



# Sustainability Report 2023



# About this Report

This report was prepared to disclose material sustainability topics for Conuma Resources for the calendar and financial year from January to December 2023, in alignment with the December 2023 Coal Mining Sustainability Accounting Standards Board (SASB) standards, and in alignment with the Taskforce on Climate-Related Financial Disclosures (TCFD). In 2022, the Company produced a separate Climate Change Report. For 2023 the Climate Change Report has been integrated into this Sustainability Report. The contents of this report were approved by the Board of Directors in a meeting held on March 15, 2024.



**TCFD** TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

The release of the International Sustainability Standards Board (ISSB) S1 and S2 standards marks a significant milestone in the global movement towards standardized sustainability disclosure. Adopting the ISSB sustainability disclosure standards in Canada is contingent on the Canadian Sustainability Standards Board (CSSB) completing its public consultation, which commenced in March 2024.



In September 2023, the Taskforce on Nature-related Financial Disclosures (TNFD) framework was published, presenting a key advancement in integrating nature-related risks and opportunities into financial reporting. The adoption of the TNFD framework by mining companies and other sectors is still in an early and evolving phase. Conuma is considering adopting the TNFD framework in future reporting periods, and has commenced work on its scope and application.



# About Conuma Resources

Conuma Resources (Conuma) is a leading sustainable producer and supplier of steelmaking coal into the global steel manufacturing industry. With our operations centered in Northeast British Columbia (NEBC), Canada, we excel in delivering high quality steelmaking coal to many of the worlds leading steelmakers.

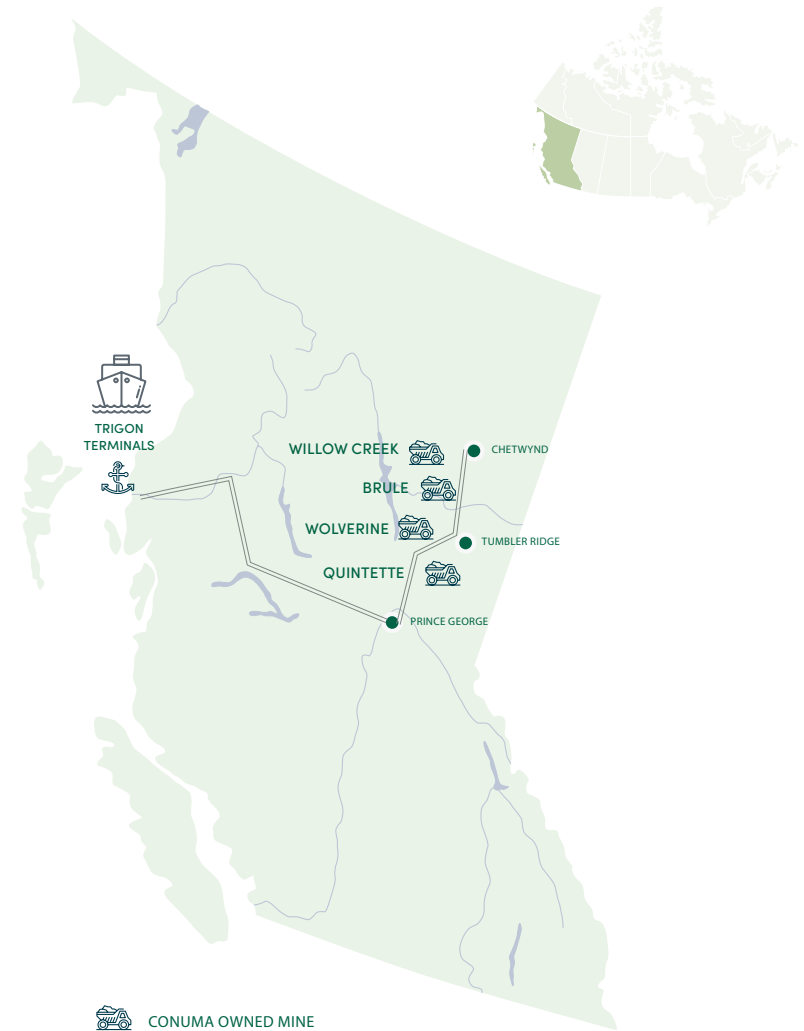
Founded in 2016, we have grown to become the second largest mining operator in British Columbia (BC), Canada, with over 1,000 employees and over five million tonnes of steelmaking coal exported in 2023.

Our mission is to operate safely and grow our steelmaking coal business to create sustainable value for our shareholders, employees, customers, business partners, Indigenous Nations, communities, and the environs in which we operate.

We have three operating open-pit mines: Willow Creek, Brule, and Wolverine. Quintette, acquired from Teck Resources in 2023, will restart in 2024 as Wolverine completes its mine life. Collectively, these operations have the annual capacity to produce more than five million tonnes of premium steelmaking coal.

This production provides more than 1,000 direct jobs at Conuma and supports more than 3,000 indirect employment opportunities in BC and across Canada. Conuma's operations support over 20 Indigenous and 150 regional vendors in the Peace River Regional District.

We specialize in producing high-grade hard coking coal (HCC) and high-carbon content coal for pulverized coal injection (PCI) processes. Our products are not consumed for power generation but are key steelmaking materials across Asia, South America, and Europe. Our growing production base and properties in NEBC are home to some of the world's finest steelmaking coal reserves. Our comprehensive marketing and logistics network further strengthens our position, ensuring consistent, cost-effective and low-emission intensity supply to our customers.



## MESSAGE FROM THE CEO AND CHIEF SUSTAINABILITY OFFICER

# An Outstanding Year

2023 was an outstanding year on many fronts for Conuma Resources. Our team of employees, together with our commercial and community partners, have delivered our best-ever 12-month results.

We achieved record annual production and sales of steelmaking coal at 5.1 and 5.2 million tonnes, respectively. At the same time, we had an outstanding safety performance, as measured by our Lost Time Injury Frequency Rate (LTIFR), which was less than one-third of the mining industry average for BC.

Conuma is still a young company; it is only eight years old. Still, in this relatively short time, we have produced and exported over 27 million tonnes of steelmaking coal. We have contributed over six billion dollars in foreign currency earnings for BC and Canada. We currently employ more than 1,000 individuals and support an additional 3,000 indirect jobs, significantly benefiting the NEBC economy, Indigenous Nations, local communities, suppliers and contractors.

## Building upon our previous reports

This is our third sustainability report and the second year in which our sustainability reporting adheres to the Sustainability Accounting Standards Board (SASB) framework, and the third year our Climate Change reporting is in alignment with the Taskforce on Climate-Related Financial Disclosures (TCFD) framework. Over the past year, we have further strengthened our ESG procedures and systems to ensure the integrity of our reporting under SASB and TCFD. Our sustainability reporting aligns with leading international standards and meets investor and stakeholder expectations, demonstrating our commitment to sustainable operations amidst increased global mining scrutiny. We are proud of our operating and safety results and our commitment to responsibly mine a product critical to responsible global growth during the period of energy transition.

## Safety first, always

Safety is core to everything we do at Conuma. We are delighted to highlight a remarkable decrease of almost 60% in the rate of work injuries from 2022 to 2023. In a triumph of safety excellence, our Willow Creek and Brule operations closed out 2023 with an outstanding achievement – zero lost time injuries (LTIs) for all employees and onsite contractors. This milestone represents an impressive cumulative effort of nearly two million hours worked without a single LTI at these two operations. Our unwavering commitment persists: to elevate the well-being of those working with us, cultivating a community of healthy, engaged, and fulfilled individuals who actively contribute to building more resilient communities.



**Brian Sullivan**  
Chief Executive Officer



**Hugh Kendrick**  
Chief Sustainability Officer

## A new mine for our portfolio

In 2023, we took significant steps to expand our production and project pipeline. Most notably, we completed the acquisition of the Quintette mine in February. This addition brings in more than 40 million tonnes of permitted steelmaking coal and a total resource exceeding 285 million tonnes, positioning us to contribute to the construction of the global low-carbon economy for decades to come. The strength and depth of our leadership is stronger than ever, our employees are increasingly skilled and engaged, and the quality of our assets and business partnerships keep us excited about the future.

