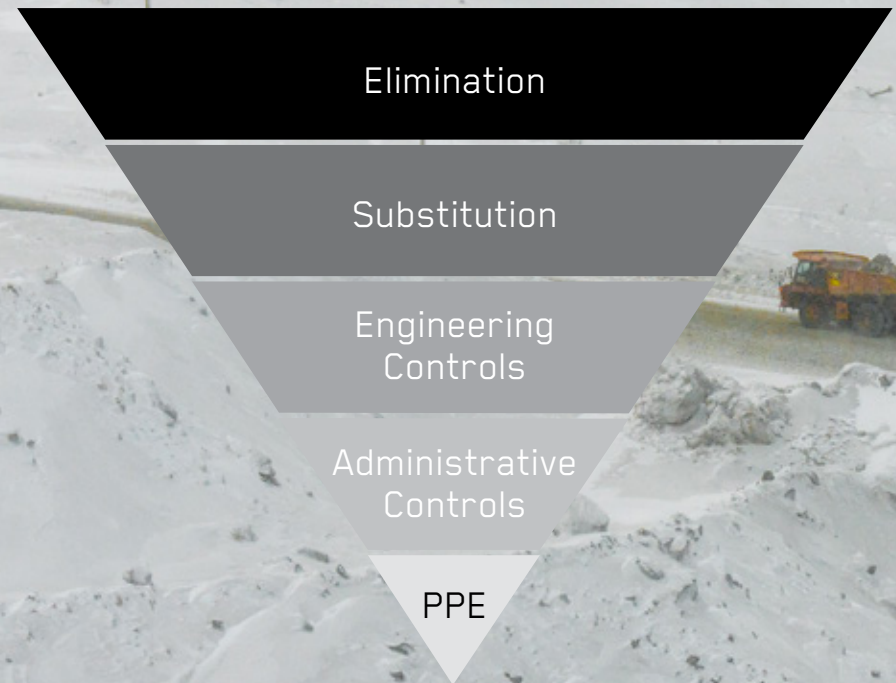
## Health and Safety

At the core of our approach to health and safety is risk management. Our Occupational Health and Safety (“OHS”) Management System, which applies to all company employees, contractors, and any individual entering the mine site, is aligned with the principles of international standard ISO 45001 and is underpinned by a hierarchy of risk controls. To ensure ongoing compliance, Champion conducts a rigorous inspection and audit program that assesses and verifies compliance with our internal standards and policies, as well as all applicable provincial and federal health and safety regulations. These evaluations cover all aspects of the work environment, including on equipment, tools and materials.

We are committed to proactive measures that prevent injuries and incidents. Clear lines of communication are central to our safety culture, and we encourage our employees to report incidents and hazards, even if they seem minor, so that operational risks can be promptly assessed and addressed. Through comprehensive training and the provision of appropriate tools, we empower our workforce to take ownership of their health, safety and overall well-being.

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. The OHS Committee meets at least once a month, providing a forum for employees to actively engage in safety-related discussions and contribute to decision-making processes.

### Our hierarchy of risk controls





## Our Performance

During the reporting period, we remained in full compliance with all applicable provincial and federal health and safety laws and regulations. Throughout the year, we continued to strengthen the foundation of our OHS Management System, with a focus on enhanced training and increased safety inspections and audits to promote health and safety awareness across our operations. During the FY2025 the total recordable injury frequency rate (“TRIFR”) for Champion employees at Bloom Lake increased slightly from 1.91 in FY2024 to 1.98 this year.

Champion’s OHS system extends to the 4,429 contractors who worked on-site at various points during the reporting period. For FY2025, the TRIFR for contractors significantly decreased from 4.18 to 3.10 year-over-year, underscoring the effectiveness of our ongoing efforts to raise awareness of health and safety risks and reinforce preventive measures among the contractor workforce at the Bloom Lake mine site. To improve contractor safety performance, we implemented a series of corrective actions, including holding regular meetings with contractors and integrating them into our training and safety awareness initiatives.

Throughout the year, we prioritized a comprehensive review of our critical health and safety risks which led to the identification and implementation of targeted corrective actions to mitigate them. To further support health and safety initiatives, two superintendents were hired and for the upcoming financial year, we are prioritizing enhancing monitoring and operational controls of critical risks, and improving data quality to support informed and effective decision-making.

As part of our commitment to foster 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 111 task safety analyses in FY2025, enabling the identification of hazards associated with performing a given task. A total of 137,575 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<sup>16</sup>. This was up from 95,670 in FY2024, representing a 43.8% increase year-over-year. The increase in safety analyses and field inspections was aimed at strengthening individual awareness of health and safety priorities across the site and minimizing operational risks wherever possible.

Throughout the financial year 2025 we continued to promote and encourage the reporting of potentially hazardous conditions by the Company’s employees. As such, practices such as incident reporting and job analysis, are part of the foundation to foster this strong safety culture. The table below provides a summary of our health and safety performance during the reporting year. Most of the recorded injuries were related to slip and fall events, and minor cuts. In the financial year, one significant but non-fatal incident occurred involving a contractor on the DRPF construction site. The Company completed a thorough investigation of the incident and is continually refining its practices to prevent similar occurrences in the future.

16. 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.



Performance Indicator	Champion	Contractors	Total Workforce
Total recordable injury frequency rate	1.98	3.10	2.50
Number of lost time injuries	12	10	22
Lost time injury frequency	0.95	0.91	0.93
Number of restricted injuries (light duty) <sup>17</sup>	10	15	25
Restricted injury (light duty) frequency	0.79	1.37	1.06
Lost time injury & restricted work injury frequency	1.74	2.28	1.99
Lost time injury severity <sup>18</sup>	16.39	21.85	18.93
Number of cases where first aid was provided <sup>19</sup>	317	268	585
Number of medical consultations	1,904	664	2,568
Number of fatalities	0	0	0
Near miss frequency rate	9.98	3.82	7.11
<b>Total hours worked</b>	<b>2,526,283</b>	<b>2,196,498</b>	<b>4,722,781</b>

As highlighted in the OHS performance table, the TRIFR saw a slight year-on-year increase from 1.91 to 1.98, primarily driven by a peak in incidents during the first quarter. Excluding Q1, the TRIFR from Q2 to Q4 averaged 1.78 and remained stable throughout the remainder of the year.

During the reporting period, we completed an internal self-assessment against the criteria of the [TSM Safe, Healthy, and Respectful Workplaces Protocol](#), following our last external assessment in 2022. In line with the previous year's sustainability target, we aligned with the TSM of the Québec Mining Association, which resulted in a self-assessed scores including two A and three B's ratings. In the upcoming reporting period, we will continue to focus on improving these scores, particularly in training and risk identification and management. Finally, we reviewed the lockout program to optimize its effectiveness and implement improvements where appropriate.

- 17. 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.
- 18. Average number of days lost per injury.
- 19. Values reported over 200,000 hours worked (excluding contractors and subcontractors), based on the international standard set by the Occupational Safety and Health Administration.

Performance Indicators: GRI 3-3 (partial), 403-1, 403-2 (partial), 403-4 (partial), 403-5 (partial), 403-9 (partial), 14.16.1, 14.16.2, 14.16.3 (partial), 14.16.5 (partial), 14.16.6 (partial), 14.16.10 (partial). | SASB EM-MM-320a.1 (partial)





## Our People

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 reviewed and updated our Prevention of Harassment and Discrimination at Work policy to align with Québec's new legislation - the Act to Prevent and Fight Psychological Harassment and Sexual Violence in the Workplace, adopted in July 2024. This update ensures our policy reflects the latest legal standards in line with Québec law, strengthens our protections against inappropriate behaviour and enhances the support and recourse for individuals who experience harassment or discrimination.

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. Additionally, all management and professionals are provided with a supportive work environment and a tailored approach to encourage continuous learning and growth.

Our Diversity Policy guides our efforts towards achieving and maintaining diversity across all roles, including Board and executive officer positions, with an emphasis on gender representation. In alignment with our IBA, we also remain dedicated to creating meaningful employment opportunities for members of local First Nations communities.





# Our Performance

With the recent expansion of our operations at Bloom Lake and in preparation for future projects, our workforce increased during the reporting period, totalling 1,307 permanent employees as of March 31 2025<sup>20</sup> representing an increase of approximately 11.1% year-on-year. With the addition of 90 temporary contract employees, interns and seasonal workers, this increased the total to 1,397 full-time employees<sup>21</sup>.

Over the past year, we planned, developed and launched the Kapatakan program, an immersive cultural program that aimed at creating connections between the Innu community and our workforce. The program’s primary objective is to bring the Innu culture to life for the Company’s employees through direct engagement, discussions and cultural experiences, fostering mutual understanding and respect between our two cultures.

The two-day program invites participants to meet with members of the Innu community and take part in immersive cultural activities that highlight the Innu way of life. This innovative initiative has already shown a positive impact, allowing participants to broaden their perspectives and deepen their appreciation of Innu traditions, including their art, spirituality, and socio-political structures.

At Champion, we believe that bridging the modern industrial world with ancestral Innu traditions is vital to strengthening cultural ties. Through open dialogue based on listening, understanding, and sharing, we aim to cultivate a workplace culture that values and respects Indigenous identities. The Kapatakan program supports the integration of Innu workers into our operations by promoting cultural awareness among non-Indigenous employees and fosters an inclusive and respectful work environment. The program has had a profound and lasting impact on both our employees and the members of the Uashat Mak Mani-Utenam community.

Additionally, our “Cultural Awareness Training”, developed in collaboration with our partners from Uashat Mak Mani-Utenam (“ITUM”), remains mandatory for all our workers. This training continues to play a critical role in building understanding and appreciation for the cultural heritage of local First Nations communities.

Champion Employees as of March 31<sup>22</sup> :

	FY2024			FY2025		
	Total	Men	Women	Total	Men	Women
Total Number of Employees	1,192	1,050 (88%)	142 (12%)	1,397	1,235 (88%)	162 (12%)
Contract Employees	16	12 (75%)	4 (25%)	90	79 (88%)	11 (12%)
Permanent Employees	1,176	1,038 (88%)	138 (12%)	1,307	1,156 (88%)	151 (12%)

20. 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.

21. 6.9% of our full-time employees are therefore non-permanent employees.

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



# Labour Relations

We are firmly committed to upholding employees' rights to freedom of association, and we are proud to have successfully negotiated a new 5-year Collective Bargaining Agreement ("CBA") which was signed by all parties in April 2024. The CBA remains in effect until September 2028, providing long-term stability for our workforce, the community and the Company, ensuring a strong and mutually beneficial partnership with our employees. To support ongoing collaboration, we hold regular meetings with union representatives to address matters related to the interpretation and application of the collective agreement, including subcontracting, complaints, grievances, and other key topics. Sector-specific labor relations committees were established during FY2025 to facilitate more focused dialogue. Additionally, a subcontracting advisory committee was implemented this year to work collaboratively with the union on identifying and evaluating alternative solutions for subcontracting needs.

We offer competitive wages and benefits to attract and retain top talent, while maintaining the flexibility needed to navigate uncertain economic conditions. During the reporting year, our management and professionals' basic salary was \$30.68 per hour for men and \$28.94 for women, which compares favourably with the minimum wage in the Province of Québec of \$16.10 per hour. The variance in average wages between genders is attributed to the different roles and levels of responsibility held by men and women across the organization.

Our modular group insurance program allows employees to tailor coverage to their individual needs. 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 also offer a savings and pension plan<sup>23</sup>. Over the course of the reporting period, Champion paid a total of \$259.9 million in wages and benefits to its employees.

In support of employee development and engagement, we prioritize internal recruitment as part of our talent strategy. As a result, of the 384 positions filled during the reporting year, 186 or 48.4%, were filled by internal candidates, underscoring our commitment to career growth and advancement within the Company.

In support of employee development and engagement, we prioritize internal recruitment as part of our talent strategy. As a result, of the 384 positions filled during the reporting year, 186 or 48.4% were filled by internal candidates, underscoring our commitment to career growth and advancement within the Company.

During the reporting year, grievances received mostly relate to subcontracting and wage claims, disciplinary measures, termination of employment and interpretation of the collective agreement. Additionally, there were zero violations of Champion's Code of Conduct, no dismissals associated with breaches of the Code of Conduct, and no labour-related work stoppages, strikes or lockouts during the reporting period.

23. 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.





