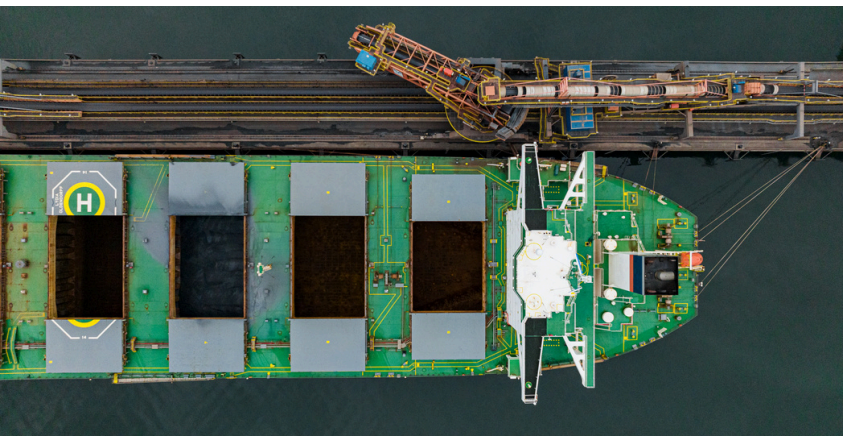


Financial year ended March 31, 2024

# 2024 Modern Slavery Statement



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# ABOUT THIS REPORT

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This Modern Slavery Statement (the “Modern Slavery Statement”, the “Report” or the “Statement”) has been prepared by Champion Iron Limited (ABN 34 119 770 142) (the “Company” or “Champion”), to meet the requirements of the Australian Modern Slavery Act 2018 (Cth) (the “Australian Act”) and the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Canadian Act”) for the financial year ended March 31, 2024 (“FY24”). This is a joint Modern Slavery Statement covering Champion Iron Limited and Quebec Iron Ore Inc. (“Quebec Iron Ore” or “QIO”).

References to “modern slavery” in this document refer to the types of exploitation defined by both the Australian Act and the Canadian Act, namely anything that encompasses the trafficking of persons, slavery and the slave-like practices of servitude, forced labour, debt bondage, deceptive recruiting for labour or services, and the worst forms of child labour. All references to our, we, us, the Company, and Champion refer to Champion Iron Limited and Quebec Iron Ore (the reporting entities), unless otherwise stated. All references to “year” or “reporting period” refer to FY2024, unless otherwise stated.

The Company’s Modern Slavery Statement forms part of Champion’s annual reporting suite. All reports, including our previous Modern Slavery Statements and additional information on our approach to human rights, are available on our website at [www.championiron.com](http://www.championiron.com). This Modern Slavery Statement captures the activities of Champion and Quebec Iron Ore.

Champion values its stakeholder relationships and welcomes feedback as part of its commitment to maintaining open and transparent communications. Please direct any questions you may have on this Statement or requests for additional information to [info@championiron.com](mailto:info@championiron.com).

This Report has been approved by Champion’s Board of Directors pursuant to subparagraph 11(4)(b)(ii) of the Canadian Act on behalf of the Company and Quebec Iron Ore. In accordance with the requirements of the Canadian Act, and in particular section 11 thereof, I, David Cataford, attest that I have reviewed the information contained in this Report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects for the purposes of the Canadian Act, for the reporting period.

I make the above attestation in my capacity as a director of the Board of Directors of Champion Iron Limited, and not in my personal capacity, for and on behalf of the Board of Directors of Champion Iron Limited.

I have the authority to bind Champion Iron Limited.

*(s) David Cataford*

**DAVID CATAFORD**

**CHIEF EXECUTIVE OFFICER**

**DATE: MAY 27, 2024 (MONTRÉAL) / MAY 28, 2024 (SYDNEY)**

# FY24 ACTIONS TO MITIGATE MODERN SLAVERY RISKS

## KEY ACTIONS:



Conducted a review and assessment of our FY2023 modern slavery related risks, enabling our Company to foster its commitment to ethical practices and mitigate risk exposure;



Continued to deploy the Company's rigorous supplier assessment process, aimed at identifying and addressing potential modern slavery risks throughout our supply chain;



Updated and continued to implement the Company's procurement process, aligned with industry best practices, and advanced the responsible procurement policy (the "Procurement Policy") review to safeguard ethical sourcing and social responsibility;



Published details of the Company's Grievance Mechanism, underscoring our value transparency and commitment to fostering constructive dialogue and accountability with all stakeholders.

## OPERATIONS AND SUPPLY CHAIN HIGHLIGHTS



**1,192**

employees



**63%**

of our workforce is unionized



**1,141**

Tier 1 registered suppliers



**1,054**

Canadian Tier 1 suppliers, which represents a 30.4% increase from FY23



**C\$1,255**

Million of total spend



**94.7%**

of our Tier 1 annual spend is contracted to our Canadian suppliers



**C\$14M**

was procured from First Nations suppliers



**51%**

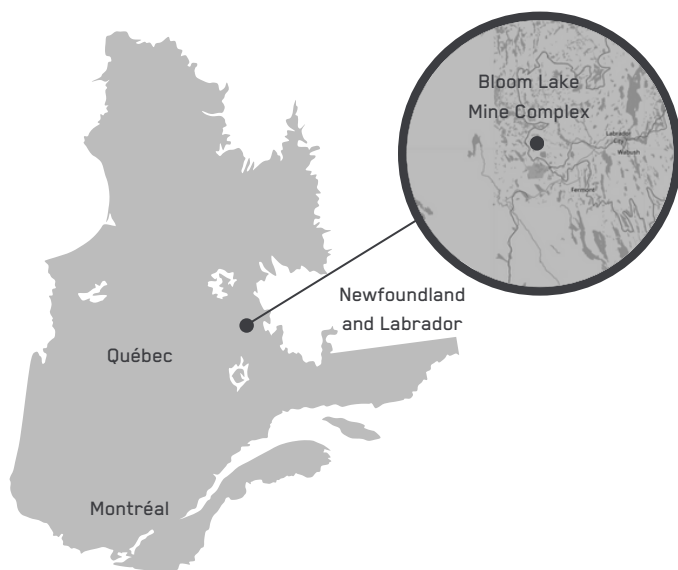
of our total spend is on Transportation, Construction and Contract labour.