We aim to become Canada's premier low-cost, sustainable steelmaking coal exporter. "Premier" to us signifies safe and profitable steelmaking coal operations that produce low-carbon-intensity products our customers want, while creating tangible, lasting value for our employees, business partners, Indigenous Nations and local communities.

Being a premier operator also means implementing mining, processing, water and wildlife management, and progressive reclamation that minimize environmental impacts and restore the environment for current and future generations. We aim to conduct our operations on as small a footprint as reasonably possible, and to continue efforts to mine in areas that have already been disturbed.

## Consistent community outreach

While we progressively strive to improve our sustainability reporting, we apply more significant value to our sustainability efforts on the ground and in our communities. Given the importance of our role in NEBC, we continue to ensure that our decision-making process encompasses a comprehensive range of values.

This past year, our engagement efforts with local Indigenous Nations and municipalities reached a new threshold with over 700 engagement activities relating to our operations, projects and business. We also participated in and supported more than 40 community events.

Sustainable resource development provides meaningful benefits to Indigenous Nations and local communities. Our regional spending in 2023 exceeded \$170 million; we also substantially increased our spending with indigenous-owned or affiliated businesses, reaching \$78 million in 2023, more than double our expenditures in 2022. This significant growth is a testament to our purposeful efforts to expand the local economic benefit of our operations to Treaty 8 Nations and contribute to local Indigenous Nations' commercial capacity. This signifies our current success and promises a bright future for enduring, mutually beneficial partnerships.

## Cultivating our vision

As BC's second largest mining operator, Conuma is increasingly essential to the BC's South Peace Region and, more broadly, to NEBC. We welcome this responsibility and remain open to scrutiny, openness and collaboration as we take proactive steps to build trust and accountability. Our commitment is to ensure that safe, profitable mining operations provide opportunities for employees, Indigenous Nations, and communities, delivering lasting benefits that extend well beyond the lifespan of our mines.

The strength and depth of our leadership is stronger than ever, our employees are increasingly skilled and engaged, and the quality of our assets and business partnerships keep us excited about the future.



# Our Sustainability Mission

## Sustainability Statement

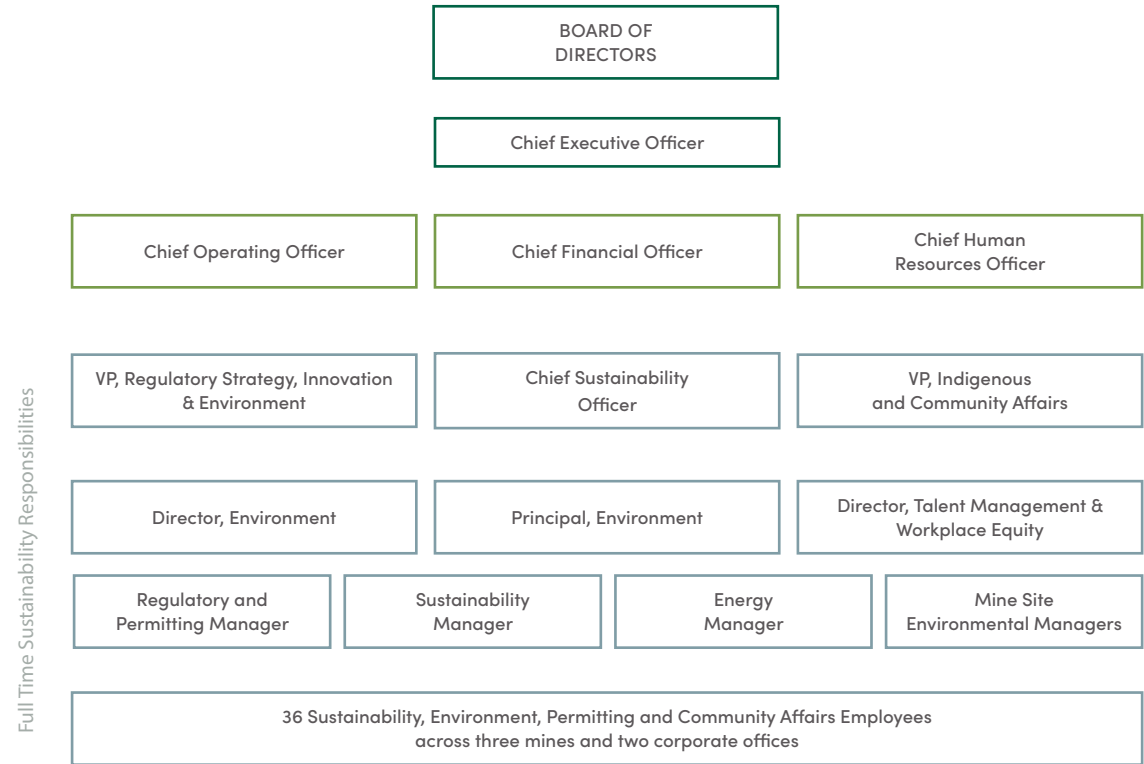
Sustainability shapes our strategic direction as a premier supplier of steelmaking coal that contributes to the low-carbon economy and global energy evolution. The steel made using our products is essential for worldwide development, including the construction and distribution of renewable power.

In operating and growing our business, we focus on responsible production. We seek to generate lasting value for the communities in which we operate, providing opportunities to employees, Indigenous Nations and communities. Equally important is our commitment to responsible environmental stewardship.

Our mines operate within a jurisdiction that has rigorous compliance standards. Our reclamation standards focus on achieving the end land use goals of:

1. Re-establishing the land capability to pre-disturbance conditions;
2. Fostering the return of appropriate self-sustaining forested ecosystems, typical in the pre-disturbance local landscape, provides a habitat capable of supporting local wildlife; and
3. Incorporating Traditional Knowledge about land use and restoration from our Indigenous Nation partners into land planning.

## Sustainability Leadership in Conuma



Note: In 2023, the new roles of Principal Environment, Sustainability Manager and Energy Manager were created and filled to strengthen the Company's sustainability efforts.

Our employees, customers and suppliers are all partners, which means that our success as a business comes from teamwork. Our aim is to have a diverse but closely-knit workforce, founded upon respect and belonging, and we will work hard to ensure everyone understands their role in our continued success.

A healthy and safe workplace is key to our vision of sustainability. We are focused on avoiding injuries, violations, delays, and rework while mining and processing steelmaking coal in the most efficient manner possible.

Climate-Change Business Integration

LONG-TERM PLANNING AND BUSINESS DEVELOPMENT		DEBT MARKETS
LONG-TERM STRATEGY	BUSINESS FIVE YEAR PLANS	EXTERNAL REPORTING
NEW MINE DEVELOPMENT	FIVE YEAR MINE & RECLAMATION PLANS	CAPITAL MARKETS
ANNUAL PLANNING & OPERATIONAL MANAGEMENT		STAKEHOLDERS
ANNUAL BUDGET	QUARTERLY REFORECASTS	INDIGENOUS NATIONS ENGAGEMENT
CAPITAL PROJECTS	CONTRACT DEVELOPMENT & NEGOTIATION	SUPPLY CHAIN & CUSTOMERS
CARBON INTENSITY REDUCTION	ENERGY EFFICIENCY	COMMUNITY ENGAGEMENT





### Board of Director Responsibilities

- » Ensure Senior Management focuses on climate-related risk management
- » Ensure short, medium and long-term focus
- » Ensure all critical planning and strategic processes integrate climate-related risk management
- » Meet bi-annually specifically to review climate-related risk
- » Appoint one Director to take the lead on climate-related risk management matters
- » Ensure Senior Management transparently and consistently reports climate-related risks and opportunities to investors and key stakeholders
- » Commit to education and staying current on climate-related risks

### Senior Management Responsibilities

- » Ensure climate-related risk informs strategic and decision-making processes
- » Integrate climate-related risk into the budget and operating cycle planning – short, medium and long-term
- » Develop procedures to consider climate-related risk in all business processes and systems
- » Meet bi-annually with the Board to specifically review climate-related risks and opportunities
- » Meet bi-monthly to review climate-related risks and opportunities
- » Establish a Climate Change Committee
- » Ensure that climate-related risks, opportunities and strategic decisions are consistently and transparently disclosed to the Board and stakeholders
- » Include relevant climate-related risk disclosures in the annual MD&A filings
- » Commit to education and staying current on climate-related risk
- » Use the best available information and expertise to manage climate-related risk
- » Recruit and retain sufficiently skilled senior climate-related risk management team

## Our Senior Leadership



# Our 2023 Highlights

As a premier supplier of steelmaking coal and the second-largest producer in Canada, we pursue operational excellence in our current mines while continuing to evaluate properties within our portfolio. Sustainability includes securing, permitting, and efficiently operating cost-effective reserves for the long term.