# Training and Skills Development

Our people are the foundation of our success, and we invest in employee training to equip them for their current roles and develop them for future opportunities. During the reporting year, we designed and launched a leadership program for supervisors to strengthen frontline leadership and reinforce operational performances. In total, we delivered 40,175 hours of training during the reporting period, up from 39,439 hours in FY2024<sup>24</sup>. The average number of training hours per employee stood at 33 hours, slightly up from 32 hours in the previous financial year. A breakdown of the average number of training sessions per person categorized by role is listed below.

Average number of training hours received per person

	FY2024	FY2025
Management	15	24
Professional and managerial engineering	13	23
Administrative, technical and clerical	8	15
Production	48	43



Additionally, the Company demonstrated a strong commitment to human rights training. Accordingly, the Company increased total training hours from 966 in FY2024 to 1,041 in FY2025, representing an improved participation from our workforce from 80% to 87% year-over-year. This reflects a focused approach to ensure that key personnel receive essential training on human rights topics relevant to our operations.

Human Rights Training and Employee Participation Overview

	FY2024	FY2025
Total numbers of hours devoted to training on human rights	966	1,041
Percentage of employees receiving training on human rights	80%	87%

Each year, our skills development team collaborates closely with managers and superintendents to assess and define the training needs of their respective teams. In addition, we continued the implementation of the Competency Development Policy, which formalizes our commitment to invest in the development of our employees, ensuring that they have the tools and support needed to 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, we provide a range of initiatives designed to strengthen skills and support professional development across all levels of the Company.

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



# Talent Retention and Acquisition

During the reporting period, a total of 94 employees left Champion, including 16 women and 78 men, whereas we hired 212 new employees, including 26 women. Our annual staff turnover rate declined by 36%, from 11% in FY2024 to 7% in FY2025. Overall, the age range of our workforce is relatively well distributed between 19 to 68 years of age. All 1,307 of our permanent employees are entitled to parental leave.

AGE RANGE OF CHAMPION PERMANENT EMPLOYEES, AND THEIR RETENTION IN FY2025					
Age Range	All Champion Employees	New Champion Employees		Employees who Left Champion	
	Men & Women	Men	Women	Men	Women
18-24	38	15	1	2	0
25-29	158	30	12	8	1
30-34	219	35	4	8	3
35-39	198	29	3	14	1
40-44	191	25	1	10	4
45-49	174	18	5	11	2
50-54	159	22	0	10	2
55-59	107	9	0	6	1
60-64	58	3	0	8	2
65-69	5	0	0	1	0
Total	1,307	186	26	78	16

Throughout the year, we participated in five career fairs to enhance our Company’s visibility and engage with top talent to ensure a steady pipeline of candidates. We also optimized the recruitment process, significantly reducing hiring timelines. Additionally, we implemented a recruitment role prioritization framework to strengthen workforce planning and resource allocation.





## Diversity, Equity, and Inclusion

We are committed to building a diverse workforce, with a strong focus on gender equity and the employment of members from local First Nations communities. Increasing the representation of women in leadership positions and throughout our workforce remains a key priority. In addition, women representing approximately 50% of the population of the province of Québec, and recruiting more women makes good business sense considering the competitive nature of the mining industry. Last year, we set a target to increase the number of women employed at Champion and launched initiatives to support their development and advancement. As a result, the number of women employees increased by 10, representing an approximately 7% year-over-year growth. To further support professional development, we launched the first cohort of the Effet A women's leadership program, offering participants tools and mentorship to accelerate their professional development and careers. We also established a Women's Conditions Committee to help foster a more inclusive and supportive work environment. In collaboration with the union, we introduced a dedicated awareness program focused on preventing and addressing harassment of women in the workplace. As of March 31, 2025, there are three women on the Board (representing 38%), and our directors come from four different nationalities, including Canada, Australia, India and England.

During the year, 10 additional women joined our workforce, increasing overall female representation from 12.1% to 12.4% year-over-year (excluding Management and Board roles). While the remote work environment, including fly-in/fly-out rotations for our employees, presents recruitment challenges for women at the mine site, women represent approximately 39% of our head-office staff. While we presently do not track non-binary gender diversity, our inclusive policies and respectful workplace practices apply to everyone, regardless of sexual orientation or gender identity and this is firmly embedded in both our Diversity Policy and our Policy on the Prevention and Handling of Harassment and Discrimination in the Workplace.



We are committed to gender pay equity, and we fully comply with Québec's Pay Equity Act. In 2022, we completed comprehensive pay equity analyses for both unionized employees and management and professional roles, and we continue to implement measures based on the findings. A new pay equity review is scheduled in the near-term to ensure continued fairness.





Gender Division by Location (FY2025)	Total number	Gender division by each location (%)
<b>Board of Directors</b>		
Women	3	38
Men	5	62
<b>Executive</b>		
Women	1	13
Men	7	87
<b>Total Leadership</b>		
Women	4	29
Men	10	71
<b>Site employees</b>		
Women Unionized	31	3
Women Management and professionals	66	6
<b>Women Total</b>	<b>97</b>	<b>8<sup>25</sup></b>
Men Unionized	770	66
Men Management and professionals	302	26
<b>Men Total</b>	<b>1,072</b>	<b>92</b>
<b>Total site employees</b>	<b>1,169</b>	<b>100</b>

Gender Division by Location (FY2025)	Total number	Gender division by each location (%)
<b>Head office employees</b>		
Women	54	39
Men	84	61
<b>Total</b>	<b>138</b>	<b>100</b>
<b>Total non-executive workforce</b>		
Women	151	12
Men	1,156	88



25. The figures for unionized and management and professionals are rounded up. The total of 8% shown is the correct one, while the correct data for unionized workers represents 2.6% and managers 5.6% for a total of 8.3%.



## Indigenous Employment

We recognize that one of the most meaningful contributions we can make within our First Nations partner communities is to provide both direct and indirect employment opportunities. The IBA Coordination Committee, which oversees the implementation of our IBA commitments, operates through four subcommittees, including a Jobs and Training Subcommittee. This subcommittee provides a platform for transparently sharing employment opportunities with our First Nations partners and collaborating on solutions to support their employment objectives.

During the reporting period, we continued to strengthen our First Nations talent acquisition efforts and reduce systemic barriers to the recruitment of First Nations candidates. To help avoid communication barriers and minimize potential biases, our recruitment team includes a member of the local community. We also actively participated in career days to promote First Nations employment opportunities. Our efforts this year focused on the Kapatakan project, detailed on [page 38](#), and developing an action plan related to our IBA commitments, in collaboration with ITUM. The IBA sub-committees remained active throughout the year, supporting various initiatives aligned with these commitments, which include fostering employment and supporting socio-economic development in the First Nations communities. In the coming months, we will continue implementing the action plan to foster positive, lasting impacts for our First Nation partners. Additionally, we organized activities in recognition of Truth and Reconciliation Day, engaging employees in initiatives aimed at strengthening relationships with our Indigenous partners and promoting a more inclusive and diverse workplace.

As of March 31, 2025, we employed 44 First Nations individuals, an increase from 34 the previous year. Among our Indigenous employees, eight hold management positions. In addition, we also supported more than 100 indirect jobs for First Nations workers. This growth positions our Company as a leading employer of First Nations people in the Québec Côte-Nord region. Further details on First Nations employment and our hiring practices can be found in the [Communities and Indigenous Peoples](#) chapter of this report. Looking ahead to 2025, we remain committed to strengthening support systems and creating additional opportunities for First Nations employees.

Performance Indicators: GRI 2-7, 2-30, 3-3, 202-1 (partial), 201-3, 401-1 (partial), 401-2, 401-3 (partial), 402-1, 404-1 (partial), 404-2 (partial), 405-1 (partial), 405-2, 407-1 (partial), 14.17.2, 14.17.3 (partial), 14.17.4, 14.17.5 (partial), 14.17.6, 14.17.7 (partial), 14.17.8 (partial), 14.21.5 (partial), 14.21.6, 14.20.2 (partial). | SASB EM-MM-000.B, EM-MM-310a.1, EM-MM-310a.







# COMMUNITIES AND INDIGENOUS PEOPLES

Champion acknowledges the unique relationship that Indigenous Peoples have with the natural environment. We are dedicated to building and maintaining strong, lasting relationships with Indigenous communities, fostering collaboration that supports reconciliation and promotes a climate of understanding, trust, transparency, and mutual respect.

The Bloom Lake mine site is located on the Nitassinan, the ancestral territory of the Innu from Uashat Mak Mani-Utenam and Matimekush-Lac John. All of our proven and probable reserves are situated in or near First Nations land<sup>26</sup>. Maintaining continuous and open dialogue enables us to better understand the concerns, interests, and aspirations of local communities and our First Nations partners. We provide accessible mechanisms for community members to voice concerns regarding actual or perceived impacts from our operations. Additionally, we operate a community relations office within ITUM's facilities, ensuring a full-time presence in the community, including a team accessible to anyone from ITUM who may have questions or concerns regarding our operations. This office provides support for our Innu employees, while also serving as a hub for recruitment initiatives.

Our 2017 Impact Benefit Agreement<sup>27</sup> guides us in this respect, and serves as a cornerstone of the strong, mutually beneficial relationship we have built with our First Nations partners.

26. 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.
27. 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.





## Our Performance

During the reporting year, Champion conducted approximately 50 formal engagements with our First Nations partners, including around 20 meetings with all five Indigenous groups which were identified in relation to the Kami project by the Newfoundland and Labrador Office of Indigenous Affairs and Reconciliation. Reflecting our commitment to fostering equitable and respectful relationships with our First Nations partners, we undertook several key initiatives during the reporting period. Our primary focus was the development of the Kapatakan program, detailed in the Our People section, alongside efforts to strengthen the governance oversight of the IBA committees and the development of action plans for each sub-committee. We also promoted a member of our community relations team to the newly created role of Head of First Nations Relations. This promotion reflects our commitment to supporting Indigenous leadership within the Company. In addition, we successfully deployed our cultural awareness training for our workforce, with 100% of our employees completing the program. We also continued planning additional cultural activities aimed at fostering stronger collaboration with First Nations communities across our operations.





## 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: the Coordination Committee and the Environmental Committee, to oversee the effective implementation of our IBA commitments. To better align with the needs of our First Nations partners, we created a Coordination Committee along with three subcommittees: the Environmental Subcommittee, the Employment and Training Subcommittee, and the Business Opportunities Subcommittee.

As part of our sustainability objectives, we have strengthened our commitment by setting a target to resolve all complaints within 30 days.

As detailed in the [Our People](#) section, we continued our Cultural Awareness Training program, with ITUM members actively contributing to the development of its content and

identification of key themes. This training has strengthened the cultural sensitivity of our workforce and has had a positive impact on our relationship with neighbouring First Nations communities. The program aligns with the Call for Action No. 92 of Canada's Truth and Reconciliation Commission, which urges companies to educate their employees on the history and rights of First Nations in Canada. All our employees successfully completed the training during the reporting period.

In recognition of the tragedy experienced in the past by Canada's First Nations communities, we commemorated the fourth annual National Day for Truth and Reconciliation on September 30, 2024. We hosted commemorative activities with our employees and provided opportunities for meaningful cultural exchange between Innu representatives and our workforce. On June 21, 2024, we also continued with our annual recognition of Aboriginal Peoples' Day as a holiday for Bloom Lake workers.





## Community Relations and Community Investment

Throughout the reporting period, we continued to strengthen the management and documentation of our stakeholder and rightsholder engagement activities. As part of these efforts, we developed a dedicated dashboard in 2023 to track data related to our consultation meeting commitments, IBA obligations, and key KPIs tied to our relationships with ITUM and other Indigenous groups which need to be consulted as part of our activities. These topics are discussed at quarterly meetings with ITUM, and we also meet monthly to discuss progress on action plans and KPIs.

In addition to ongoing engagement with our Indigenous partners, we have also maintained regular engagement with residents of nearby communities impacted by our operations. This year, we launched a Social Monitoring Program (“SMP”) to strengthen our engagement with stakeholders. The SMP serves multiple objectives: it helps identify stakeholder expectations related to the authorization of our mining activities and provides a structured platform for ongoing dialogue about the effectiveness of mitigation measures. Guided by our core values of respect and transparency, this initiative reinforces our commitment to meaningful collaboration and supports the development of innovative, mutually beneficial solutions with all stakeholders.