# OUR STRUCTURE, BUSINESS AND SUPPLY CHAIN

## OUR ORGANIZATIONAL STRUCTURE AND OPERATIONS

Champion is an iron ore exploration, development and production company with major projects in the southern Labrador Trough, Canada’s largest iron ore producing region. The Company was incorporated under the laws of Australia in 2006 and is listed on the Toronto Stock Exchange (TSX: CIA) and the Australian Securities Exchange (ASX: CIA), and trades on the OTCQX Best Market marketplace of the OTC Markets Group (OTCQX: CIAFF).

Champion is domiciled in Australia at 91 Evans Street, Rozelle NSW, and its principal administrative office is located at 1155 René-Lévesque Boulevard West, Suite 3300, Montréal, Québec, Canada. Through its 100%-owned subsidiary, Quebec Iron Ore, Champion owns and operates the Bloom Lake mining complex (“Bloom Lake” or “Bloom Lake Mine”), located on the south end of the Labrador Trough, approximately 13 km north of Fermont, Québec.



Champion’s Bloom Lake Phase I plant was commissioned in 2018 with a nameplate capacity of 7.4 million tonnes of high-quality iron ore concentrate per annum. Bloom Lake’s Phase II expansion project was completed in May 2022 and reached commercial production in December 2023, enabling Bloom Lake to expand its nameplate capacity of 15 million tonnes per annum. In January 2024, the Company provided a final investment decision for the Direct Reduction Pellet Feed (“DRPF”) project, committing over C\$470 million to the project.

This project will enable the Company to produce DRPF iron ore concentrate at up to 69% Fe, which is an essential material in the industry transition to low emission steelmaking via direct reduced iron and electric arc furnaces.

Completion is expected in the second half of 2025, subject to completing key construction milestones. Since 2018, Champion has sold its product to over 40 different customers globally, most being steel producers. Our operations are illustrated through a visual representation of our value chain below.

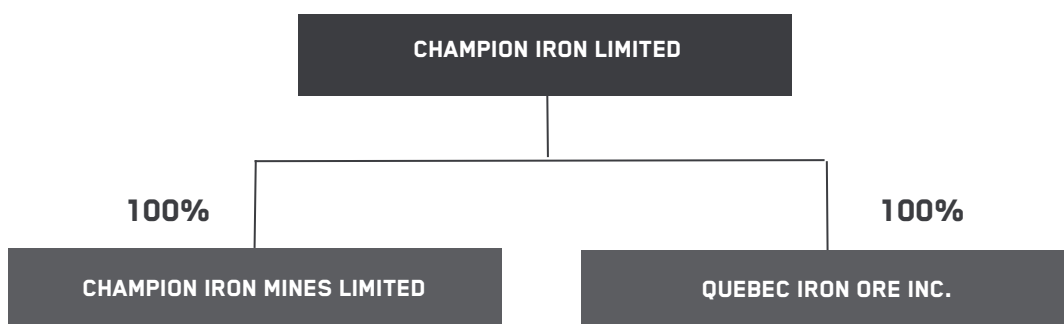
FIGURE 1. CHAMPION VALUE CHAIN



Following its acquisition of the Kamistiatuset iron ore project (the “Kami Project”) in 2022, Champion completed a study which evaluated the project’s capability to produce a direct reduction (“DR”) grade pellet feed iron ore, published its results in January 2024 and filed the related technical report in March 2024. The Kami Project has a projected 25-year life of mine with an expected annual average DR quality iron ore concentrate production of approximately 9.0 Mtpa at 67.5% Fe. The Company continues evaluating opportunities to improve the Kami Project’s economic potential and advance permitting while working on strategic partnership opportunities.

The Company is also evaluating other growth opportunities within its portfolio, including a portfolio of exploration and development projects in the Labrador Trough, via its wholly owned subsidiary Champion Iron Mines Limited.

FIGURE 2. CHAMPION PARTIAL STRUCTURE AS OF MARCH 31, 2024



As of March 31, 2024, Champion employed 1,192 employees across Canada, consisting of 1,176 permanent employees, seven other collaborators (including non-permanent employees working on contract), and nine interns. Including other collaborators and interns, there are 132 people employed at the Montréal administrative head office (including 50 women and 82 men), and 1,060 people employed at the Bloom Lake mine site (including 92 women and 968 men). Approximately 99% of our workforce is employed on a permanent basis, and approximately 63% of our workforce is unionized. We also regularly engage contract workers at the mine. During the reporting period, over 3,266 contract workers entered the site. There is one employee domiciled in Australia.

Additionally, in 2024 we renewed our collective agreement for five years. Details on age groups and numbers of First Nations workers are disclosed in our Sustainability Report 2023, which is available on our website at <https://www.championiron.com/>. In addition to our economic activities, we seek to make important contributions to the local and First Nations communities where we operate through both social investments and charitable engagements.