With the permitted Wolverine and Brule mine reserves depleting in 2024, the Quintette property, with more than 40 million tonnes of permitted reserves sustains operations and benefits. The Quintette operation is targeted to restart in 2024. Our steelmaking coal production in 2023 was 41% higher than in 2022, principally due to production improvements at the Willow Creek and Wolverine mines.



# Improvements compared with 2022



57%

lower LTIFR



41%

higher production



27%

lower carbon intensity



8%

higher employee engagement from survey



7%

improvement in fuel efficiency



5%

increase in employee productivity



# 2023 Highlights



103,000

trees planted



>6,000

m<sup>3</sup> of contact water treated per day



>600

external engagement sessions on our operations and projects



>\$70

million work completed by local indigenous-owned businesses



>40

community events supported and attended



26

hectares of reclaimed areas seeded

## The Quintette Mine Comes Back to Life

### Quintette then

The story of the Quintette Mine began in 1971 when the feasibility of steelmaking coal mining in the area was first explored, and in 1982 Quintette was officially opened, followed by the adjacent Bullmoose Mine in 1983. These mines were established to develop the economic potential of NEBC and build prosperity in the region.

The District of Tumbler Ridge was established and constructed within two years to support the two mines. When these mines were first developed and operated, there was minimal consultation and involvement with local Indigenous Nations.

Quintette ran for nearly 20 years until an extended market downturn led to the mine being put on care and maintenance in 2001. In these two decades, Quintette profoundly impacted the surrounding communities, particularly Tumbler Ridge. Although Quintette Mine ceased operations in 2001, its legacy endures in the collective memory of the Tumbler Ridge community.

Between 2010 and 2014, the restart of the Quintette Mine was advanced, including receiving approvals for the mine plan and reclamation programs for the Little Windy and Window pits. In 2014, the commercial decision was made not to proceed with the Quintette Mine and it remained in care and maintenance.



Quintette drill rig operating in 1997 - photo by Ron Lurkey



Quintette truck & shovel operations in 1997 - photo by Ron Lurkey

## Quintette now

In 2021, Conuma received approval and partnered with several parties to clean up coal stockpiles, dating back to Quintette's operations and bulk samples that were part of the restart efforts. These efforts recovered over 260 thousand tonnes of run-of-mine (ROM) coal that was processed and sold, benefitting all parties involved. For example, Saulteau-owned company 4Evergreen was the contractor who hauled coal between the Quintette and Wolverine Mines.

From this initiative, Conuma entered into discussions and negotiations about acquiring and operating the Quintette Mine. In February 2023, Conuma took full ownership of the property from Teck Resources.



Conuma's team is singularly dedicated to optimizing the previously approved mine, water management, closure and reclamation plans, and construction in support of beginning production at Quintette in 2024. This is an enormous undertaking through which we plan to minimize or mitigate potential impacts. One example is a reduction in the disturbance area of 177 hectares compared with the original approvals.

As of this report's writing, over 500 people on the Quintette site are working daily to prepare the mine for its restart. These are inspiring days for Conuma, its commercial partners and local communities.



### SOME OF THE MAJOR WORK BEING COMPLETED AT QUINETTE

- » Water management infrastructure including building a low-selenium underdrain that will minimize surface and groundwater exposure to waste rock whose geochemistry includes higher concentrations of selenium.
- » Required tree clearing is necessary for the project construction, including the overland conveyor, slurry line, low-selenium underdrain, and soil stockpiles, with the required sediment and erosion controls in place.
- » Modernizing the processing plant, including installing a new jig plant and replacing the original emission-intense thermal dryer with a zero-emission, energy-efficient belt filter press.
- » Constructing a six-kilometre overland conveyor that will bring the steelmaking coal from the pit to the processing plant. Compared to hauling coal with trucks, the overland conveyor reduces greenhouse gas emissions and the likelihood of wildlife-vehicle interactions.
- » Purchasing and commissioning additional mining equipment.
- » Constructing a new rail loadout.
- » Building a bridge for the rail line. The bridge spans the stream crossing and replaces existing culverts. Conuma will remove, with necessary authorizations, the culverts. Installing the bridge and removing culverts avoids impacts and enhances fish habitat.

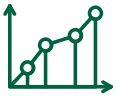
## Our Conuma Values

Our Business, including our mission and our strategy, are all built around our core values of:



### Safety

We are accountable and disciplined to eliminate safety risk.



### Growth

We invest in quality, efficiency and innovation to create a profitable and predictable future.



### One Conuma Strong

We are productive, resilient and enthusiastic problem solvers, working as a team to deliver outstanding results.



### Heart

We choose to be professional, respectful, and inclusive.



### Sustainability

We operate today and plan tomorrow in a way that sustains the health of our employees, business partners, community, and environment.



# Materiality Assessment

This Sustainability Report was prepared after completing a materiality assessment update, which identified and evaluated the most material sustainability topics our business deals with. The materiality assessment process we utilized in 2023 included analysis and review of subjects and timing for reporting by our senior management team. The reviews also included engagement with external parties such as our financial advisors to confirm the topics we had identified were relevant to investors and lenders and to ascertain if there were additional topics on which we needed to report.

Utilizing feedback from the materiality process and aligning with the SASB Coal Standard, the 2023 reporting topics selected were:

## 1. Workforce Health & Safety

- a. Safety
- b. Crisis Management
- c. Occupational Health

## 2. Climate Change

- a. Strategy
- b. Energy
- c. Emissions and Intensity

## 3. Tailings Management

## 4. Water Management

## 5. Air Quality Management

## 6. Waste Management

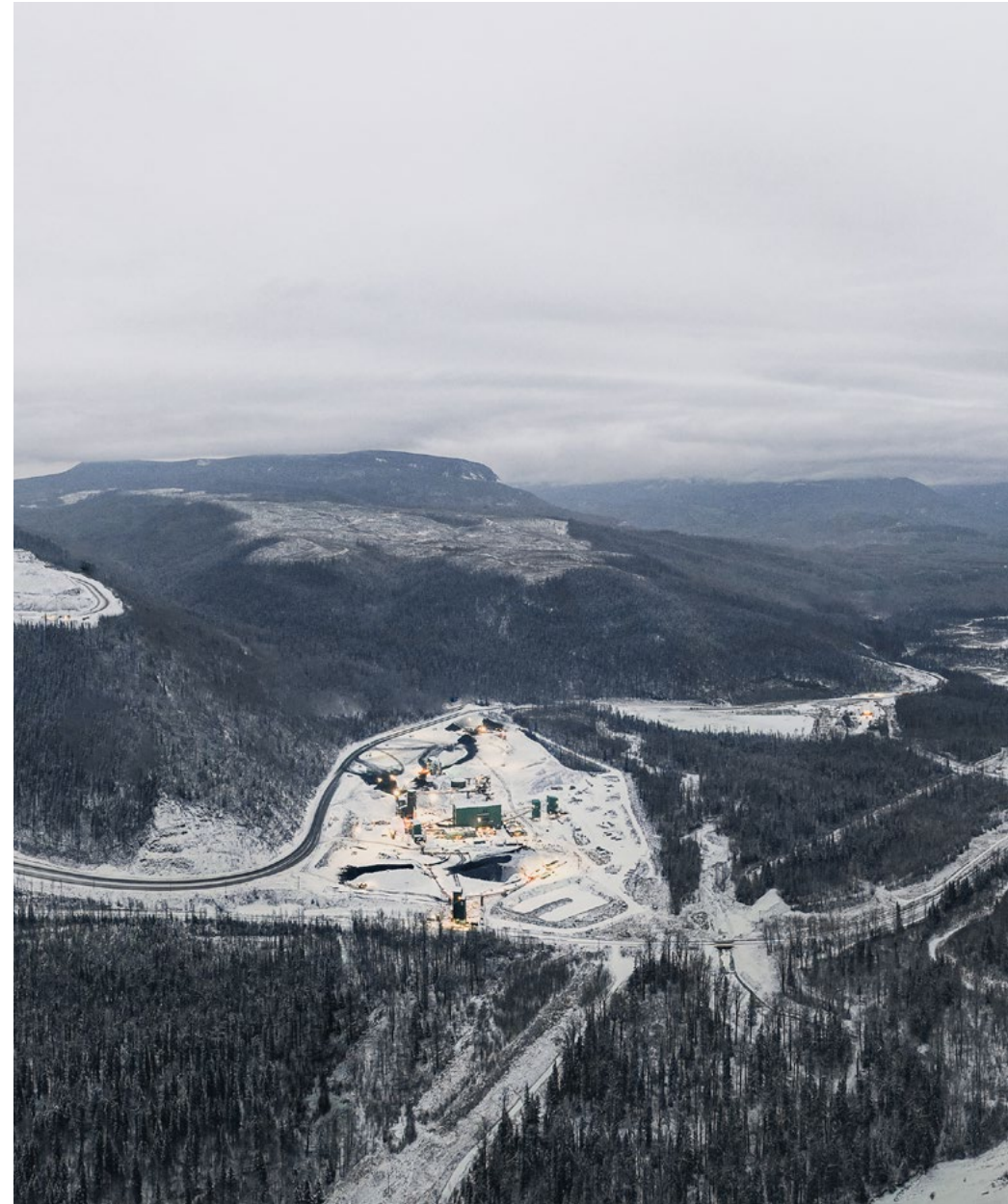
## 7. Biodiversity

- a. Metal Leaching and Acid Rock Drainage
- b. Reclamation

## 8. Social Relations

- a. Labour Relations and Human Rights
- b. Relationships with Indigenous Nations
- c. Community Relationships
- d. Employee Development

## 9. Business Ethics and Code of Conduct



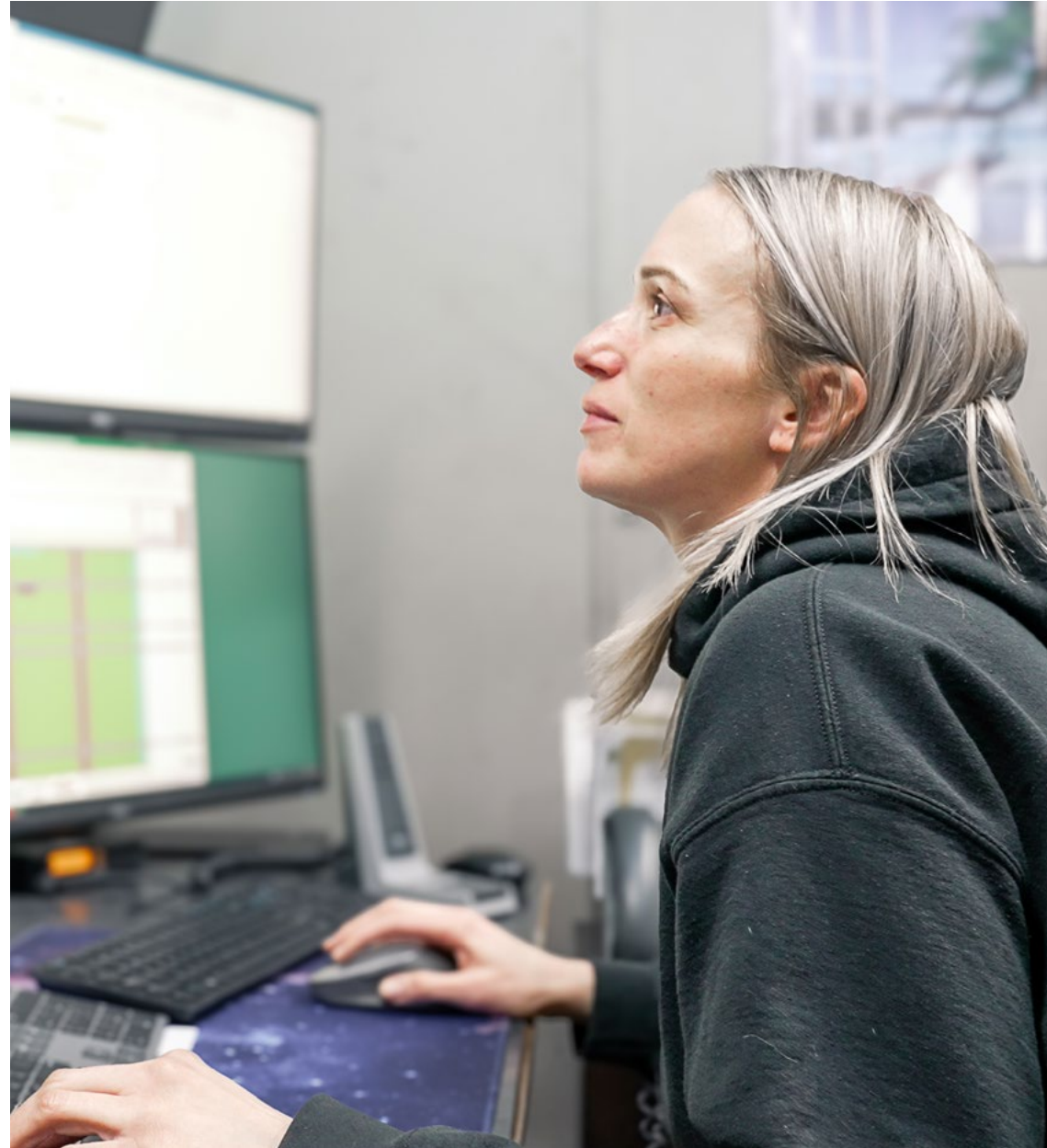


## Vendor and Customer Engagement

To broaden our sustainability knowledge across the supply chain, we engaged with seven of our top vendors in 2023 in the following areas:

- » Reducing carbon intensity through the supply chain and reducing product lifecycle impacts;
- » Expanding health and safety programs, including a focus on mental health and overall wellness;
- » Identifying electrification and energy efficiency opportunities;
- » Supporting successful partnerships with Indigenous Nations and their businesses and affiliates;
- » Refining waste management practices, including expanded recycling;
- » Sharing learnings and initiatives in increasing diversity, equity and inclusion; and
- » Developing case studies to highlight success stories our major business partners shared.

Engagement with vendors and customers will continue through 2024 and beyond.



# Workforce Health & Safety



Our employees feel valued for their knowledge, experience and input. This is especially so when it comes to health and safety. We encourage their participation in identifying hazards, actively listen to their suggestions for controlling these hazards, and then follow through with action by putting the controls in place. This culture has resulted in employees who are engaged, proactive, and empowered to create positive change for their health and safety as well as that of their colleagues. Our employees consistently tell us, year after year, that safety is the primary Conuma value.