As part of these efforts, we have maintained active engagement with the local business community, nearby residents and the municipality to keep stakeholders informed about our operations at the Bloom Lake mine site. This forum fosters open dialogue, offering stakeholders a platform to express their concerns, ask questions and receive updates about our projects. We remain committed to ongoing engagement with and listening carefully to community feedback, while making every reasonable effort to minimize the impact of our operations on their living environment.

Our work with local municipalities and engagement with local Chambers of Commerce continued during the reporting period. This involvement strengthens our understanding of stakeholder concerns, including those of local businesses, particularly those facing challenges recruiting local talent, due to the competitive hiring environment driven by major mining companies in the region.

Additionally, we contribute to both First Nations and local communities through our community investment initiatives. These investments include our IBA-related funding, which empowers communities to manage projects and programs that promote socio-economic development and generate lasting benefits beyond the life of the mine. Our IBA-related community investment spending totaled \$7.4 million in the 2025 financial year.

Beyond our IBA commitments, we provided \$360,500 in direct financial support to local communities, an increase of 50% since the launch of our Donation and Sponsorship policy in 2022, and \$5,000 less than the amount provided in 2023. Through this policy, Champion remains committed to fostering local development and enhancing the quality of life in its host communities.

During the reporting year, we received two complaints through our community grievance mechanism. Each grievance was assessed within 30-days, in line with our commitment to timely resolution. Following investigation, none of the grievances were determined to be related to human rights, and we did not receive any formal reports regarding 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. There were also no significant disputes, litigation, technical delays, or work stoppages arising from community unrest during the reporting period.

Additionally, Champion continued to strengthen the tracking of its engagement efforts in recent years. Meeting summaries, weekly memos and emails provided by Champion are systematically compiled into a tracking database. All stakeholder and Indigenous Rightsholder feedback, including topics of interest, and specific issues and concerns, are recorded in this system. This structured approach enhances our governance practices and improves visibility into key elements that influence and guide our engagement strategies





## Unlocking Labrador's Full Potential

Champion recently initiated stakeholder engagement activities for the Kami Project, located in Labrador West, in the province of Newfoundland and Labrador ("NL"). To foster open and constructive dialogue, we conducted a series of meetings to introduce the Kami project to several stakeholders including the Labrador West town councils, Indigenous communities, the Newfoundland and Labrador provincial government, the Duley Lake cabin owners, and the general public. These sessions provided an opportunity to outline the project's anticipated benefits for the region, while actively listening to stakeholder perspectives.

In May 2024, Champion established the Kami Working Group, comprising of representatives from key stakeholder groups in the region. This group plays a key role in facilitating collaboration with stakeholders, addressing project-related questions, and supporting project planning efforts. Through ongoing engagement, we have been able to advance permitting efforts and project development at the Kami Project, during the reporting period.

In June 2024, Champion joined the Lab West Alliance, a collaborative action group working to unlock potential solutions and drive progress in response to community priorities. This integrated alliance of industry, community, government and business leaders contributes to driving growth and diversification, unlocking opportunities, and attracting people to come live and work in a thriving Labrador West community.

These engagement efforts have provided valuable insights into community expectations, concerns, and opportunities, ensuring the Kami Project's integration in the region. In the coming year, we will continue our engagement to keep stakeholders informed of project developments and remain responsive to their evolving perspectives and expectations.





# First Nations and Local Employment and Procurement

Over the course of the reporting period, we remained focused on strengthening the training, retention, and recruitment of First Nations employees, as well as increasing procurement from First Nations’ enterprises.

Aligned with these priorities, our hiring and procurement practices actively promote the engagement of local and First Nations suppliers whenever possible. Within our procurement activities, we prioritize businesses that are locally based in Fermont, regionally based in the Québec Côte-Nord region or owned and operated by First Nations.

In addition to providing indirect jobs in First Nations communities through our partnerships with First Nations businesses, Champion stands out as one of the largest mining employers of First Nations people in the Québec Côte-Nord region, a distinction we are proud of, especially given our smaller scale compared to other mining operations in the area.

Local Economic Benefits	FY2024	FY2025
Local and First Nations jobs <sup>28</sup>	61	72
Local sourcing (Fermont) from suppliers not including First Nations suppliers (millions of dollars)	28	35
Regional sourcing from suppliers not including First Nations suppliers (millions of dollars) <sup>29</sup>	402	471
Sourcing from First Nations suppliers (millions of dollars) <sup>30</sup>	5	12
IBA-related Community Investments (millions of dollars)	7.1	7.4

28. Includes all First Nations workers, and non-First Nations local (Fermont) employees.  
29. Not including local (Fermont). FY2024 data was reported at \$389M, which has been corrected to \$402M  
30. First Nations businesses or businesses that are First Nations partners. FY2024 data was reported as \$14M, which was corrected to \$5M.

According to the most recent demographic census data (2024), the population of the town of Fermont is approximately 2,150. The First Nations communities of Uashat Mak Mani-Utenam and Matimekush-Lac John represent approximately 3,300 and 700 inhabitants respectively. Champion closely collaborates with these communities to develop and hire as many of their qualified members as possible.

As of March 2025, we had 44 local First Nations employees, up from 34 in 2024. To better support the integration and success of our Innu employees, we developed an Innu committee, the Groupe Innuat Ka Tessashet (“GIKT”). The GIKT is composed entirely of Innu employees who provide culturally appropriate support and mentorship to fellow Innu employees. Over the past year, we formalized the GIKT’s primary objectives and responsibilities, which include: offering cultural support to Innu employees; sponsoring new Innu employees during their integration at QIO; and participating in consultations and cultural activities promoting multiculturalism within the Company.

Specifically, the GIKT also regularly consults with Innu workers to understand their concerns, and, upon request, accompany them to any meetings with managers to facilitate communication and reduce language barriers. In our 2025 financial year, we took a further step by defining the GIKT’s governance structure. A committee charter, drafted and ratified by the committee exclusively composed of First Nations people, specifies the roles and responsibilities of committee members and aligns with our vision of building bridges between our two cultures. This initiative further strengthens the integration and personal growth of Innu workers within our teams. Moving forward, the GIKT aims to hold quarterly meetings with all First Nations employees, providing a platform where they can express challenges, celebrate successes and grow individually within the Company.



To support local suppliers and First Nations businesses, Champion actively collaborates with local Chambers of Commerce to help strengthen the capacity of local businesses to work with the Company. Over the course of the reporting period, approximately \$1.3 billion in contracts were awarded to companies with business units in the province of Québec, a 28.2% increase compared to the last period, representing 77.7% of all contracts awarded by Champion. Companies with a business unit located in the Côte-Nord region, where the Bloom Lake mine site is located, were awarded \$472 million, accounting for 28.6% of the Company's total expenditures. During the reporting period, the Company awarded \$11.7 million in contracts to First Nations suppliers or partners, reinforcing our commitment to promoting economic development with Indigenous communities.

In the 2025 financial year, we completed an internal self-assessment against the criteria of the [TSM Indigenous and Community Relationships Protocol](#), following our last external assessment in November 2022. Our self-assessed results included five A ratings, reflecting strong performances across several areas. Looking ahead, we remain focused on continuing to foster an inclusive and supportive work environment, ensuring that our First Nations employees have the opportunities and resources needed to grow within the organization.

**Local and Regional Sourcing: Value of Contracts Awarded by Champion to Suppliers in the Québec Côte-Nord Region (FY2025)**

	Value (in millions of dollars)	%
Sept-Îles	402	85.2%
Baie-Comeau	34	7.2%
Fermont	35	7.4%
Others	1	0.2%
<b>Total</b>	<b>472</b>	<b>100%</b>

**Value of Contracts Awarded by Champion (FY2025)**

	Value (in millions of dollars)	%
Québec	1,282	77.7%
Newfoundland and Labrador	114	6.9%
Others Canadian Provinces	131	7.9%
Other Countries	123	7.5%
<b>Total</b>	<b>1,650</b>	<b>100%</b>

Performance Indicators: GRI 2-4, 3-3, 203-1 (partial), 203-2 (partial), 204-1, 411-1, 413-1 (partial), 413-2 (partial), 14.9.3 (partial), 14.9.5, 14.10.2 (partial), 14.10.3 (partial), 14.10.4 (partial), 14.11.1, 14.11.2, 14.11.3. | SASB EM-MM-210a.1, EM-MM-210a.2, EM-MM-210a.3, EM-MM-210b.1, EM-MM-210b.2.





# ENVIRONMENTAL STEWARDSHIP<sup>31</sup>



31. Data presented in this section cover the financial year 2025, except for the water data that covers the 12 months period from October 1 2023 to September 30 2024, and the waste (hazardous & non-hazardous) and air emission reported on the 12 months period from January 1 2024 to December 31 2024.





# Water Stewardship

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 are committed to minimizing our impact on these water bodies. Additionally, we engage with a wide range of local stakeholders to ensure that our water management practices 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 sub watershed within the larger Caniapiscaw 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 or any other forms of runoff that can negatively affect nearby waterways or ecosystems.



# Our Performance

The table below provides an overview of our operational water performance over the last two years, covering the 12-month period from October 1, 2023, to September 30, 2024. This is consistent with the reporting period used for water stewardship data in past reports.

	2023	2024
<b>Water withdrawal (input) (Mm³)</b>		
Pit dewatering (groundwater <sup>32</sup> )	1.96	2.08
Precipitation on site	14.28	14.41
From surrounding lakes	0.18	0.17
<b>Reused or recycled process water (Mm³)</b>	25.46	23.96
<b>Change in water storage within basins (Mm³)</b>	-0.44	1.69
<b>Water used in the process</b> (water trapped in tailings voids and frozen tailings water)	6.92	4.88
<b>Water consumption (output) (Mm³)</b> Hydrological losses	4.20	4.19
<b>Water discharged (Treated water returned) (Mm³)</b>	5.56	6.95
Percent of reused or recycled process water	98.80%	99.04%
Total water withdrawal for operations (in Mm³) <sup>33</sup>	16.42	16.66
Water intensity in m³ per tonne of iron concentrate produced	1.27	1.16
Litres of water used from surrounding lakes per tonne of iron concentrate produced	13.96	11.71
Number of significant incidents associated with water	0	0

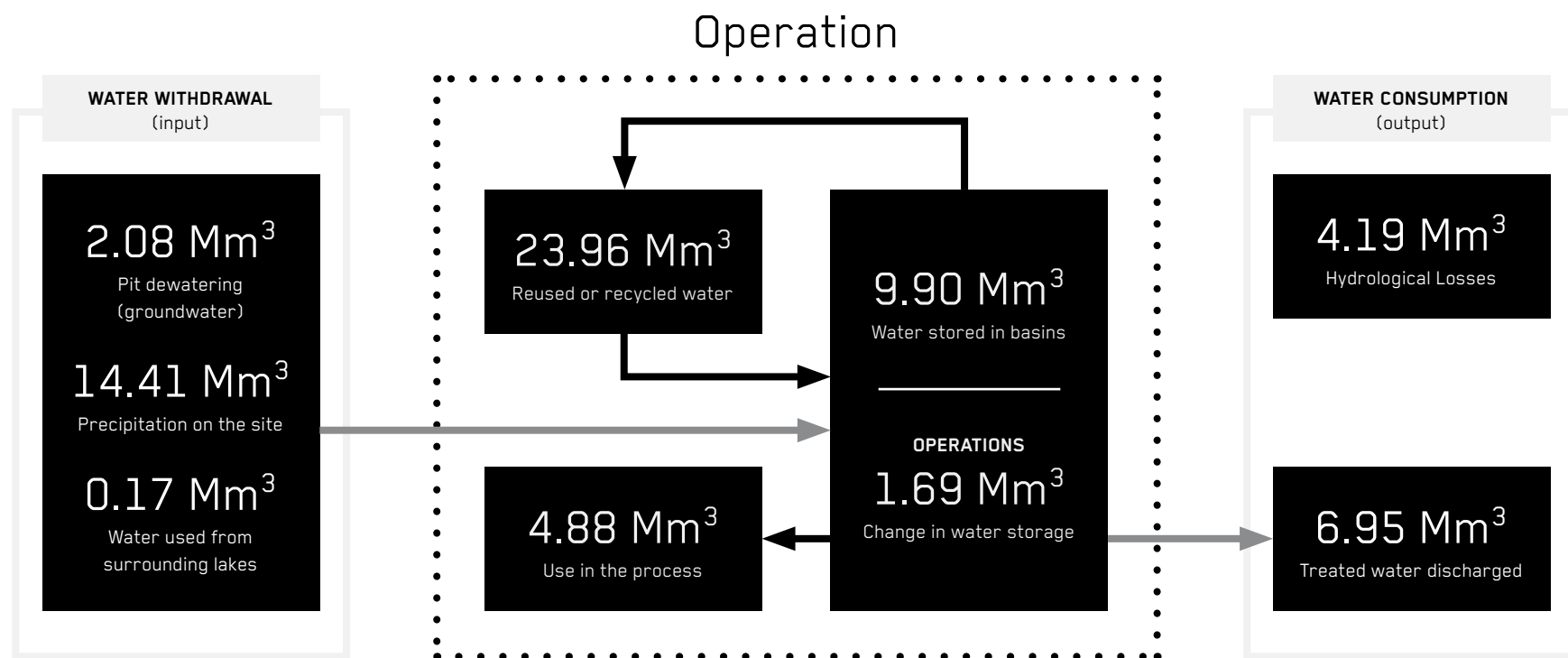
32. Pit dewatering includes surface water and pit dewatering water.  
33. Total water withdrawal includes pit dewatering, precipitation on site and water taken from surrounding lakes.