Our community investments are guided by an Impact and Benefits Agreement (“IBA”) adopted in 2017, which establishes and consolidates a strong constructive partnership with First Nations partners. Through our IBA commitments, Champion enables local communities to manage projects and programs that enhance socio-economic development and create benefits and lasting value that will continue even after mine closure. Our IBA-related community investment spending totalled C\$7.1 million in FY24.

## OUR POLICIES AND GOVERNANCE

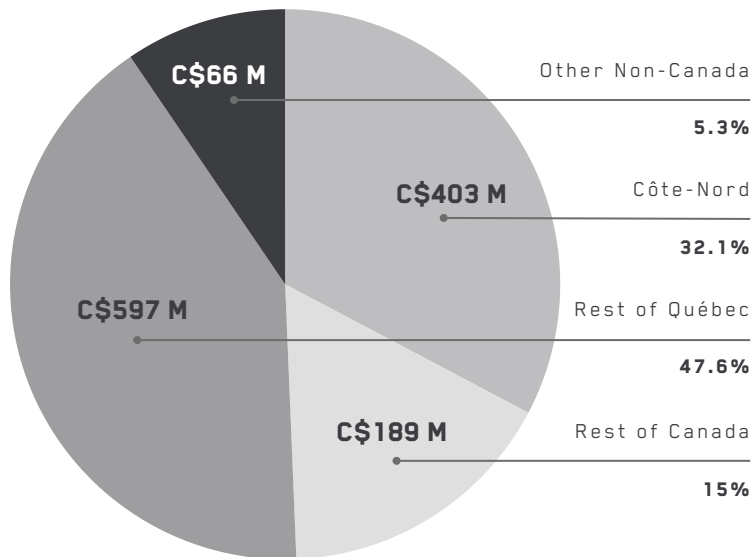
Champion’s Board of Directors is responsible for establishing and maintaining appropriate corporate governance practices for the Company, including regarding modern slavery. The Board of Directors is also accountable for ensuring that all business practices comply with applicable laws, regulations, and the group’s Code of Conduct (the “Code”) and other applicable policies, including policies with respect to human rights, the environment, responsible procurement, occupational health and safety, and prevention of harassment and discrimination at work. This includes ensuring proper risk assessment systems are in place to mitigate the risk of modern slavery or human trafficking in Champion’s business activities and business relationships.

The Sustainability and Indigenous Affairs (“SIA”) committee, established in 2023, focuses on identifying community and social risks, health and safety risks, environmental risks and the management of climate-change issues when applicable on a quarterly basis. The committee reviews and approves any proposed change to our policies to ensure they remain relevant and aligned with our evolving business strategies, internal operations, and the external operating context. Our most recent review of our policies was completed in April 2024, and focused on our human rights and Procurement policies to confirm their effectiveness and compliance with the Australian Act and the Canadian Act.

## OUR SUPPLY CHAIN

Our business is supported by a diverse supply chain, providing goods, materials and services required at the different stages of our value chain. Champion engages regularly and maintains ongoing relationships with its suppliers as trusted partners that are key to its success. The Company's industrial operations are supported by 1,141 Tier 1 registered suppliers, including 1,054 suppliers located in Canada, and 87 suppliers located abroad, representing C\$1,255M of total spend. 95% of our Tier 1 annual spend, amounting to C\$1,189M, is contracted to our Canadian suppliers.

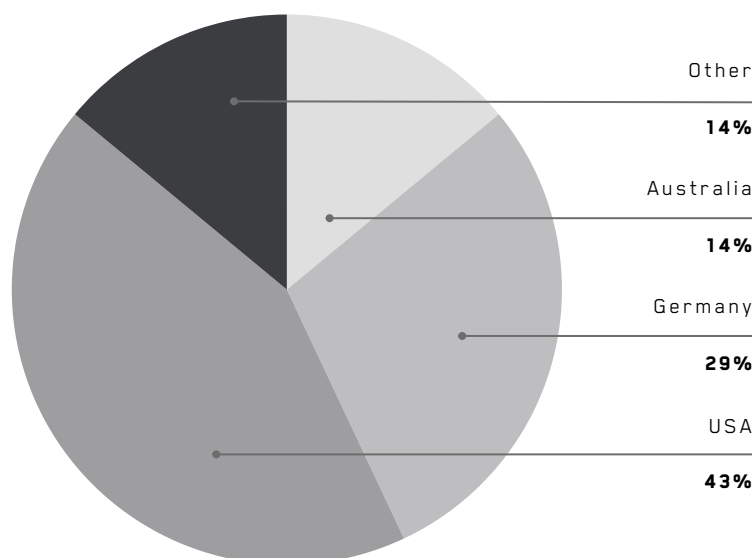
FIGURE 3. CHAMPION TOTAL PROCUREMENT (INCLUDING CANADIAN AND NON-CANADIAN)



Within Canada, much of our spending is within Québec. For example, our lead engineering firm is a Québec based company, and most of our external advisory firms are also Québec based. In line with our aim to create economic opportunities in the region where we operate through the procurement of local products and services, during the reporting period, C\$403M was contracted to companies with a local business unit in the Côte-Nord du Québec region where the Bloom Lake Mine complex (Figure 3) is located. Moreover, in an effort to support Indigenous businesses in our operating area, C\$14M was procured from First Nations suppliers.