## Safety

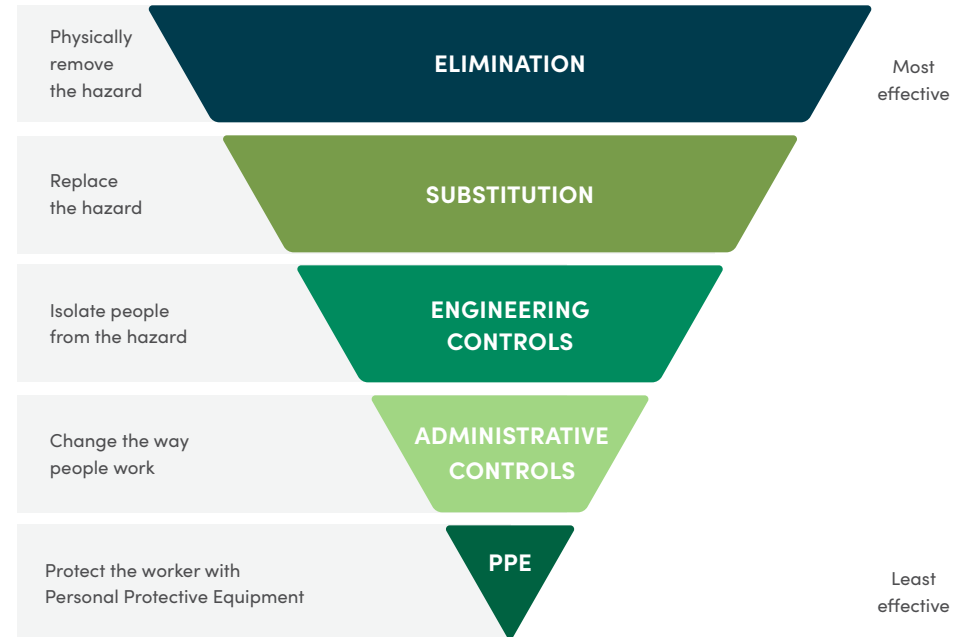
We are committed to creating an organization free from workplace injuries and incidents. We will achieve this through rigorous adherence to our core belief that safety and production are symbiotic. Our commitment to a culture of safe production starts from the belief that a working environment free of harm is the right of every employee and takes the commitment of the whole company to achieve.

Our industry-leading, safety-focused policies, procedures, hazard recognition, control, and investigation programs are at the core of our Safety Management System. We ensure all hazard reduction efforts follow the hierarchy of controls emphasizing permanent measures to eliminate risk.









These, along with our exceptional leadership and emergency preparedness teams, ensure we can maintain our uncompromising safety standard throughout our operations and into the future.

Our eight Life Saving Rules are a cornerstone of our safety program. We developed these rules with the most common workplace hazards in mind to prevent serious injury or death from workplace accidents. All employees and contractors must know the eight rules and comply. We have a zero-tolerance policy for any who breach these rules.

## Hierarchy of controls



The rules provide simple actions and provide a final barrier that workers control. They are as follows:

 <p><b>Confined Space Entry</b></p> <p>Entering enclosed or partially enclosed spaces, not intended or designed for continuous human occupancy</p>	 <p><b>Energy Isolation</b></p> <p>Energy isolation separates people from hazards such as electricity, pressure and energized equipment</p>
 <p><b>Working From Heights</b></p> <p>Any work performed at a level from which it is possible to sustain an injury from a fall requires fall protection</p>	 <p><b>Bypassing Safety Controls</b></p> <p>Safety-critical equipment must work correctly to keep workers and those around them safe</p>
 <p><b>Line of Fire</b></p> <p>Personal awareness of struck-by and caught in-between hazards</p>	 <p><b>Safe Driving</b></p> <p>The driver and passengers should take responsibility for each other's safety, including ensuring all occupants are wearing a seatbelt</p>
 <p><b>Mechanical Lifting</b></p> <p>Lifting operations need to be planned and performed by competent workers using certified equipment</p>	 <p><b>Fit for Duty</b></p> <p>Workers must be physically and mentally in a state to perform the assigned duties and cannot be under the influence of alcohol or drugs</p>



**Brule and Willow Creek both achieve one year without a Lost Time Incident**

At Conuma, our most important value is the health and safety of our employees and on-site contractors. On November 3 and December 13, 2023, Brule and Willow Creek Mines respectively recorded one year of operating with zero LTIs for all employees and contractors working onsite. These translate to a combined 1.83 million hours worked at the two operations without a LTI. Achieving these milestones is a time for celebration and to set even higher targets!

Conuma’s injury rates are well below the BC provincial industry average. As per the rates tracked by the Mining Association of BC (MABC), Conuma ended 2023 with a total recordable injury frequency rate (TRIFR) that was one-half of the MABC rate. Further, Conuma’s lost time injury frequency rate (LTIFR) was below one-third of the MABC industry average for 2023.

The reduction of our total recordable injury rate, which fell 50% in 2023 compared with the prior year, was equally significant. This was achieved through the concerted efforts of all teams at our sites and with the support of our senior management team.

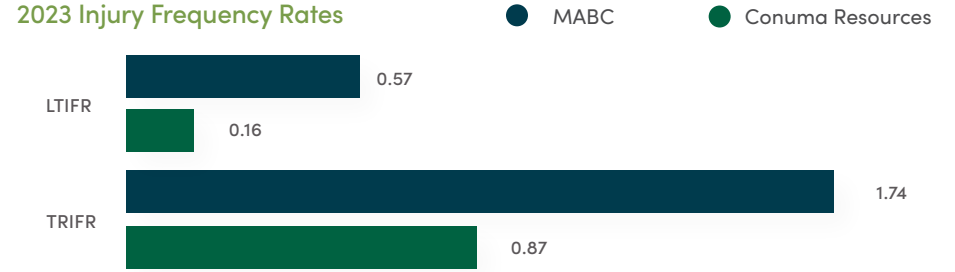
Tellingly, the decline in incidents was consistent with an upward trend in total overburden and coal production, which increased by over 10% in 2023, reminding that production and safety are highly correlated and interdependent.

Key incident tracking statistics, as outlined in the table to the right include lost time injuries (LTI), medical treatments (MT), the overall companies calculated TRIFR and LTIFR, and dangerous occurrences.

In September 2023, we reinforced our commitment to supporting our frontline supervisors and managers by implementing a new Safety Leadership Training program specially designed for this critically important group. More than 170 frontline supervisors and managers attended the training, ensuring our operations leaders have the knowledge and skills to drive our values of safety excellence and zero harm.

In early 2024, we will complete a Contractor Risk Management Program. This program will ensure that our contractor partners are held to the same high standard of safety performance as our employees and that all contractors who work at Conuma are fully qualified and trained to conduct the work for which they are hired.

### 2023 Injury Frequency Rates



SAFETY	EMPLOYEES		CONTRACTORS		COMBINED TOTALS			
	MT	LTI	MT	LTI	MT	LTI	TRIFR <sup>1</sup>	LTIFR <sup>2</sup>
2021	6	5	2	0	8	5	1.10	0.42
2022	7	4	3	0	10	4	1.02	0.37
2023	5	2	4	0	9	2	0.87	0.16

Note 1: In 2023, 46 dangerous occurrence incidents were reported across the three operations, with no fatalities.

Note 2: Values have been updated from prior years following an appeal process on Worksafe’s decision regarding the classification of LTIs. This process is initiated through a third-party provider, Disability Management Institute (DMI).