During the reporting period, the total water withdrawal<sup>34</sup> for our operations, including water from surrounding lakes, on-site precipitation, groundwater, and runoff, was 16.66 Mm<sup>3</sup>, compared to 16.42 Mm<sup>3</sup> in 2023, with 0.17 Mm<sup>3</sup> sourced from surrounding lakes, down from 0.18 Mm<sup>3</sup> the previous year.<sup>35</sup>

Our water intensity is calculated as total water withdrawal per tonne of iron ore concentrate produced. In this reporting period, this figure stood at 1.16 m<sup>3</sup>/tonne, compared to 1.27 m<sup>3</sup>/tonne in the previous reporting period. The intensity of water used from surrounding lakes in this reporting period was 11.71 L/tonne, compared to 13.96 L/tonne in the previous reporting period. This decrease reflects operational optimizations that have reduced our freshwater consumption in ore processing. These optimizations have reduced water consumption by up to 10,000 litres per day during the reporting period.

We are continually improving our ore treatment process to maximize the use of recycled water. We also proactively assess water-related risks by regularly collecting data to better establish and understand the water balance across our operations. Over the course of the reporting period, the volume of reused and recycled process water remained consistent with the previous year, representing 99% of total water usage. Since it began operations in May 2022, our Phase II plant has been operating entirely with recycled water. Additionally, a total of 4.88Mm<sup>3</sup> water is utilized in the process, which includes water trapped in the tailings, concentrate or in the interstices, and in the form of ice. The vast majority of this water remains on-site contained our tailings facility.



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





**The treatment of mining water from our operations is a key aspect of our overall water stewardship strategy.**

During the reporting period, our operations generated a total water output of 11.14 Mm<sup>3</sup>, including 4.19 Mm<sup>3</sup> of hydrological losses characterized by evaporation, infiltration into water tables and snow sublimation, and 6.95 Mm<sup>3</sup> of treated water that was discharged. Additionally, tests are performed 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 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. Additionally, no environmental impact or medium or long-term effects on water resources were recorded.

Throughout the reporting period, we made continued advancements in enhancing our infrastructures. Since 2023 we have used a weather forecast provider, giving 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. With this upgrade, we can now plan more accurately 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 and support our operations. Additionally, we completed an internal self-assessment, achieving level A performance across all criteria of the [Water Management Protocol](#) during the reporting period.

Performance Indicators: GRI 2-27, 3-3, 303-1, 303-2, 303-3, 303-4, 303-5, 14.7.1, 14.7.2, 14.7.3, 14.7.4, 14.7.5, 14.7.6.  
SASB EM-MM-140a.1, EM-MM-140a.2, EM-MM-160a.2

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





## Tailings Management

Tailings are a by-product of our mining activities and managing them is crucial to ensuring that we are responsible environmental stewards. Effective tailings management is essential to protecting the safety of our workers and local communities. Champion is committed to minimizing the environmental impacts related to tailings management through continuous monitoring, innovative practices and proactive risk management. We adhere to industry standards to ensure the safe design, construction, operation, and closure of our tailings management infrastructure.

Champion's iron ore recovery process produces high-purity iron ore concentrate, using primarily gravimetric systems. Accordingly, the tailings deposited in our facilities are classified as non-metal leaching predominantly consisting of silica, a sterile material naturally present in our ore reserves and resources.

Recognizing that the containment of tailings in facilities from which water can be recirculated, may pose potential risks to the environment and local communities, we have implemented 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.**

All retaining structures undergo regular systematic visual inspections throughout the year, guided by our robust risk management process. Staff conduct weekly routine inspections of major infrastructure to ensure safety and compliance.



## Tailings Governance

Champion's tailings governance structure is designed to ensure the highest standards of safety and integrity in the management of our tailings facilities. Our Board of Directors sets the strategic direction for tailings management, with our CEO ensuring this vision is communicated across the organization. The COO, serving as the Accountable Officer oversees the delegation of responsibilities to our Tailings Corporate Director and the 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"). The EoR's role includes verifying whether the tailings facilities have been designed and constructed in accordance with performance objectives, and perform throughout their life cycle in accordance with the design intent. External assessments are carried out annually, while specific inspections are also performed as needed to identify and monitor any irregularities or emerging risks noted during detailed internal or statutory inspections. Additionally, the EoR ensures that maintenance work was completed according to delays prescribed for priority 1 and 2.

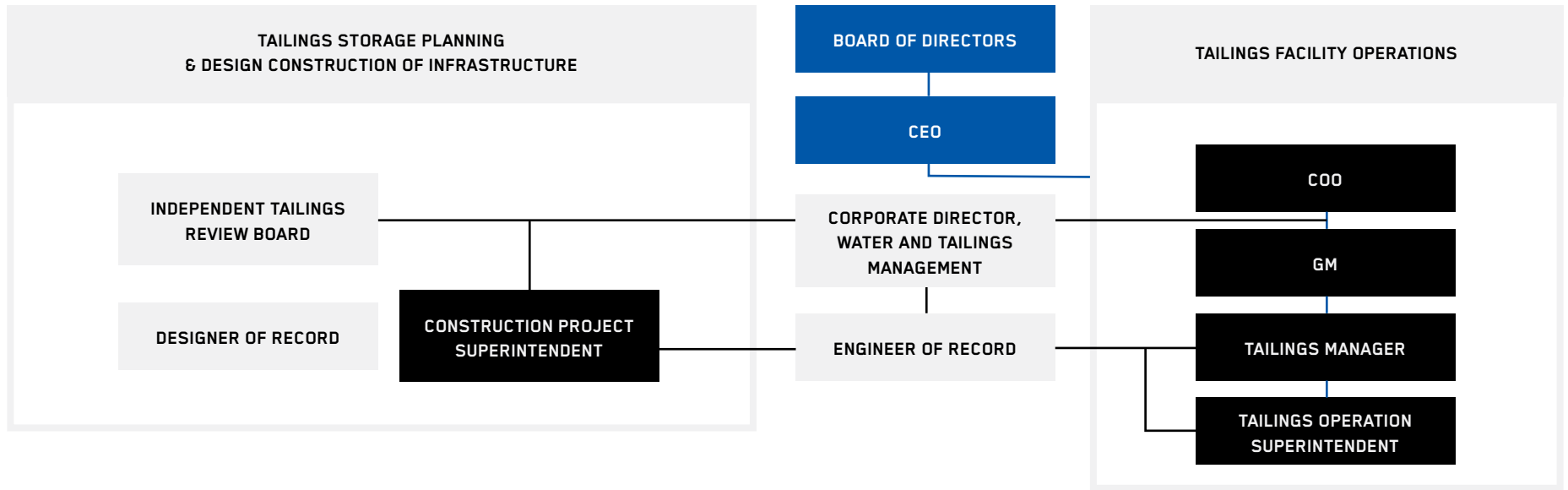
Our Independent Tailings Review Board ("ITRB") is composed of external experts who provide independent oversight of our Tailings Management System, and they offer impartial, third-party advice based on best available practices and technologies.

Additionally, our site-level EPRP includes a dedicated section outlining procedures in the unlikely event of a tailings management facility failure. The table below provides details on our tailings management facilities, as well as our comprehensive governance structure for tailings stewardship.

Facility name	Bloom Lake Mine Complex TSF (Fine)	Bloom Lake Mine Complex TSF (Coarse)
Location	Fermont, Québec, Canada	Fermont, Québec, 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 <sup>3</sup>	146 Mm <sup>3</sup>
Current amount of tailings stored <sup>i</sup>	13.1 Mm <sup>3</sup>	63.5 Mm <sup>3</sup>
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

i. This data is based on a technical assessment carried out in December 2024. The last data were communicated in September 2023.





# Our Performance

During the reporting period, we achieved 100% compliance with the objectives, 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 financial years 2024 and 2025. Additionally, we reused 12.5% of our mine tailings during the period.

Performance:	FY2024	FY2025
Tonnes of mine tailings produced (millions)	26,060,000	25,240,000
Tonnes of mine tailings stored (millions)	22,321,500	22,435,000
Tonnes of mine tailings reused as construction material (millions)	3,738,500	2,805,000





An annual inspection was carried out in June 2024 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”) in 2023 and the final report was completed in the fall of 2024.

In addition, our ITRB visited the site in the summer of 2024, and produced a report submitted at the end of March 2025 with positive conclusions which included some recommendations. We are carefully evaluating and planning implementation of those recommendations. In addition, a Dam break Analysis study was carried out to support our Emergency response plan, providing updated inundation maps according to 2028 infrastructures planned elevations.

The Company continues to implement its MAC TSM’s Tailings Management Protocol, which establishes rigorous standards for the responsible management of tailings. In 2024, we completed an internal self-assessment, and achieved level A performance across all criteria of the Tailings Management Protocol.

Performance Indicators:  
GRI 3-3, 413-2, 14.6.1, 14.6.2, 14.6.3  
SASB EM-MM-150a.5, EM-MM-540a.1, EM-MM-540a.2, EM-MM-150a.9

## Sterile rock, Waste and Hazardous Materials Management

To safely access iron ore reserves and resources, our mining operations remove sterile rock, material with little to no recoverable iron content.<sup>36</sup> We store this rock in designated areas onsite where it is partly 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.

In line with our commitment to responsible waste management, all waste, both hazardous and non-hazardous is handled offsite. Non-hazardous and hazardous waste are responsibly disposed offsite in accordance with regulatory requirements. When possible, we recycle, reuse or repurpose as much of our waste as possible.

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





# Our Performance

There were no incidents of legal or regulatory non-compliance related to our waste management activities in the reporting period. A total of 36.6 million tonnes of sterile rock were excavated at the Bloom Lake mine site. Approximately 5.6 million tonnes were reused as aggregate for the construction of site access roads and other infrastructure (compared to 3.3 million in the 2024 financial year), while 32.3 million tonnes were stored within our on-site waste storage facilities. As part of our commitment to minimizing our land impact whenever possible, we continued to optimize our rock storage areas throughout the reporting period.

Total Sterile rock Excavated (in million tonnes):

	FY2024	FY2025
Sterile rock reused	3.3	5.4
Sterile rock stored	21.7	31.3
Total sterile rock excavated	25.0	36.6 <sup>37</sup>
Total of iron ore concentrate produced (wmt)	14.2	13.8

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 the waste produced. In the future, we aim to enhance oversight and traceability of how waste is managed by our contractors.

In 2024, we generated more hazardous and non-hazardous waste than in 2023. The total waste produced, aside from tailings and sterile rock, was 11,443 tonnes, up from 8,019 tonnes in 2023. The amount of non-mineral waste produced per tonne of iron ore concentrate increased during the reporting period from 0.59 in 2023 to 0.82kg per tonne. The increase in our volume of residual materials is primarily attributable to the planned maintenance activities carried out during the year, along with the expansion of our mining equipment fleet. The maintenance of these vehicles has led to a rise in residual materials associated with their use and upkeep.