The remaining 5 percent of our annual Tier 1 direct expenditures represent our non-Canadian spend. Of this, 86% is primarily sourced from suppliers located in Australia, Germany and the United States, with just 14 percent of all non-Canadian spend coming from other countries, including Switzerland, the Netherlands, Italy, China, Japan, Burkina Faso and the United Kingdom (Figure 4).

FIGURE 4. CHAMPION'S DIRECT SUPPLIER COUNTRY SOURCES (NON-CANADIAN)



We conduct updates to our modern slavery risk assessments when we identify a material change to our modern slavery risks through our ongoing risk assessment processes. As part of our routine risk assessments, quarterly we identify our top 10 risks and specify mitigation measures to address those risks. None of the top ten risks identified during the reporting period were connected to modern slavery or human rights.

Our direct supply chain costs for the reporting period consisted primarily of expenditures supporting our mining operations, and exploration activities. These included transportation, contract labour, mining equipment and processing, spare parts, consumables, and fuel for our onsite operations.

Support for our activities not directly linked to mining gave rise to smaller expenditure categories, including support supplies such as staff costs, professional services, and cleaning and security.

# IDENTIFYING OUR MODERN SLAVERY RISKS

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## IDENTIFYING OUR OPERATIONAL RISKS

Champion is headquartered in Australia, with its single operational site and various exploration and development sites all located in Canada, and its Canadian head office located in Montréal. The vast majority of our workforce – employed, contracted and subcontracted – is employed and protected under the employment laws of Canada and Québec, with which the Company complies. Canada and Québec have a comprehensive set of labour laws and regulations designed to protect workers, including the informal sector, which apply to the Company. These laws cover various aspects of employment relevant to modern slavery risks, including wages, working hours, health and safety, and discrimination.

Although the global mining industry is considered high risk for instances of modern slavery, because Champion’s mining operations are in Canada, our social and political operating context presents minimal modern slavery risks. According to the Global Slavery Index, Canada has both a relatively very low prevalence of (1.8 per 1000 people) and vulnerability to, modern slavery, given its strong legal frameworks and enforcement mechanisms to combat modern slavery and human trafficking; it is the lowest-ranked country for modern slavery risk in the Americas.



In February 2024, Champion renewed its collective agreement with its unionized workers. Representing nearly 63% of its workforce. The renewed agreement with its unionized workers ensures even further protections for the majority of its employees.

The isolated nature of work associated with fly-in-fly-out (“FIFO”) operations has been identified as possibly increasing risks of modern slavery within the global mining industry. While there is a high percentage of FIFO workers within Champion’s operations, our FIFO schedule is comparable to regional peers. Our employees and contractors working at site are provided with housing and access to recreational facilities and are not required to remain on site outside of working hours.

All of our social investment activities, including our local community investment initiatives guided by our IBA agreement, and our charitable contributions, are undertaken in Canada. As such, Champion assesses its risk of causing, contributing to, or being directly linked to instances of modern slavery in such activities as also being minimal. Nonetheless, as our growth continues, we will re-evaluate risks related to human rights impacts as needed.

## IDENTIFYING OUR SUPPLY CHAIN RISKS

We completed our previous assessment of our modern slavery risks for our financial year ended March 31, 2023. We remain committed to updating our assessments whenever we identify a material change to our modern slavery or human rights risks. As noted under ‘Our Supply Chain’ section, we identify our top ten risks quarterly based on our ordinary course internal risk assessment processes. Throughout the year, none of our top 10 risks identified were related to modern slavery or human rights, suggesting that there has been no material change to our modern slavery risks during the reporting period.

As is common in the extractives sector, our 2023 modern slavery risk assessment review revealed that the areas of greatest modern slavery risk are within our supply chain, where we have less visibility and direct control. This includes factors such as low visibility on worker access to grievance mechanisms beyond the mine site, and sourcing, in particular the manufacturing of Champion’s purchases and imported products. The assessment also highlighted the mitigating value of aspects such as strong labour laws, unions, workplace policies and the prioritizing of local procurement.



Our 2023 review considered external references and publications, such as the Global Slavery Index, to identify and better understand any risks associated with modern slavery in the countries that directly provide Champion with goods and services. The review highlighted three potential risks that could expose Champion to modern slavery risks through our value chain. This includes the possibility that supply chain disruptions can expose us to suppliers with potentially less stringent human rights standards, the possibility that migrant workers may face abuse somewhere in our value chain, and finally, that there may be weaker governance in some jurisdictions within our value chain.

Our Procurement Policy guides all procurement practices undertaken by the Company. Nonetheless, the Company recognizes the risks of modern slavery within its supply chain, in particular from suppliers outside of Canada, although such sourcing represented only 5.3 percent of our total Tier 1 annual purchases during the reporting period. The Global Slavery Index categorizes the supplier countries representing 86% of our non-Canadian purchases, namely Switzerland, the United States, Germany, and Australia, as all having low risks of modern slavery. No modern slavery practices were identified or reported within our operations nor our supply chain during the reporting period.

The Australian Council of Superannuation Investors lists sector-specific high-risk product and service categories, including cleaning, security, maintenance, labour hire/contract labour, logistics/transport, IT hardware, and consumables/materials. Drawing upon such sources, Champion identified the product and service categories that are most likely to be linked to modern slavery in our context, and accordingly, need to be considered as potentially high-risk (Figure 5). The product and service categories identified as presenting the potential for Champion to cause, contribute or be directly linked to modern slavery are also among those that represent a large proportion of our Tier 1 suppliers:

- Transportation (31%)
- Construction (10%)
- Contract labour (10%)

Although these product and service categories are considered potentially high risk in a global context, given that our operations are in Québec, Canada, the potential for the Company to cause, contribute to, or be directly linked to modern slavery is mitigated by the provincial and federal laws that regulate the construction and transportation industries, and the provincial and federal employment laws governing the hiring of contract labour.