1. TRIFR = [(MT + LTI) / person-hours worked per year] normalized against 200,000 person-hours as per MABC practice.

2. LTIFR = [LTI / person-hours worked per year] normalized against 200,000 person-hours as per MABC practice.

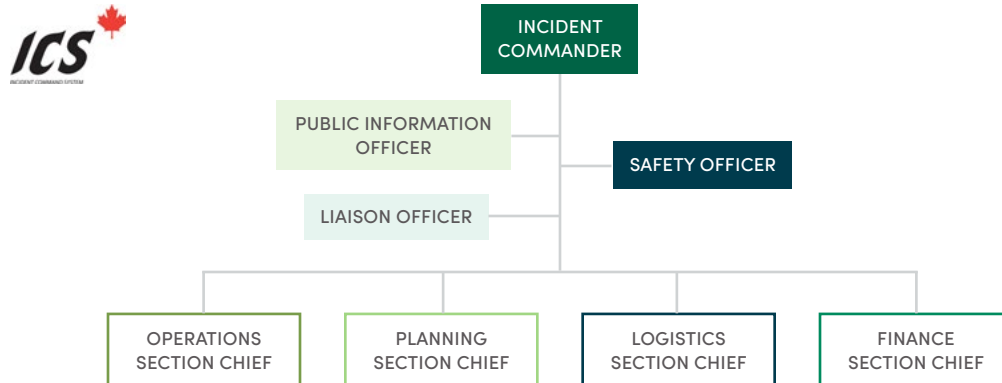


# Crisis Management

In mid-2023, we expanded our emergency response program and crisis management capabilities. Our separate site-specific Mine Emergency Response plans were updated and consolidated into a single plan for consistency across the Company. Using the Emergency Response Plan as our guide, scenario training was conducted at all sites to prepare key personnel to respond to a crisis.

The advancement of our crisis management capabilities will continue in the future, with several important initiatives that will further expand the program. First and foremost, all our key leadership personnel – from frontline site supervisors up to our senior executives – will be trained in the Incident Command System (ICS), starting in Q1 2024. This standardized crisis response system will significantly improve our ability to handle incidents of all types effectively, whether at the site level or company-wide.

Strengthening our response capabilities will be further achieved through formalizing mutual aid agreements with the emergency services groups in our local municipal districts. This is part of a larger drive to engage and integrate within local communities.



## Fire Protection

Conuma invested heavily in improving our fire protection capacity over the past year, including procuring dedicated fire trucks for each operation. These have been outfitted with ancillary equipment geared to in the unique environment of our mines. The fire trucks are an essential complement to our existing mine rescue vehicles. Furthermore, we have deployed specialized units for fighting wildfires at all sites, further enhancing our capacity in this critical function.

In response to the Tumbler Ridge wildfire, Conuma completed a thorough review of emergency response plans, taking the learnings from the wildfire and integrating these into even more robust emergency response plans finalized by the end of 2023.

A [link on Conuma's public website](#) was created that directs employees to an "[In Case of Emergency](#)" page, offering guidance on emergency preparedness. It includes tips on creating an emergency plan, assembling a "grab & go" bag, and maintaining communication during emergencies. It also provides links to external resources for further information on emergency preparedness, ensuring employees have access to comprehensive advice and instructions to stay safe in various emergencies.



## Tumbler Ridge Wildfire Response (June 2023)

### As it happened

#### JUNE 8

- » Wildfire 30km east of Tumbler Ridge, closing in on town
- » Fire monitored, precautionary preparations taken
- » Late-morning, evacuation alert issued
- » 14:00, evacuation order issued
- » Wolverine and Brule Mines evacuated
- » Conuma buses transported employees
- » Conuma emergency personnel assisted local fire departments
- » Temporary accommodations established in nearby towns
- » Evening, fire closed to within 4km of town
- » BC Wildfire Service established sprinkler network on exposed side of town
- » Late evening, wind shifted north

#### JUNE 9 TO 14

- » Conuma provided regular updates via Everbridge platform
- » Favorable winds, rain, cooler temperatures followed
- » Additional firebreaks cut

#### JUNE 15, EVACUATION ORDER RESCINDED



Thank you to all involved, including  
35 BC Wildfire firefighters, 7 heavy  
equipment units, and 9 aircraft



## Mine Rescue

In April 2023, we hired a new Mine Rescue and Emergency Response Manager. The mandate for this new role is to advance the professionalism, skills and capabilities of our site mine rescue teams.

Since then, our training program has been greatly expanded, as has the complement of vital equipment available for our personnel to respond to critical incidents. Furthermore, our roster of qualified, trained, and motivated mine rescue team members almost tripled since the introduction of this new role.



## Mine Rescue Competition

Against all odds, we were able to send a mine rescue team to compete in the provincial mine rescue competition, held in Williams Lake, BC. The competition was in mid-June 2023, immediately after the Tumber Ridge wildfire threat receded. Our team decided to go ahead and compete, despite not yet fully recovering from fighting the wildfire.

While our team did not win the event, we were recognized for our dedication by being presented with the Resilience Award, a new prize created to justifiably recognize the spirit of the team.



Simulation of rescuing an injured equipment operator from a haul truck.

## Occupational Health

We have made significant gains in injury prevention from ergonomic risk factors over the last two years. Our ergonomic injury rate from working in mobile equipment has fallen fourfold through targeted operator training, better haul road preparation, and vehicle cab maintenance. We continue to focus on this critical area, with further initiatives launched in 2024 aimed at other priority risk conditions.

In 2023, we launched an updated industrial hygiene monitoring program to quantify and identify root causes of employee exposure to silica, coal dust and noise in high-exposure work roles. This program will continue to expand in 2024, emphasizing putting permanent controls in place where elevated risk is found.

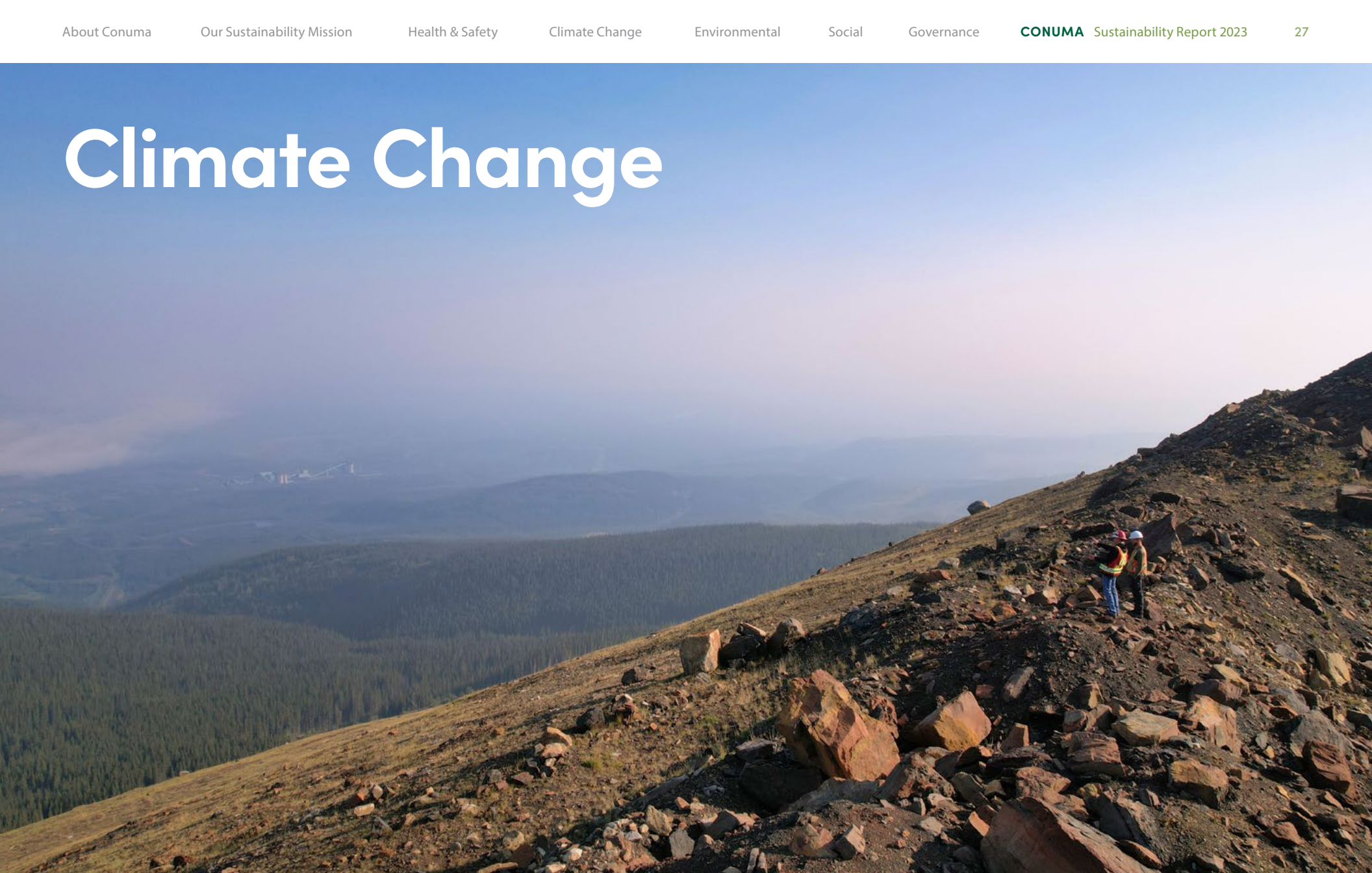
We continued our partnership with Telus Health in 2023 by conducting medical assessments for new employees, with tests for vision, hearing, and lung health, as well as candidates' physical fitness for the job role.