Waste Generated Per tonne of Iron Concentrate Produced, excluding sterile rock and tailings (in kilograms):

Performance:	FY2024	FY2025
Non-hazardous waste generated per tonne of iron concentrate produced <sup>38</sup>	0.51	0.72
Hazardous waste generated per tonne of iron concentrate produced	0.08	0.10
Total non-mineral waste generated per tonne of iron concentrate produced	0.59	0.82

Of the non-hazardous waste generated, 41.8% was reused or repurposed offsite, and approximately 15.4% was recycled offsite. In total, 57.2% of non-hazardous waste was diverted from disposal, an improvement from 54.0% in the previous year, while 42.8% was disposed of, representing a slight decline from 46% in the previous year. Of the hazardous waste generated, 45.8% was recycled or repurposed offsite, up from 38.2% last year, while disposal decreased to 54.2% from 61.8%. As a result, 6,387 tonnes, or 56% of non-mineral waste were diverted from disposal, while another 5,056 tonnes, or 44%, were disposed.

37. Sterile rock reused and sterile rock stored were rounded from 5.37 to 5.4 and from 31.26 to 32.3. Total quantity of sterile rock excavated amounted to 36.64 Mt during the FY2025.  
38. This figure does not include sterile rock or hazardous waste.





#### Non-hazardous Waste Generated in tonnes in 2024 (excluding sterile rock and tailings):

		2023	2024
Reused/repurposed offsite	Scrap metal	2,154	3,485
	Rubber	0	236
	Tires	274	468
	<b>Total reused/repurposed</b>	<b>2,428</b>	<b>4,189</b>
Recycled offsite	Paper and cardboard	108	92
	Wood	1,072	1,094
	Mixed non-hazardous waste	107	362
	<b>Total recycled</b>	<b>1,288</b>	<b>1,548</b>
Responsible offsite waste disposal	Contaminated Soil and sludge	2,028	2,817
	Inert industrial waste	1,215	1,469
	<b>Total disposed offsite</b>	<b>3,243</b>	<b>4,286</b>
<b>TOTAL</b>		<b>6,958</b>	<b>10,023</b>

During the reporting period, we continued our discussions with the town of Fermont to develop a waste management site locally, that could support future reclamation efforts. The project, expected to open in 2028, would generate significant cost savings for the Company by enabling domestic waste, recyclable materials and organic waste to be managed closer to our operations, thereby reducing transportation costs.

39 Due to rounding, the total amount of responsible offsite disposal for hazardous waste generated (at 770) does not exactly correspond to the sum of each category presented above, which would add up to 772.  
 40 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.

#### Hazardous Waste Generated in tonnes in 2024:

		2023	2024
Recycled or upgraded offsite	Waste oils	355	573
	Used oil filters	33	54
	Aerosol	4	4
	Batteries	2	8
	Antifreeze	10	9
	Contaminated empty containers	2	2
	<b>Total recycled or upgraded</b>	<b>405</b>	<b>650</b>
Responsible offsite disposal	Oily water	431	531
	Rags soiled with hydrocarbons	174	188
	Contaminated water	13	0
	Contaminated sludge	0	1
	Used grease	11	11
	Contaminated fuel	8	5
	Mercury waste	1	0
	Other	17	36
	<b>Total disposed offsite</b>	<b>655</b>	<b>770<sup>39</sup></b>
	<b>TOTAL</b>	<b>1,061<sup>40</sup></b>	<b>1,420</b>

#### Performance Indicators:

GRI 2-27, 3-3, 306-1 (partial), 306-2 (partial), 306-3 (partial), 306-4 (partial), 306-5 (partial), 14.5.1, 14.5.2 (partial), 14.5.3 (partial), 14.5.4 (partial), 14.5.5 (partial), 14.5.6 (partial)  
 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



# ENERGY & CLIMATE CHANGE



As a financially material factor, climate change is integrated into our operational management and growth opportunity evaluations. In particular, climate change scenarios were considered during Bloom Lake mine's recommissioning in 2018 and in planning for future operations. Notably, climate change scenarios have been incorporated into planning and infrastructure development, especially regarding Tailings Management and Water Stewardship. In 2023, we initiated a study of physical climate risks related to climate change that we completed during the 2025 financial year. This study will support our operational planning going forward. Furthermore, during the reporting period, the Company has initiated a comprehensive analysis of its transition-related risks and opportunities. These efforts are being undertaken with a focus on financial materiality. As a result, the Company has set a Short-Term Incentive as part of its sustainable development objectives to complete an initial transition risk assessment, identifying risks and opportunities that arise from efforts to transition to a lower-carbon economy.

We actively work to improve energy efficiency, reduce our operational GHG emissions and lower our 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. TCFD disclosure details are provided in the following section. Recognizing that the TCFD had fulfilled its mandate, it was disbanded in October 2023, and 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.





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

This sustainability report marks the fourth consecutive year that our climate-related disclosure is framed by the TCFD recommendations. It outlines our progress to date and our planned future actions across the 11 disclosure recommendations, organized 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, holds ultimate responsibility for monitoring and addressing climate change-related risks, opportunities, and strategies at Champion. The SIA Committee, which reports to the Board of Directors and meets at least quarterly, oversees all aspects of Champion's sustainability and climate change performance. Its responsibilities include reviewing and monitoring climate-change related risks and opportunities and management of climate-change issues. It approves corporate strategies, monitors metrics and KPIs set by management, approves public disclosures on sustainability matters, schedule quarterly operational updates and keeps 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 overseeing the Company's management, measuring, monitoring and reporting of GHG emissions, including goal setting, and the assessment of climate physical risks and opportunities. 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, ensuring ongoing accountability for climate change performance. The COO receives operational updates from the GM, who in turn is informed by site superintendents of any emerging climate-related issues and their management.



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

Additionally, KPIs align key Executives' remuneration with the Company's sustainability practices, including performance on climate change strategy. In addition, 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. The Remuneration, People and Governance Committee oversees the setting of these sustainability metrics and targets linked to executive compensation, and makes recommendations to the Board, as appropriate. Additional information regarding the Company's remuneration philosophies and practices are available in the Company's Remuneration Report, which can be found on the Company's website.



# Strategy

Champion recognizes that both physical and transition climate-related risks and opportunities will impact our Company and that these will evolve over time, creating a range of plausible future climate scenarios that could affect our operations. Accordingly, our strategic planning for climate-related organisational resilience is built on multiple credible scenarios, integrating a range of risks and opportunities across three-time horizons: 2024-2030, 2030-2050 and 2051-2080.

## Planning for Physical Risks

In FY2024, in partnership with an external consultant, we initiated an analysis of climate-related physical risks related to our operations and physical infrastructure. The assessment also considered the impact of climate-related risks on critical third-party infrastructure required by our business, including the Port of Sept-Îles and the railways connecting Bloom Lake to the port facilities. The analysis was based on the Intergovernmental Panel on Climate Change (“IPCC”) CMIP6 and considers SSP1-2.6<sup>41</sup> and SSP3-7.0<sup>42</sup>. The study focused on two-time horizons: the short-term (2024-2030) and long term (2030-2050)<sup>43</sup>.

Throughout the reporting year, we further assessed those risks following a rigorous, step-by-step methodology. We reviewed potential climate impacts and occurrence probability of these impacts which led to the creation of an updated risks matrix. This work was conducted by internal experts who identified a total of 60 risks and highlighted the most significant risks projected through 2050. The table below summarizes these key risks and their estimated financial impact over a 12-months period.

The financial impact assessment is based either on estimated downtime resulting from the occurrence of identified risks or on the direct financial costs associated with mitigation or remediation efforts. Mitigation measures are identified and planned for all these risks to reduce the potential consequences of their materialization. This study concluded that climate-related financial risks are expected to decline over time considering the greatest risks are tied to colder temperatures, which are projected to become less frequent under the SSP3 scenario. As a result, the financial impact on our operations is expected to decrease. As we continue to refine our analyses and prevention methods, additional studies may be undertaken in the future to further refine our physical risks analysis and planning efforts, in line with the evolving climate landscape.

41. A very low GHG emissions pathway, wherein CO<sub>2</sub> emissions decline to net-zero around 2050, limiting global warming to below 2°C.  
42. A high GHG emissions pathway, wherein substantial challenges exist to mitigate and adapt to environmental damage, and CO<sub>2</sub> emissions roughly double from current levels by 2100.  
43. The 2051-2080 time horizon was part of a 2019 climate risk study.

Champion’s most significant physical climate risks

RISKS	Climate Hazard	Available mitigation or control measures	Estimated annualized financial impact through 2050 (\$)
Uncontrolled fire (mine site)	Forest fire	Yes	0.1M
Uncontrolled fire (Transport and handling)	Forest fire	Yes	0.6M
Concentrate freezing due to exposure time	Extreme cold	Yes	-5.3M
Reclaim concentrate freezes at Sept-Îles port	Extreme cold	Yes	-0.7M
Damage on the rails	Wide temperature variability	Yes	-0.1M
Landslide on the railway	Landslide	Yes	0\$
Water infiltration through the roof	Precipitation	Yes	0.3M
Train brake issues	Extreme cold	Yes	-0.6M
Equipment damage	Lightning	Yes	0.1M
Airport closure and delays	Precipitation (snow, rain) and extreme wind	Yes	0.1M



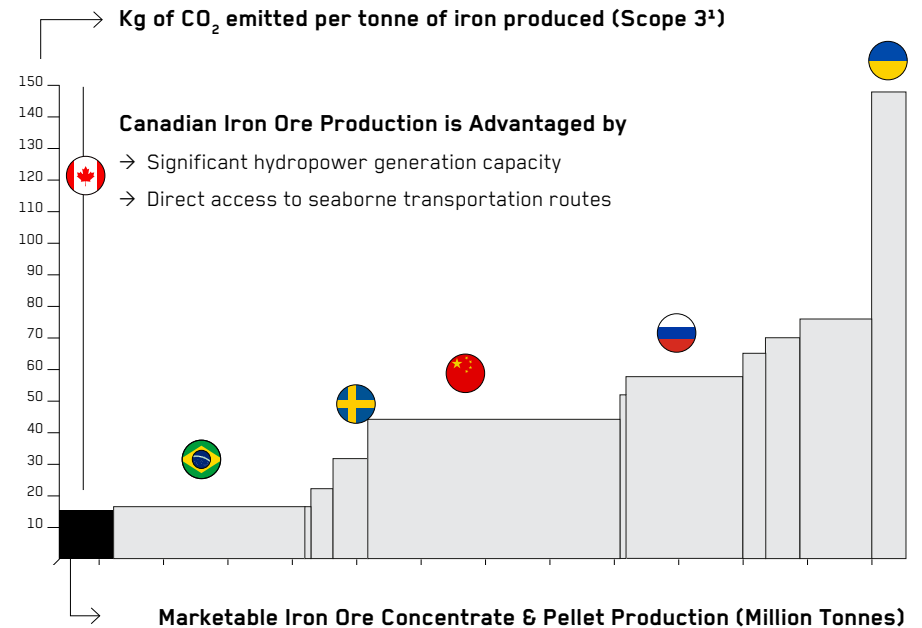
## Planning for Transition Risk

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 seasonal heating, as well as accelerating revegetation during reclamation activities. Building on these efforts, we initiated a comprehensive analysis of transition-related risks and opportunities during the reporting period, with a focus on financial materiality, to help inform and strengthen our climate risk mitigation strategies.

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.

## Energy and GHG Management

Benefiting from access to renewable hydropower, Champion ranks among the lowest in GHG intensity (scope 1 & 2) per tonne of high-grade iron ore produced. Despite our already competitive positioning, our Company continues to analyse and invest in opportunities to further reduce its GHG emissions aligned with our decarbonization objectives. 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 IPCC, that may flow through to the private sector. While our decarbonization efforts continue, emissions from our mining activities account for only approximately 1% of our scope 3 emissions. Accordingly, our focus remains on enhancing our products to help reduce emissions in the steelmaking process.