FIGURE 5. CHAMPION'S SECTOR ANALYSIS OF TIER 1 SUPPLIERS - GLOBAL

## FY24

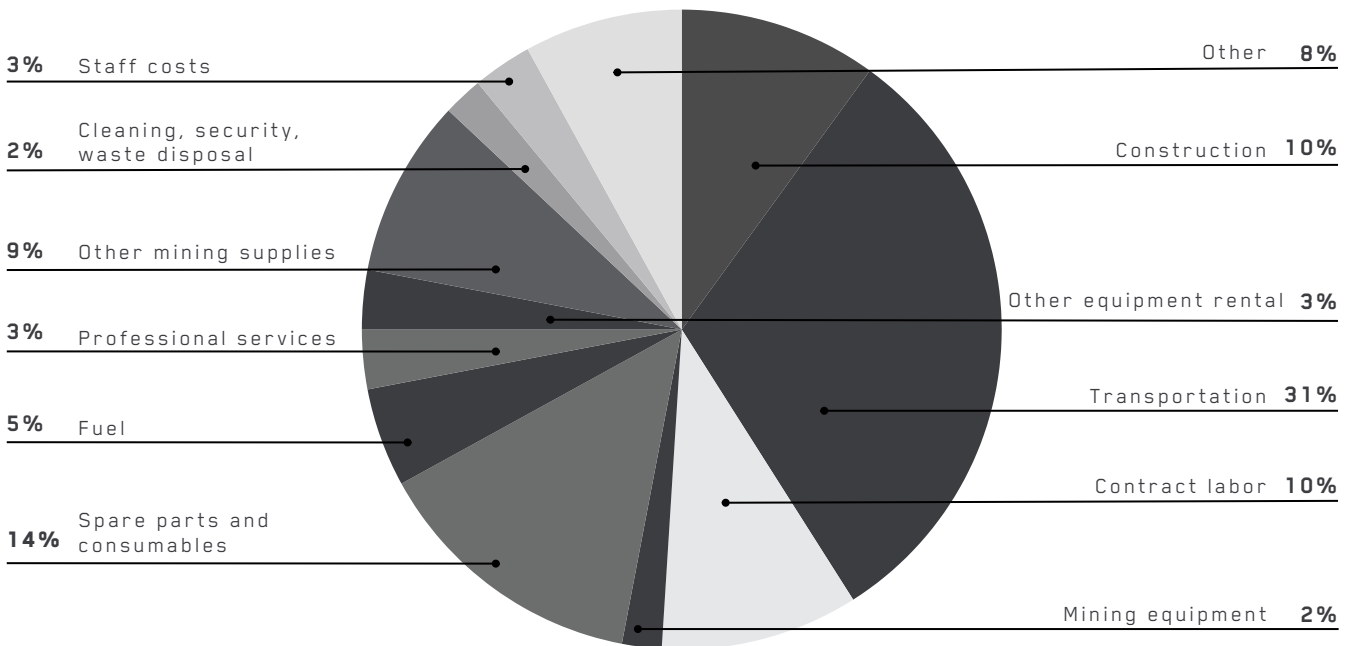
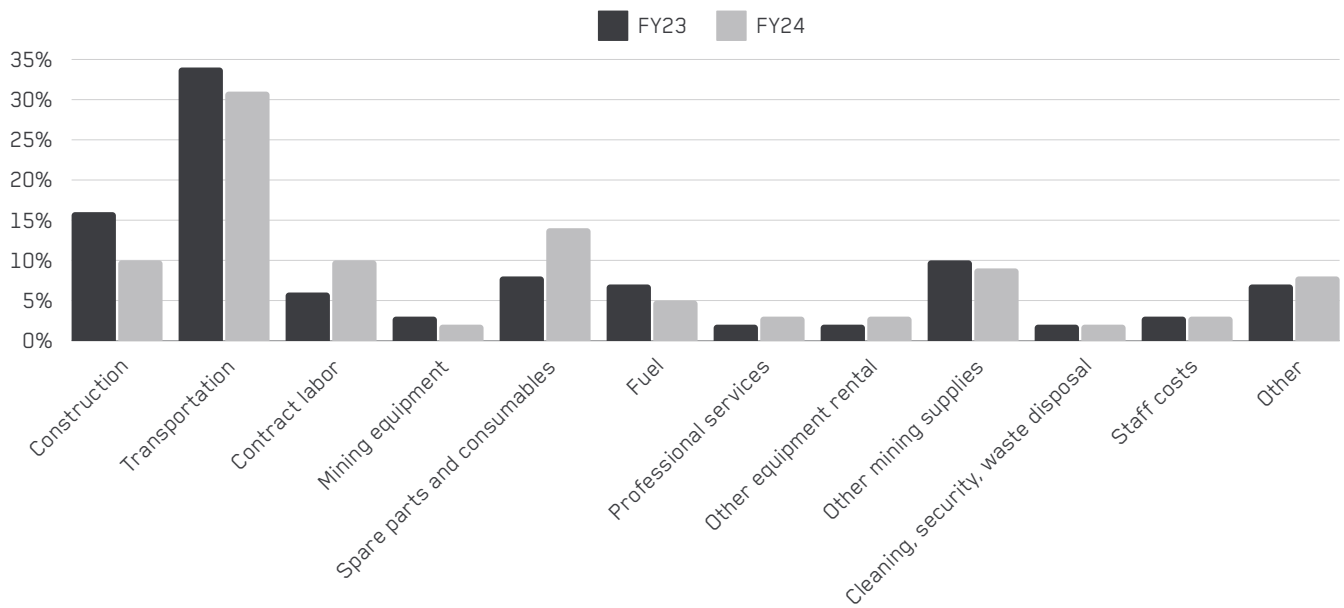