These assessments better ensure we place our new employees into positions without pre-existing health impediments that may affect their health, safety, and well-being.

Health exams for existing employees will continue in 2024 at all our operations, with site visits planned by our occupational nursing partner to conduct hearing testing and lung screening for silicosis. The outcome of these tests will be used with our workplace exposure monitoring data to gauge the effectiveness of our control measures and identify any gaps that require remedial action.



# Climate Change



## Company Strategy

At Conuma, we are working to progressively reduce our carbon intensity. We have committed to a minimum 15% reduction in carbon intensity per tonne of steelmaking coal produced by 2030 (compared with the base year 2019). Our key focus is reducing fossil fuel usage, but we continue to explore several energy supply and demand fronts to inform the best path forward.

Our Board of Directors had two formal climate change presentations and was provided with an additional information package in 2023 to review and discuss climate change matters. Our Climate Change Committee met four times to review progress on climate change projects and parameters.

These updates included:

- a. All climate change-related projects for the Company;
- b. The Company's efforts to reduce fuel usage across the operations and introduction of renewable diesel, defined as hydrogenated derived renewable diesel (HDRD);
- c. The legislative updates to fuel and emissions regulations including the BC Low Carbon Fuel Standard (LCFS), the BC Output Based Pricing Scheme (OBPS), and the Canadian Clean Fuel Regulations (CFR). The legislation landscape is rapidly evolving in BC and Canada, which has impacts on both operational costs and the development of opportunities brought about by the new standards;
- d. Conuma's emission intensity compared to global Steelmaking Coal producers (Skarn Associates);
- e. A more comprehensive carbon intensity reduction option-analysis assessment based on refined focus areas and evolving opportunities;
- f. Available grant and incentive programs to support electrification opportunities; and
- g. Updates on the fugitive methane emissions project to determine site-specific factors for our mines, and related engagement with Regulators and other Industry leaders to keep them informed of our progress.



## Reducing emissions by improving our fuel efficiency

In 2023, we reduced the amount of fuel we consumed, relative to the volume of material we moved, by 7% over the prior year. This excellent result was due to implemented improvements in many facets of our mining operations.

One of the key focus areas in 2023 was reducing the unnecessary idling of our mining equipment. To achieve this, we implemented a new idling policy, which requires, among other things, equipment not to be idled when the ambient temperature is above 10°C.

We also worked with our operational, maintenance and technology teams and our major vendors to produce real-time idling reports and create consumption visibility, accountability, and responsibility for reducing idling.

Finally, we worked on a communications plan, including posters to encourage operators to think about fuel consumption and turn off equipment when not being used.



## Fueling our operations in a rapidly evolving carbon taxation landscape

Our business is subject to several different categories of carbon legislation in BC. These are the BC Carbon Tax (BCCT), the BC Output-Based Pricing System (OBPS), the BC Low Carbon Fuel Standard (LCFS) and the Canadian Clean Fuel Regulations (CFR). These evolving legislations aim to reduce greenhouse gas emissions by raising the cost of fossil fuels and incentivizing the use of cleaner and renewable fuels. Petroleum diesel purchased in BC now costs an additional 40 cents per litre (c/l) due to these taxes, and this cost will materially increase each year as the OBPS rate and stringency increase and the LCFS stringency rises.

We understand and support a carbon tax system that is implemented in a manner focused on actual emissions reduction and more efficient production levels. This system should simultaneously ensure BC businesses remain cost-competitive with other global producers. The dialogue between the BC Government and industry on carbon tax has been intensive and constructive and it has been encouraging to see reason prevail in 2023 when implementing carbon legislation. Broad-scale electrification and delivery of mobile mining equipment that meets our required capacity are still many years in the future. Electrically powered large excavation and drilling equipment are currently available.

However, the bulk of the diesel consumed in surface mines is by large haul trucks. The first production-ready battery-powered electric trucks are only expected in 2028. Considering production constraints for new models by major manufacturers such as CAT and Komatsu, coupled with the fact that haul trucks typically have a lifespan of over ten years, it is likely that widespread adoption of fully electric haul trucks in mining will not occur until the mid-2030s. Additionally, to meet the high power demands of these vehicles, a significant increase in electricity generation and distribution to operations will be required.

The best short-term opportunity to reduce greenhouse gases is sourcing and using renewable diesel, technically referred to as hydrogenated derived renewable diesel (HDRD). HDRD is a biogenic fuel produced by integrating hydrogen with organic materials such as vegetable oils and animal fats, resulting in a high-quality, lower-emission alternative to traditional petroleum diesel.

We will work with suppliers and equipment manufacturers to address the significant challenges with HDRD, which include supply, functionality at frigid temperatures, and procurement costs.

We plan to procure material volumes of HDRD starting in the summer of 2024. Subject to the operability of using and commercials of sourcing HDRD, this significant change will be the largest contributor to ensuring Conuma meets and exceeds its target of reducing its carbon intensity by 15% by 2030.

The renewable fuel and carbon taxation landscapes are rapidly evolving in North America, and given our annual procurement of 80 to 90 million litres of diesel a year, the future of lower carbon fuel sourcing remains both a significant risk and opportunity, and one we will carefully navigate to reduce our carbon intensity.



## Risks and Opportunities

Our deepened knowledge and exploration of emission reduction strategies over the past few years, guided by a comprehensive assessment in alignment with the TCFD ensured we maintained a high-level perspective on new potential risks and opportunities. Some of these are set out below:

### Physical

- » Inclusion of additional potential wildfire impacts not already covered in the existing assessment (e.g., access to insurance or increased insurance premiums)
- » Exposure to wildfires at the mining sites and adjacent towns that consider additional parameters such as historical occurrences and vegetation
- » Potential impacts of physical climate hazards on the supply of renewable fuels across sourcing regions and crop types

### Transition

- » Projected exposure to the cost of renewable fuel supplies across North America
- » Carbon tax implications associated with the purchase and use of renewable fuels
- » Exposure to evolving legislative changes such as the OBPS and methane emission caps
- » Exposure to energy pricing and supply (fuel and electricity)
- » Inclusion of additional potential impacts on workforce attraction and retention

As part of our journey to align with the new ISSB and CSSB standards when implemented in Canada, these new risks and opportunities will be assessed in further detail to ensure the appropriate scenario analysis is applied.



# Electrical Energy and Energy Efficiency

Through 2023, we increased engagement with our electricity provider, BC Hydro, on multiple fronts. These included the 32-megawatt (MW) Electric Supply Agreement to bring transmission power to Quintette and the development of electrification opportunities across our operations, such as installing more energy-efficient equipment.

Importantly, we also hired Conuma’s first Energy Manager to support our operations in all areas of energy efficiency and coordinate efforts with BC Hydro. In the first half of 2024, we will implement a new three-year Strategic Energy Management Plan that sets our priorities and targets across the energy spectrum.

Quintette is being constructed with a new ~6 km overland conveyor to transport run-of-mine (ROM) coal from the mining pits to the processing plant. The conveyor will result in at least five fewer large haul trucks being required for the mine, thereby reducing emissions.