<sup>1</sup> 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

**Champion Iron favorably to other Canadian operators at 9.06 kg of CO<sub>2</sub> eq per tonne produced during our financial year 2025.**

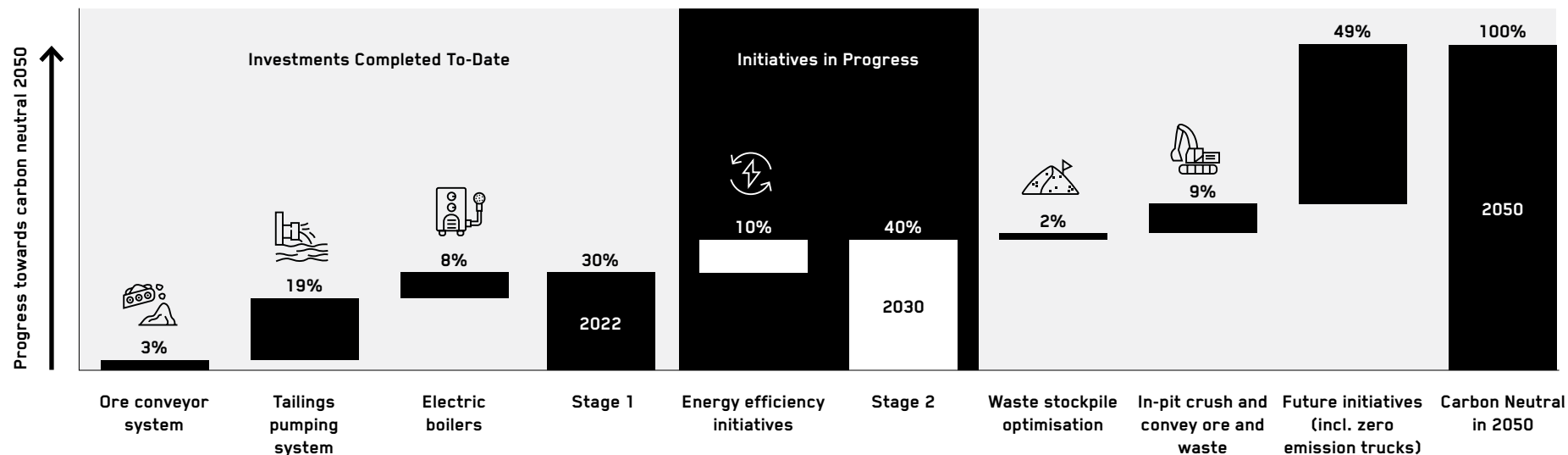
### Scope 1 & 2 Emissions: A Detailed Plan Enabling Our Targets

Since the recommissioning of Bloom Lake in 2018, we achieved an average annual emissions reduction of 25% of CO<sub>2</sub>e per annum when compared to 2014, when the mine was closed by the previous owner. To achieve such results, substantial investments were completed, allowing the Company to reduce its emissions as highlighted in the graphic above. Notably, the ore conveyor system, the tailings pumping system and the electric boilers were major projects that resulted in significant operational emission reductions.





## Work Programs Identified to Reduce Emissions In Line with the Company's Targets



Source: Champion Iron Limited

As we continue to optimize operations, we remain focused on evaluating initiatives and alternatives towards meeting our 2030 GHG reduction target. In 2022, we adopted a long-term goal of achieving carbon neutrality by 2050, along with a near-term objective to reduce emissions by 40% by 2030, based on 2014 emission intensity baseline. To support these goals, we identified two specific categories of projects: energy efficiency initiatives at both the mine and at the plant, and electrification processes. The table below highlights several projects that are expected to contribute to reducing our emissions.

While these projects could help to reduce our emissions by more than 5,400 T of CO<sub>2</sub>e per year, we continue to assess opportunities to develop and implement projects aimed at reducing emissions across our operations. These initiatives are designed to help us progressively reduce our emissions and position the Company to achieve carbon neutrality in 2050.

### Projects expected to contribute to reducing emissions towards our target

	GHG savings estimated per year (T CO <sub>2</sub> e)		
	FY2026	FY2027	FY2028
Electrification of heating at the Washbay	610	610	610
Heating with electric boilers	1,086	2,173	2,173
Installation of preheaters on two oil-fired boilers	191	191	191
Electrification of the aggregate crusher	640	750	726
Reduction of steam set points on the filter pans	2,877	2,877	2,877





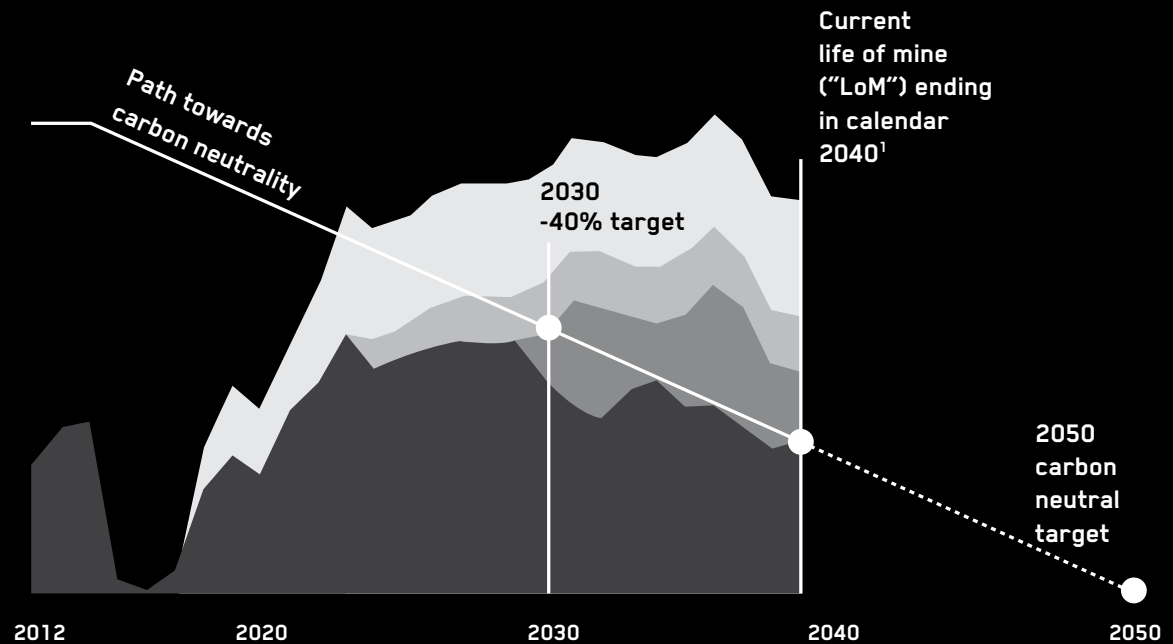
## Envisioned Roadmap to Carbon Neutral 2050

During the reporting period, our energy team implemented an energy consumption management system, providing greater accuracy in tracking our energy use and GHG emissions, enabling us to focus our reduction efforts where they will have the greatest impact. Our operations are also aligned with MAC TSM's Climate Change Protocol, which emphasizes both mitigation and adaptation strategies to manage climate-related risks.

Vision to reduce GHG emissions through three stages of initiatives

STAGE 1 - COMPLETED
STAGE 2 - IN PROGRESS
STAGE 3

At 9.06 Kg CO<sub>2</sub>/t Champion already holds a key player position in emission intensity per tonne of iron ore concentrate produced.



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.



## Scope 3 Reporting & Methodology

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 from the WRI and the WBCSD to estimate our Scope 3 emissions. During the reporting year, the Company completed and disclosed its initial Scope 3 assessment for its FY24 activities, in alignment with our previously set objective. In this report, we disclose our Scope 3 emissions for the FY2025 period, marking the first time we include Scope 3 emissions in our sustainability report.

Our methodology for calculating Scope 3 emissions is based on a category-specific approach as defined by the GHG Protocol and based on several third-party emission benchmarking, including leading global data providers. We conducted a thorough assessment of all the categories and retained those that are applicable to our operations, including those listed below.

For each category, we assess the availability of the data. We then select emission factors that are applicable to the specific items within these categories. As a result, we utilize multiple emission factors, each reflecting the emission intensity of different items.

SCOPE 3 CATEGORY	Description	Approach
Cat 1. Purchased goods and services	All upstream (cradle-to-gate) emissions from the production of products purchased.	Spend-based
Cat 2. Capital goods	All upstream (cradle-to-gate) emissions from the production of capital goods purchased.	Spend-based
Cat 3. Fuel and energy-related activities	Emissions related to the extraction, production, and transportation of energy purchased.	Average-data
Cat 4. Upstream transportation and distribution	Transportation and distribution of products and goods purchased, between suppliers and our Company, excluding fuel and energy products). Third-party transportation and distribution services of our iron ore, either by train or boat.	Spend-based Rail: Fuel-based Cargo ship: Distance-based
Cat 6. Business travel	All emissions from the transportation of employees for business related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars.	Spend-based
Cat 7. Employee Commuting	All emissions from the transportation of employees between their homes and their worksites	Bus, Commercial flights: Spend-based FIFO: Distance-based
Cat 9. Downstream Transportation	All emissions that occur from transportation and distribution of sold products which are operated directly by steelmakers and not by a third-party transporter as in category 4.	Distance-based
Cat. 10 Processing of sold products	All Emissions from processing of sold iron ore products by third parties	Average-data





# 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 purity iron ore concentrates globally, Champion’s 66.2% Fe iron ore enables steelmakers to significantly reduce energy consumption in steelmaking, attributable to the reduction in the use of coal. Based on Champion’s 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<sub>2</sub> equivalent per year in the traditional BF-BOF steelmaking method. This impact in reducing steelmaking emissions is equivalent to over 20 times the emissions currently produced at the Bloom Lake mine annually.

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 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 DRI-EAF producers, who manufacture steel with significantly less coal, thereby reducing emissions in the steelmaking process by the equivalent of nearly five million tonnes of CO<sub>2</sub> per year<sup>44</sup> when compared to traditional BF-BOF steelmaking.

Over time, the Company has the opportunity to convert Bloom Lake’s entire 15Mtpa nameplate capacity to a direct reduction pellet feed quality iron ore, potentially reducing emissions in the steelmaking process by as much 9.7Mt of CO<sub>2</sub> per year, which is more than 75 times greater than the mine’s current emissions.

44. 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.

Champion’s concentrate reduces emissions in BF/BOF steel making. Proven ability to produce DR grade pellet feed enables Champion to engage with DRI/EAF steel makers <sup>i</sup>		
	Current Product	DRPF Potential
Material	15Mtpa with 66,2%	15Mtpa with DRPF 69%
Route	BF/BOF	DRI/EAF
Savings	1.9 Mt of CO <sub>2</sub> /year	9.7 Mt of CO <sub>2</sub> /year
Equivalent	420,000 cars/year	2,150,000 cars/year

i. 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.





## 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 the [Sustainability Management](#) section, 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 probability, 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 risk probability 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 report to the SIA Committee, who are responsible for overseeing climate-related risks and then reporting risks and findings 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.