FIGURE 6. CHANGE IN PROCUREMENT CATEGORIES BETWEEN REPORTING PERIODS



The recent Phase II expansion project resulted in volatility in our overall expense mix over recent periods. Accordingly, construction and contract labour expenses declined in recent years with the completion of the Phase II project, which in turn resulted in higher consumables and transportation expenses to accommodate the increased mining activities at Bloom Lake.

All hiring of our contract employees is governed by Québec and Canadian labour laws. Construction workers formed the largest portion of the Company’s contract labour force during the reporting period. All contract workers, including temporary contracted workers and employees of on-site contractors who are engaged in construction, are unionized, as is required by law in Québec. In addition, employees of Champion’s largest facilities management subcontractor are also unionized.

Suppliers providing contract labour are required to comply with QIO’s operational health and safety policies and procedures, and are included in related internal audits.

Our product transportation costs primarily include land and rail transportation, as well as maritime shipping. Land and rail transportation have a recognized lower risk of modern slavery compared to maritime transport.

As the international shipping industry is challenging for regulators to oversee, sea freight, which is utilized to transport most of our products to overseas customers, is recognized as having a heightened risk of exploitative labour practices. These include poor living and working conditions, remuneration below minimum wage, withholding of crew wages, lack of access to grievance mechanisms and the right to freedom of association.

We strive to mitigate these risks within our supply chain by seeking to partner with companies committed to protecting the wellbeing of their employees. For example, the employees of the operators responsible for transporting the largest portion of our ore are part of a union that is a member of the International Transport Workers’ Federation (ITF). The ITF Seafarers Association specifically works to protect the employment, legal, trade union, and human rights of seafarers.

Our transportation costs also include charter flights provided by the largest airline carrier for specialized commercial charter flights in Canada. As a “United Nations Approved Carrier” it is aligned with the *United Nations Supplier Code of Conduct*, which has explicit provisions for freedom of association and collective bargaining, forced or compulsory labour, child labour, discrimination, wages, working hours and other conditions, and health and safety.

Tier 2 suppliers may present a risk for modern slavery; however, an analysis has not yet been undertaken regarding such risks. Upstream manufacturing processes or third-party raw material sourcing by our suppliers could occur in countries with less stringent governmental oversight and due diligence processes than Australia or Canada, or where the complexity of supply chains makes visibility beyond Tier 1 challenging. Examples of products used that could fall into this category include garment; electronics components, technology and hardware; and rubber products.<sup>1</sup>

As part of our dedication to continuous improvement, we continued to update our procurement and vendor management practices, and we plan to continue assessing our suppliers as part of our business review process.

<sup>1</sup> The 2023 Global Slavery Index considers electronics and garments as the top two products at risk of modern slavery that are imported into the G20.

# ASSESSING AND ADDRESSING OUR MODERN SLAVERY RISKS

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Respecting human rights is at the heart of Champion's commitment to contribute meaningful and ongoing social value to our stakeholders. We expect the businesses we work with to make a similar commitment and to respect human rights throughout their supply chain. The Company believes that it has a responsibility to work collaboratively with workers, suppliers, customers, communities, First Nations partners and external stakeholders, to increase our understanding of modern slavery risks and the role Champion can play in managing them. We strive to identify, assess and manage risks, including human rights risks, throughout our value chain. Champion maintains a risk register of the highest perceived risks.



In order to better track the implementation of our policies, and as part of our continuous improvement efforts, we continued implementing an updated procurement process during the reporting period, to more effectively take into account human rights considerations and modern slavery risks throughout our supply chain. The most notable updates to our procurement processes include: reorganizing our procurement team, creating an inventory and purchasing dashboard to enable us to better understand our supply chain and track our procurement spend by geography and product/service type, and establishing a formal business review process. The business review process was implemented to replace a supplier questionnaire and is used to assess human rights and modern slavery risks.

We employ the inventory and purchasing dashboard to map out our procurement spending and to identify the level of risk and the strategic nature of our suppliers. The risk level includes considerations related to human rights and modern slavery, in addition to other types of risks. The strategic importance of each supplier is determined by their relationship to Champion. For example, a supplier that is the sole purchasing option is considered highly strategic. The level of risk and strategic importance of each supplier determines the frequency of our business review process, which includes a review of the supplier's exposure to modern slavery and human rights risks. We began implementing the business review process during the reporting period, and the frequency of review for each supplier varies depending on the nature of the supplier and their contribution to our activities.

Champion recognizes that companies can contribute to modern slavery through their procurement practices by prioritizing cost reductions in tender and vendor selection processes, which can inadvertently make a supplier and contractor workforce more vulnerable to rights-related risks. Though our tender processes do include cost, Champion also places high importance and weighting on quality, support, occupational health and safety history, and whether suppliers are local and First Nations-owned (Innu Takuaikan Uashat Mak Mani-Utenam).

## POLICIES AND PROCEDURES

A suite of policies and procedures help Champion ensure that the Company is consistently addressing modern slavery risks throughout its business, operations and supply chain. Champion's policies and procedures relating to human rights and modern slavery are highlighted below.



## HUMAN RIGHTS POLICY

Rooted in the *United Nations Guiding Principles on Business and Human Rights*, the *International Bill of Human Rights* and the *International Labour Organization ("ILO") Core Conventions*, the human rights policy aligns our occupational health and safety procedures with human rights principles and ensures that no one is forced to perform work in unsafe conditions. It also establishes clear prohibitions of the use of all forms of modern slavery within our operations and the operations of our suppliers. The human rights policy has been implemented in line with *ILO Conventions 29, 138 and 182*. In the event that Champion causes or contributes to adverse human rights impacts, the Company is committed to contributing to appropriate remedies.

The topic of human rights is included in our tender documentation, and the business review process we are currently in the process of implementing includes an assessment of suppliers' human rights and modern slavery policies.

## CODE OF CONDUCT AND TRAINING

The Code outlines our commitment to respect and protect human rights throughout our operations. All employees are required to complete an online training certification of the Code after being hired. While we do not provide training on forced or child labour, the training on the Code includes content on human rights and discrimination. All employees are required to recertify, with a mandatory test every year while they continue to work for the Company. In addition, employees are annually asked to electronically confirm their commitment to abide by the Code. This process is designed to ensure compliance and a consistent understanding of human rights and related policies by the Company's workforce.

## RESPONSIBLE PROCUREMENT POLICY

Champion does not tolerate, nor facilitate, any form of modern slavery. Our Procurement Policy promotes the respect for human rights within the Company's supply chain. This policy aims to provide guidelines fostering sustainable development in the purchasing, leasing and contract award practices of the Company.

In line with our commitment in our previous Modern Slavery Statement, we completed a comprehensive review of our Procurement Policy during the reporting period. Subsequently, we expanded the policy to include protections of migrants' rights, ensuring that workers throughout our supply chain, regardless of immigration status, are treated ethically and fairly.

Champion recognizes that its activities may impact human rights within its supply chain, especially internationally. However, we have zero-tolerance for any modern slavery from our suppliers, and are committed to avoid being complicit in, or facilitating all forms of human rights violations in our supply chain.

The Procurement Policy is published on Champion's website. The policy sets out a number of supplier requirements, including commitments not to engage in any form or practice of modern slavery as described in Australia's and Canada's *Modern Slavery Acts*, not to use child labour, and to comply with the *ILO Forced Labour Convention (No. 29)*. The policy also states that suppliers must not exact work or services from any person under threat of punishment, and must not force individuals to perform any work or services against their will. The policy explicitly prohibits any engagement in human trafficking and protects migrants' employment rights.

## WHISTLEBLOWER POLICY

Our whistleblower policy establishes procedures for the confidential and anonymous submission, receipt, retention and treatment of complaints or concerns. Whistleblower concerns are handled through a third-party reporting system provided by Deloitte. Individuals can also report incidents directly to the Senior Vice-President, General Counsel and Corporate Secretary of the Company. Concerns or reports regarding accounting matters can be directly reported to the Chair of the Audit Committee. The policy specifically prohibits any retaliation against individuals who make a report of known or suspected violations in good faith.

## PREVENTION OF HARASSMENT AND DISCRIMINATION IN THE WORKPLACE

Champion does not tolerate any form of harassment or discrimination towards or between its employees, contractors and subcontractors, and is dedicated to preventing and stopping any form of psychological or sexual harassment, including any form of discriminatory harassment. The prevention of harassment and discrimination in the workplace policy also establishes principles that must be followed when harassment complaints are reported or filed with a Company representative. We encourage all subcontractors employed by the Company to adopt a similar policy for their workforce. The Company also encourages anyone, including subcontractors, suppliers and their employees as well as any stakeholders directly or indirectly in relation with Champion, to report any instances of harassment or discrimination they may witness to the Whistleblower hotline.



## GRIEVANCE MECHANISMS

All employees can report an issue in which human rights appear to have been violated to their immediate supervisor, a representative of the Human Resources department, their Union representative, or to a designated independent third party, without fear of reprisals, if the allegation is made in good faith. Champion is committed to addressing and remedying human rights violations within its operations.

Our operational community feedback mechanism includes access via the Company's website at [www.championiron.com](http://www.championiron.com) in both English and French. This allows members of host communities to remotely lodge complaints and share concerns with our management team, including the option of doing so anonymously. A dedicated email address for this purpose is consistently monitored, and a responsible manager is charged with monitoring each complaint until a resolution is achieved.

During FY2024, we actively communicated our grievances mechanism to our stakeholders, encouraging them to use it for any concerns regarding human rights within our operations. No concerns were filed, and no complaints emerged about our supply chain during this engagement or other ongoing dialogue with communities. For our financial year ending March 31, 2025, we are also committed to addressing community grievances within 30 days.

## FLEXIBLE WORK POLICY

With the goal of providing our employees with a work environment that is safe, healthy, productive, and efficient, Champion promotes a policy designed to facilitate remote work. The policy aims to establish procedures for setting flexible schedules and establishing a flexible work environment. The policy also defines dress codes, and establishes managerial oversight responsibilities.

All of these documents are publicly available with the exception of the employee grievance mechanism and the flexible work policy, which have been developed as internal mechanisms. The Code, human rights policy, Procurement Policy, prevention of harassment and discrimination in the workplace policy, and whistleblower policy can all be viewed on our website at [www.championiron.com](http://www.championiron.com).