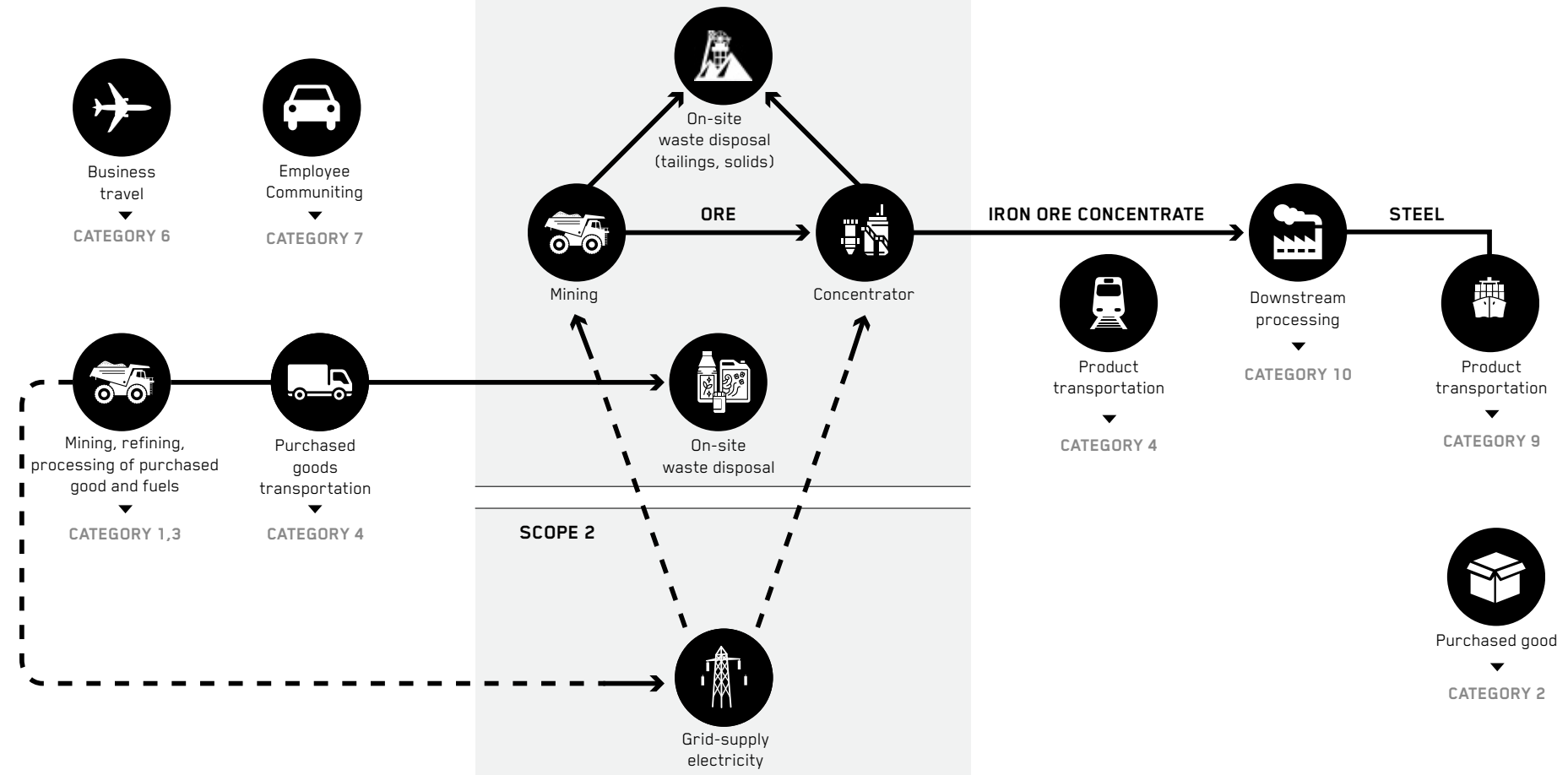


# Metrics and Targets

Champion currently monitors and discloses its direct (Scope 1), indirect (Scope 2) and all other indirect emissions not included in scope 2 (Scope 3). 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, we mapped the emissions across our supply chain and developed a clear and consistent methodology to quantify our Scope 3 emissions based on GHG Protocol guidance in 2023.

## Champion GHG Calculation Boundary

### SCOPE 3



Champion follows guidance provided by the GHG Protocol when quantifying GHG emissions for our operations. In recognition of the growing demand for climate-related transparency and accountability, we also participated in our second Carbon Disclosure Project ("CDP") assessment during the reporting period. Our most recent CDP disclosures can be found on the CDP's website. We continue to evaluate opportunities and track our progress against our 2050 carbon neutrality goal and our 2030 goal to reduce our Scope 1 and 2 emissions by 40%, based on a 2014 emission intensity.





# GHG Reporting

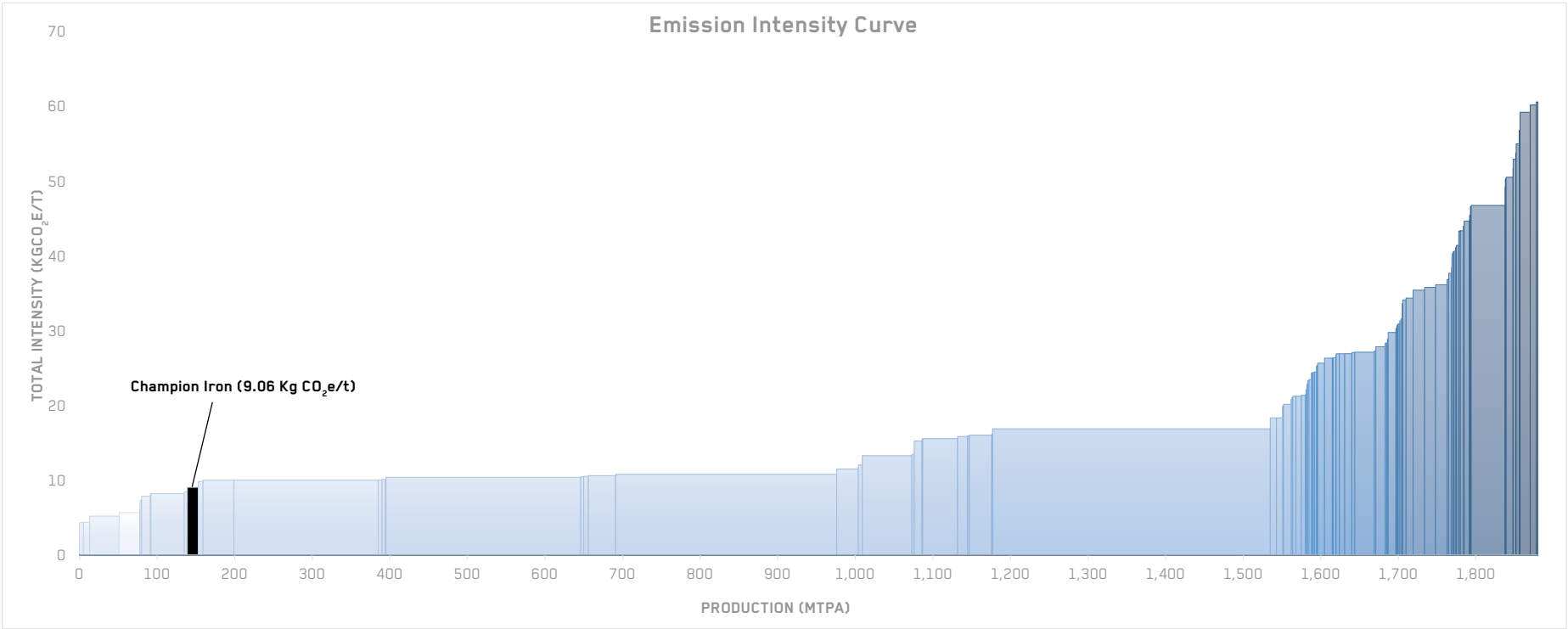
Our GHG intensity per tonne of iron ore produced slightly increased from 8.95 kg of CO<sub>2</sub>e to 9.06 during the reporting period. The increase in our energy consumption and GHG intensity is primarily due to a higher volume of material moved in our mining operations and processes. Last year, we transported a total of 65.8 Mt, comprising 40.9 Mt of ore and 24.9 Mt of waste rock. This year, while ore volumes remained stable at 39.9 Mt, waste rock haulage increased by nearly 50% to 36.6 Mt, bringing the total material moved to 76.5 Mt, an overall increase of 16%.

Despite this increase in mining activity, our GHG emissions decreased by 1.2%. This decoupling of emissions from material movement underscores the impact of our GHG reduction strategies and highlights the growing effectiveness of our decarbonization initiatives in offsetting emissions from increased haulage.

**Our GHG Scope 1 and Scope 2 emissions were calculated based on the GHG Protocol.**

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.

In FY2025, a total of 124,118 tonnes of CO<sub>2</sub>e were emitted from Scope 1 direct sources (99%) while 1,171 tonnes of CO<sub>2</sub>e 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 CO<sub>2</sub>e):

	FY2024	FY2025
Scope 1	125,617	124,118
Scope 2	1,169	1,171
Total GHG emitted per tonne of iron concentrate produced (kg CO <sub>2</sub> e) <sup>45</sup>	8.95	9.06
Scope 3	15,963,342	18,287,918

Additionally, during the reporting period, we disclosed our inaugural Scope 3 emissions for the FY2024, in alignment with the GHG Protocol. The details of our methodology and data are available in the [Scope 3 Reporting & Methodology](#) section. During the financial year 2025, our total Scope 3 emissions stood at 18.3 Mt of CO<sub>2</sub>e representing a 14.6% year-over-year increase, primarily driven by increased sales volumes. The table below lists our mapped GHG emissions across our entire value chain. It highlights that most of our emissions are associated with the processing of our sold product (category 10), when our high-purity iron ore concentrate is transformed into liquid hot metal before being converted into steel.

#### GHG emissions throughout our lifecycle (Scope 1, 2 and 3)

SCOPE 3, UPSTREAM EMISSIONS (t CO <sub>2</sub> e) <sup>46</sup>			SCOPE 1 & 2 EMISSIONS (t CO <sub>2</sub> e)			SCOPE 3, DOWNSTREAM EMISSIONS (t CO <sub>2</sub> e)		
Scope 3	2024	2025	Scope 1 & 2	2024	2025	Scope 3	2024	2025
Cat 1. Purchased goods and services	186,015	178,274	Scope 1	125,617	124,118	Cat 9. Downstream Transportation	125,665	99,653
Cat 2. Capital goods	42,612	51,690	Scope 2	1,169	1,171	Cat. 10 Processing of sold products	15,100,300	17,369,230
Cat 3. Fuel and energy-related activities	23,391	25,927	-	-	-	-	-	-
Cat 4. Transportation and distribution	474,227	553,395	-	-	-	-	-	-
Cat 6. Business travel	1,310	1,433	-	-	-	-	-	-
Cat 7. Employee Commuting <sup>47</sup>	9,822	8,316	-	-	-	-	-	-
<b>Total emissions</b>	<b>737,377</b>	<b>819,035</b>	<b>-</b>	<b>126,786</b>	<b>125,289</b>	<b>-</b>	<b>15,226,673</b>	<b>17,468,883</b>

45. 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).

46. Due to timing availability of data, and considering the relatively low emission of the category 5 (less than 0.05%), the data is now omitted from our reporting.

47. This category does not include the commute for employees of the Montreal office.



The increase in Category 2 during the financial year was primarily driven by the proportional increase in the value of our property and plants. Notably, our DRPF project alone accounted for over \$200M in investments. Additionally, 400 new railcars were acquired at a total value of nearly \$70M during the financial year.

Category 4 emissions also rose by 16.7%, primarily due to the increase in the volume of concentrate exported. In FY2024, total exports reached 12.01Mt, increasing to 13.91Mt in FY2025, an increase of approximately 15.8%. This increase is also partly attributable to a decrease in the Category 9 emissions, which correspond to maritime transport handled directly by our clients. The decline in Category 9, combined with the rise in our export volumes, contributed to the overall increase observed in Category 4.

Similarly, Category 10 emissions rose by 15.0%, maintaining a strong correlation with the 15.8% year-over-year increase in shipped material volumes in FY2025.

Benefiting from an industry leading high-purity iron ore concentrate, the Company’s Category 10 emission intensity is estimated to be 1.25 tonnes of CO<sub>2</sub> per tonne of iron ore sold, comparing favourably to the estimated average of 1.34 tonnes of CO<sub>2</sub> per tonne of iron ore sold reported by the industry’s four largest publicly traded iron ore producers based on their most recent disclosures.

# Energy Use

We also continue to track our energy consumption on an annual basis. In FY2025, our operations consumed a total of 3,753 TJ (or 3,753,000 GJ) of energy, representing a slight increase of 1.2% compared to the previous financial year. Of the total energy consumed, 55% (2,066 TJ) came from renewable hydropower (or grid electricity), while the remaining 45% came from fuel combustion. Energy consumption intensity (consumed per tonne of iron concentrate produced) stood at 271 MJ, slightly up from 262 MJ during FY2024. Our total energy consumption, by types of energy consumed, is listed below.

Total energy consumption (in TJ)

	FY2024	FY2025
Diesel	1,515	1,546
Gas	64	83
Light Fuel Oil	66	58
Hydroelectricity	2,063	2,066
Total	3,708	3,753

In addition, in January 2023, Champion completed a 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 positions the Company to engage with DRI and EAF steel producers who manufacture steel with a significantly lower carbon intensity than those using the traditional blast furnace method. In January 2024, the Board approved the final investment for the project, which is expected to be commissioned by December 2025.





## An Overview of our Energy Consumption and Emissions:

	FY2024	FY2025
Total energy consumed (TJ)	3,708	3,753
Total GHG emissions (tonne CO <sub>2</sub> e)	126,786	125,289
Energy consumed per tonne of iron concentrate produced (MJ) <sup>48</sup>	262	271
Total GHG emitted per tonne of iron concentrate produced (kg CO <sub>2</sub> e) <sup>49</sup>	8.95	9.06
Total GHG emitted per tonne of ore and waste rock mined and hauled (kg CO <sub>2</sub> e)	1.93	1.64
Total iron ore concentrate produced (T)	14,162,400	13,834,200
Total ore mined and hauled	40,874,100	39,884,000
Total waste rock mined and hauled	24,955,000	36,637,700
Total ore and sterile mined and hauled	65,829,100	76,521,700

Champion also monitors a range of additional climate-relevant metrics, with further details found at the beginning of this section, and in the [Air Quality](#), [Land Use and Biodiversity](#), and [Water Stewardship](#) sections of this report.<sup>50</sup>

Our GHG reduction targets currently reflect historical trends. In line with TCFD recommendations, Champion will begin incorporating forward-looking metrics and targets in future reporting periods, as we deepen our understanding of climate change-related risks and opportunities.

## Resilient Growth

Looking forward, we remain committed to assessing and disclosing climate-related risks and opportunities in accordance with evolving best practices and regulatory requirements. We recognize the materiality of this topic and the importance of providing accurate and transparent disclosures to our stakeholders.

Champion plans to expand its scenario analysis of climate change-related risks and opportunities by conducting a transition risk assessment near-term. We are also committed to improving the quality of our disclosures as our governance, strategy and risk management frameworks continue to evolve.

Going forward, we will also focus on how best to prepare for the post-closure phase of our operations, recognizing that it will likely take place under different climatic conditions. Our efforts will aim to mitigate the impact of these changed climatic conditions on our closure planning.

### Performance Indicators:

GRI 2-4, 3-3, 201-2, 302-1, 302-3, 305-1, 305-2, 305-3 305-4, 305-5 (partial), 14.1.1, 14.1.2, 14.1.4, 14.1.5, 14.1.6, 14.1.7, 14.1.8, 14.1.9 (partial), 14.2.1, 14.2.2.  
SASB EM-MM-000.a, EM-MM-110a.1, EM-MM-110a.2, EM-MM-130a.1

48. This figure is calculated based on the total energy consumption that includes diesel, gas, light oil fuel, and hydroelectricity. FY2024 was reported as 265, and was corrected to 262.

49. 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).

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



# Air Quality

The primary air emissions associated with our mining activities include total particulate matter (“TPM”) which includes 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 (SO<sub>2</sub>) and nitrogen oxide (NO<sub>x</sub>), but do not include any ozone-depleting substances or hazardous pollutants (HAP).

**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.**



# Our Performance

As part of our compliance requirements, we measure and report our air emissions. During the reporting period, our emissions did not exceed regulatory limits. We also 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, using a flake formula rather than the previously used liquid dust suppressant, yielding positive results to date.<sup>51</sup> This year, we recorded an increase in NO<sub>x</sub> and PM2.5 concentrations, primarily due to the higher volume of sterile material moved compared to previous years. Lead and mercury levels also rose. These emissions are largely linked to the geochemical composition in the areas where we operated during the year. As we remain committed to minimizing our environmental footprint, we will continue to advance our revegetation programs and apply dust suppression measures to mitigate emissions and support long-term air quality improvement.

Type of Air Emission	2024	2025
Nitrogen oxide (NO <sub>x</sub> ) emissions per tonne of iron concentrate produced (kg)	0.016	0.020
PM2.5 fine particle emissions per tonne of iron concentrate produced (kg)	0.025	0.031

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



Type of Air Emission (in Tonnes)	2024 <sup>52</sup>	2025
Carbon Monoxide (CO)	422.7	423.8
Nitrogen Oxide (NOx)	232.3	283.6
Sulphur Dioxide (SO <sub>2</sub> )	15.5	16.7
Lead (Pb)	0.011	0.016
Mercury (Hg)	0.00021	0.00029
Volatile organic compounds	11.9	16.1
Particles < 10 microns (PM10)	2,661.1	3,447.2
Particles < 2.5 microns (PM2.5)	356.0	446.4

During the financial year, we observed an overall increase in atmospheric emissions, primarily driven by fugitive emissions. Key contributing factors included greater wind erosion at our tailings facility where a larger volume of material is now retained, increased blasting activity, higher volumes of ore and waste rock transportation, and expanded grading operations.

Performance Indicators:  
GRI 3-3, 305-6, 305-7, 14.3.1, 14.3.2.  
SASB EM-MM-120a.1

## Land Use and Biodiversity

Champion’s biodiversity strategy is built on understanding and evaluating our dependencies and impacts on natural systems, as well as the species that live within them, while also identifying 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. Where impacts cannot be avoided, we strive to minimize them as much as possible and implement mitigation measures 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 equal to or exceeding the biodiversity loss.

## Our Performance

A biodiversity portrait of the Bloom Lake mine area, completed in 2020, found that vegetation accounted for the largest share of local biodiversity, at 45.9% of the total number of species, followed by invertebrates at 30.5% and birds at 17.6%. The remaining 6.0% is made up of mammals (3.7%), fish (1.5%), herpetofauna (0.8%), and one species of fungus. There are no areas officially designated as protected areas or areas of high biodiversity, in or adjacent to our operations. Notably, none of the lakes around the Bloom Lake mine, including the Mazaré Lake into which we discharge treated water, are designated as protected areas either locally, provincially, nationally, or internationally. As part of our 2024 biodiversity objectives, the Bloom Lake mine updated its biodiversity portrait to deepen our understand of key biodiversity issues in the area. Four species with a particular status were highlighted in this assessment, namely: Woodland Caribou, Bank Swallow, Atlantic Salmon, and bats including the Northern Myotis, and the red bat. The primary impact of our operations on all these species is habitat loss. To address this, we prioritize minimizing our operational footprint, avoiding deforestation where possible and engaging in progressive site restoration to reestablish habitats as early as possible.

52. 2023 Data varies from what was reported in the 2023 Sustainability Report. These differences are less than 2.2%





#### Biodiversity<sup>53</sup> portrait of the Bloom Lake mine area

Number of families	235
Number of species	1,037
Number of species at risk	30

During the year, the Ministry of Fisheries and Oceans (“MFO”) approved the following offsetting measures:

Schedule 2 Approval: Authorizing eight compensation projects aimed at mitigating the environmental impact of our operations

Habitat Restoration Approval: Supporting two restoration projects that will directly rehabilitate approximately 4.3 hectares of fish habitat and enhance an additional 62.5 hectares of potential habitat.

Additionally, in August 2024, we obtained further approval from the Ministère de l’Environnement et de la Lutte contre les Changements Climatiques, de la Faune et des Parcs (“MELCCFP”) concerning compensation measures for the loss of aquatic environments related to the tailings expansion project. This follows a previous MELCCFP approval granted in July 2023 for offsetting wetland loss, which includes four key projects, including:

Restoration of sandpits in the Fermont, Manicouagan, and Sept-Rivières regions

Development of riverbanks at the effluent of Perchard Lake in Fermont

Restoration of the former Lac Jeanine mine site in the MRC Caniapiscau

Demonstrating our commitment to biodiversity and environmental stewardship, we successfully completed the construction of two dams at the Bernier Lake in fall 2024 as our fourth approved offsetting initiatives. This project will enhance the lake’s fish habitat by as much as 22 hectares. Planning and detailed engineering for the remaining projects are ongoing, and we will provide annual updates on their progress in future reports.

#### Biodiversity Projects

In 2021, we launched a biodiversity improvement program for the Moisie River and its tributary, the Nipissis River, located on Québec’s Côte-Nord region, in collaboration with our First Nation partners. This initiative aims to support the conservation of these ecologically significant waterways and enhance the local salmon population. In 2022, we developed a protocol to assess the increase in salmon populations in the Moisie River, and initial fieldwork was conducted to implement this methodology.

However, due to the forest fires of June 2023, planned field activities for that year were postponed as conditions of the river did not provide a safe environment to proceed with fieldwork for the salmon population study. To evaluate the impact of the forest fires on the river ecosystem and our study, we conducted a comprehensive impact assessment in 2023, with the final report issued in 2024. As a result, a re-evaluation of both the study protocol and the existing river infrastructure is required to ensure the project’s viability. In response, the Company has reallocated the project budget to support the required assessment and development of additional activities, now planned for 2025. This adaptive approach reflects our commitment to biodiversity conservation while ensuring that our initiatives align with evolving environmental conditions and scientific best practices.

53. This includes vegetation, invertebrates, birds, mammals, herpetofauna, fish and fungus.



As part of our regulatory commitments related to the expansion of our Tailings Management Facilities, which will require clearing certain forested areas, we conducted a survey on Bald Eagle and bat habitats. The study found no Bald Eagle nests or bat nurseries within the surveyed area. However, mitigation measures will be implemented should these species be identified in the future.

In line with our commitment to minimize our ecological footprint and protect local vegetation, we continuously work to restore and revegetate areas affected by our operations throughout the mining life cycle. During the reporting period, we revegetated 9.1 hectares, and our primary focus was on maintaining areas previously revegetated to ensure that our restoration efforts are sustainable.

	2023	2024
Revegetated Area (ha)	2	9
Area Previously Used and Unrestored (ha)	1,461	1,710
New Area Used (ha)	251	284
New Restored Area (ha)	2	9
Area Used and Not Restored at the End of the Year (ha)	1,710	1,985

In the coming year, we expect to implement a Forest Caribou management program at the Bloom Lake mine site. We also expect to develop a management program for avian and small wildlife species to protect those with special status that may be present on-site. Additionally, we will continue optimizing our biodiversity management approach in alignment with the TSM framework. Several initiatives will also be launched as part of our offsetting plans, including the development of riparian buffers at the Perchard Lake outfall, a revegetation trial at the mining site near Jeanine Lake, and the advancement of detailed engineering for various offsetting projects.

Performance Indicators:  
GRI 3-3, 101-2 (partial) 304-1, 304-2, 304-3, 14.4.1, 14.4.3 (partial).  
SASB EM-MM-160a.1, EM-MM-160a.3.





## FORWARD-LOOKING STATEMENTS

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 “will”, “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 and related engagement with stakeholders, objectives, targets and expectations; the shift in steel industry production methods, expected rising demand for higher-grade iron ore products DRI globally and related market deficit and higher premiums 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 (including producing high-quality DRPF products) and expected benefits thereof; the project to upgrade the Bloom Lake iron ore concentrate to a higher grade and to commercially produce a DR quality pellet feed iron ore (the DRPF project), expected project timeline, production metrics, technical parameters 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, related studies and programs, expected benefits (including the potential to generate economic growth for the region and contribute to the steel industry) and related engagement with stakeholders and government; the formation of a partnership with Nippon Steel Corporation and Sojitz Corporation with respect to the Kami Project and the completion of the definitive feasibility study for the Kami Project and the timing thereof; the Company’s tailings and waste management strategy and initiatives, programs to optimize operations and related benefits; Cluster II opportunities; and the Company’s growth and opportunities generally.





## DEEMED FORWARD-LOOKING STATEMENTS

Statements relating to “resources” or “reserves” are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the resources and reserves described exist in the quantities predicted or estimated and that the reserves can be profitably mined in the future. Actual resources and reserves may be greater or less than the estimates. Refer also to “Uncertainty of Mineral Resource and Mineral Reserve Estimates” in the section 25 – Risk Factors of Company’s management’s discussion and analysis for the financial year ended March 31, 2025.

## 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 electric arc furnaces, 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; geopolitical events; and the effects of catastrophes and public health crises 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 management’s discussion and analysis for the financial year ended March 31, 2025, which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), the ASX at [www.asx.com.au](http://www.asx.com.au) and the Company’s website at [www.championiron.com](http://www.championiron.com). There can be no assurance that any such forward-looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements.

## ADDITIONAL UPDATES

All of the forward-looking statements contained in this Report are given as of the date hereof or such other date or dates specified in the forward-looking statements and are 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 statements, 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.

## GREEN STEEL

Green steel refers to steel that is produced using processes that significantly reduce or eliminate GHG compared to traditional steelmaking, which typically relies on blast furnaces that use coal as both a fuel and a reductant. Accordingly, the steel industry typically classifies green steel as either optimizing traditional steelmaking, including improved supply chains using quality metallics such as DRI and Hot Briquetted Iron. Additionally, green steel refers to using alternative methods of steelmaking, including EAF, which utilizes recycled scrap metal or DRI to minimize GHG emissions, and could potentially be adapted to use hydrogen as a main source of energy.

CHAMPION IRON 

IRON