## BUSINESS REVIEW PROCESS

In FY24, we began implementing an updated business review process for our suppliers. This enhanced approach enables us to identify potential human rights and modern slavery vulnerabilities within our supply chain. These factors are then incorporated into each supplier's overall risk rating on our centralized dashboard. This process provides enhanced visibility into service quality across our supplier network and facilitates the identification, mitigation and monitoring of various risks, including human rights concerns.

For some of our new suppliers, particularly those that we consider could potentially become more significant to our operations in the future (either in terms of their financial impact or their strategic importance), we began to implement an audit pre-qualification process. This process includes a thorough survey of the supplier's operations, including a site visit, to ensure that we are well acquainted with their operations, including their exposure to modern slavery risks.

## REMEDATION MEASURES

Champion has assessed that its current operations and supply chain do not carry significant risks of forced or child labour being utilized, nor have any instances of forced or child labour been identified during the reporting period. Additionally, Champion has also assessed that its steps to eliminate the use of forced or child labour have likely not caused any losses of income to vulnerable families who may be experiencing forced or child labour. Subsequently, questions regarding remediation are not applicable.

Employees can raise concerns about potential modern slavery risks via one of the grievance or whistleblower channels described above.



# ASSESSING OUR EFFECTIVENESS

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This is our fifth Australian Modern Slavery Statement, and our first Canadian Modern Slavery Report. Champion believes that it is adopting and maturing risk management practices that are commensurate with the level of modern slavery risks associated with our business activities. We believe the Company is addressing our modern slavery risks in line with industry and government standards, and are meeting the expectations of our stakeholders.

For our financial year ended March 31, 2022, we mandated a third-party advisory firm to help us conduct our modern slavery risks assessment. It is based on a similar methodology and using the results of such assessment as a baseline that we conducted our assessment for our financial year ended March 31, 2023, as well as the assessment underlying this report. In future years, we will continue to assess our performance through both existing and new measures such as the Procurement Policy, business review process, and due diligence, as detailed in our Looking Forward section below.

We will update our modern slavery risk assessments when we identify a material change to modern slavery risks. We intend to continually monitor publicly available sources, including the Global Slavery Index, to ensure our risk assessment and modern slavery processes remain up to date. We will ensure that our practices meet any evolving regulatory requirements in both Australia and Canada, including any amendments to the Australian Act or the Canadian Act.

## CONSULTATION WITH OWNED AND CONTROLLED ENTITIES

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Champion developed this Statement in consultation with its operating subsidiary, Quebec Iron Ore, also a reporting entity for the purposes of this Statement. Champion consulted with key areas of our business to prepare this Statement, including Legal, Procurement and Human Resources. These teams operate across all business functions for both Champion and Quebec Iron Ore. The Senior Leadership also reviewed the statement. The signatory of this Statement, Mr. David Cataford, is the Chief Executive Officer and a Director of Champion and of Quebec Iron Ore.

# LOOKING FORWARD

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Champion strives to work with our stakeholders to ensure that no individual is subjected to modern slavery from our operations or within our supply chain. As part of our commitment to continuous improvement, we will continue to advance the commitments identified in our previous reports. These commitments seek to further identify, assess, address, and remedy our modern slavery and human rights risks, including:

## SUPPLIER ENGAGEMENT

- Continue to implement and monitor the effectiveness of our Procurement Policy;
- Continue to review our Procurement Policy in our current financial year;
- Continue to update our procurement processes to better track the implementation of the Procurement Policy; and
- Continue to integrate human rights and modern slavery provisions in vendor pre-qualification and/or onboarding processes.

## RISK ASSESSMENT AND MANAGEMENT

- Continue to assess the risks and performance of our primary suppliers through our business review process.<sup>2</sup>

## DUE DILIGENCE

- Continue to conduct annual reviews of our modern slavery risk assessment;
- Continue to improve our supplier due diligence and internal audit processes to better identify, prevent, and mitigate modern slavery risks; and
- Conduct a study to understand our downstream exposure to modern slavery by analyzing our sales to customers operating in regions deemed at risk of forced or child labour.

## TRAINING

- Begin to include modern slavery, including forced and child labour, in our human rights training.



<sup>2</sup> This replaces our previous commitment to assess the risks and performance of our Tier 1 suppliers through annual supplier risk assessment.



# OTHER INFORMATION

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

## SPECIFIC FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Statement that address future events, developments or performance that Champion expects to occur, including, without limitation, expectations regarding (i) the project to upgrade the Bloom Lake iron ore concentrate to a DR pellet feed quality iron ore, expected project timeline, financing, production metrics and benefits; (ii) the Kami Project's study, its purpose, including evaluating the potential to produce a DR grade product, expected project economics, production metrics and engagement with strategic partners; (iii) the study to produce DR grade pellets in Pointe-Noire; (iv) the Company's sustainability objectives, social matters and governance, implementation of related initiatives and expected results thereof; (v) creating stakeholder value; (vi) the risk of causing, contributing to or being directly linked to instances of modern slavery; (vii) the results of Champion's efforts to identify, assess, address and remedy modern slavery and human rights risks through its initiatives (including business review process and review of our policies and practices); (viii) advancing commitments identified in our 2023 Modern Slavery Statement and in this Statement and other commitments related to modern slavery and human rights risks; and (ix) the Company's growth and opportunities generally.

## RISKS

Although Champion believes the expectations expressed 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 expressed in forward-looking statements include those factors discussed in the section entitled "Risk Factors" in the Company's most recent Annual Information Form (AIF) and MD&A, 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 such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information.

## ADDITIONAL UPDATES

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

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