We also installed a belt filter press system in the Quintette processing plant to remove excess water from processed coal. This system

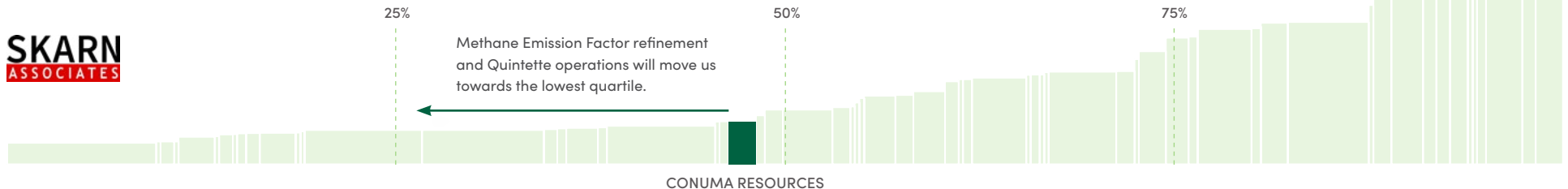
replaces the thermal dryer previously used at the handling and processing plant onsite, further reducing emissions from the operation. Additionally, the belt filter press has the benefit of requiring less electrical energy to operate than the thermal dryer.

The 32MW power supply into Quintette also allows us to consider the introduction of electric shovels and production drills to the mine in the future, which have the potential to both reduce emissions and lower operating costs. The Governments of Canada and BC, as well as BC Hydro, have several incentive programs to support emissions reduction and energy efficiency projects by industry. In partnership with Governments, these programs will be used for future energy reduction initiatives.

## Relative Emission Intensities

Mining industry emission intensity curves have surfaced over the last few years. These charts depict how mining companies compare with other producers concerning total emissions produced per tonne of material sold into global markets. Skarn Associates produces a carbon intensity curve for steelmaking coal producers, as shown below. One of the essential things to note from the chart is that “fugitive methane” makes up most of the emissions for steelmaking coal producers in the top half of the curve. Coal deposits in the Peace Region have some of the lowest methane levels of any deposits globally. This, combined with our efficient mining operations, logistical proximity to significant customers, and electricity supply which is 98% renewable (per BC Hydro) defines Conuma as a premier low-carbon intensity supplier into the steelmaking industry.

## 2023 Global Steelmaking Coal Producers Emission Intensity





## GHG Data

Diesel fuel is our primary fuel source and is consumed principally in mining activities such as mining and transporting mined overburden and steelmaking coal. Total diesel consumption makes up around two-thirds of our CO<sub>2</sub>e emissions.

Under current legislation, we must utilize a federal government-defined fugitive methane emission factor to determine our emissions from mining operations. This results in fugitive methane emissions making up 30% to 40% of our total Scope 1 emissions. We believe our actual fugitive methane factor to be much lower, as outlined later in this report.

Most of the electricity we purchase is consumed in our processing plants and maintenance workshops. As reported by BC Hydro, over 98% of the electricity supplied to our operations is generated from renewable sources, meaning that our Scope 2 emissions are near zero.

The total volume of material mined (coal and overburden combined) in 2023 was a record for our business which was the principal reason that 2023 emissions were higher than previous years. Our carbon intensity, as measured by CO<sub>2</sub>e emissions per tonne of steelmaking coal produced, was 27% lower than 2022.

### Scope 1 & 2 GHG Emissions quantified per BC and Canadian Regulations

METRIC	WOLVERINE MINE			WILLOW CREEK			BRULE MINE			TOTAL		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022 <sup>4</sup>	2023
Diesel Consumed (MI)	28.53	34.95	29.53	13.23	21.68	25.05	27.57	36.75 <sup>3</sup>	36.25	69.33	93.38	90.84
Energy from Diesel (TJ)	1,093	1,305	1,075	507	810	924	1,056	1,373	1,330	2,655	3,488	3,328
Methane (CH <sub>4</sub> ) from mined coal (kt CO <sub>2</sub> e/year) <sup>1</sup>	25.71	51.67	87.23	14.88	40.55	46.73	39.22	56.75	50.87	79.81	148.97	184.83
Biogenic CO <sub>2</sub> from Biodiesel (tCO <sub>2</sub> e) <sup>2</sup>	-	2.21	1.97	-	1.32	1.45	-	2.23	2.18	-	5.76	5.60
<b>Total Scope 1 CO<sub>2</sub>e (kt)</b>	<b>105.34</b>	<b>148.70</b>	<b>169.28</b>	<b>52.02</b>	<b>100.82</b>	<b>116.23</b>	<b>118.11</b>	<b>159.83</b>	<b>151.57</b>	<b>275.47</b>	<b>409.35</b>	<b>437.09</b>
Electrical Consumption (GJ)	72,672	73,750	87,369	67,490	92,924	90,488	20,344	19,413	18,718	160,505	186,088	196,575
<b>Scopes 2 CO<sub>2</sub>e (kt)</b>	<b>0.196</b>	<b>0.236</b>	<b>0.274</b>	<b>0.182</b>	<b>0.297</b>	<b>0.284</b>	<b>0.055</b>	<b>0.062</b>	<b>0.059</b>	<b>0.433</b>	<b>0.594</b>	<b>0.617</b>

Note 1: In Canada's National Inventory Report (NIR), the assigned emission factor for open-pit bituminous coal operations in NEBC is 0.93kg of CH<sub>4</sub> per tonne of coal mined. Our research indicates that this level is materially higher than what our operations actually emit in fugitive methane (see [Methane Section](#)).

Note 2: Emissions from biodiesel were calculated utilizing the quantification methodology in Schedule A of the BC GHG reporting regulations.

Note 3: Starting in 2022, Conuma began purchasing the fuel used to haul coal between the Brule and Willow Creek mines. In previous years, this fuel was purchased by contractors and as such emissions from the use of this fuel were included in Conuma's Scope 3 emissions.

Note 4: In 2023, BC's GHG Emissions Reporting Regulation updated the global warming potential (GWP) values to the IPCC's Fifth Assessment Report (AR5).

Note 5: Through an increased focus on electrical consumption data and engagement with BC Hydro, our historical values have been updated to reflect the true usage.

## Scope 3

	CATEGORY NAME	2021 EMISSIONS (ktCO <sub>2</sub> e)	2022 EMISSIONS (ktCO <sub>2</sub> e)	2023 EMISSIONS (ktCO <sub>2</sub> e)
1	Purchased Goods & Services	119.9	83.9	170.4
2	Capital Goods	15.1	23.5	29.9
3	Upstream Fuel & Energy Related Activities	29.1	42.1	40.8
4	Upstream transportation & distribution	-	-	-
5	Waste	0.9	1.3	1.5
6	Business Travel	-	-	0.2
7	Employee Commuting	5.4	4.0	5.8
8	Upstream Leased Assets	-	-	-
9	Downstream Transportation & Distribution	126.3	191.4	268.8
10	Processing of Sold Products	-	-	-
11	Use of Sold Products	7,742.4	9,916.2	14,120.9
12	End-of-life treatment of Sold Products	-	-	-
13	Downstream Leased Assets	-	-	-
14	Franchises	-	-	-
15	Investments	-	-	-
	<b>TOTAL</b>	<b>8,039.1</b>	<b>10,262.4</b>	<b>14,638.3</b>

Note 1: CN calculated the 2023 emissions saved as over 300kt of CO<sub>2</sub>e using rail over trucking to move our product.

Note 2: Increased engagement with vendors has provided Conuma with increased accuracy of Scope 3 emissions for 2023 reporting.

Note 3: The total volume of material mined (coal and overburden combined) in 2023 was a record for our business. This was the principal reason that 2023 emissions were higher than previous years.



## Responsible Sourcing

Responsible sourcing is the consistent, ethical, and transparent procurement of products and services. This includes ensuring environmental protection, social equity, anti-corruption, and economic viability within our supply chain.

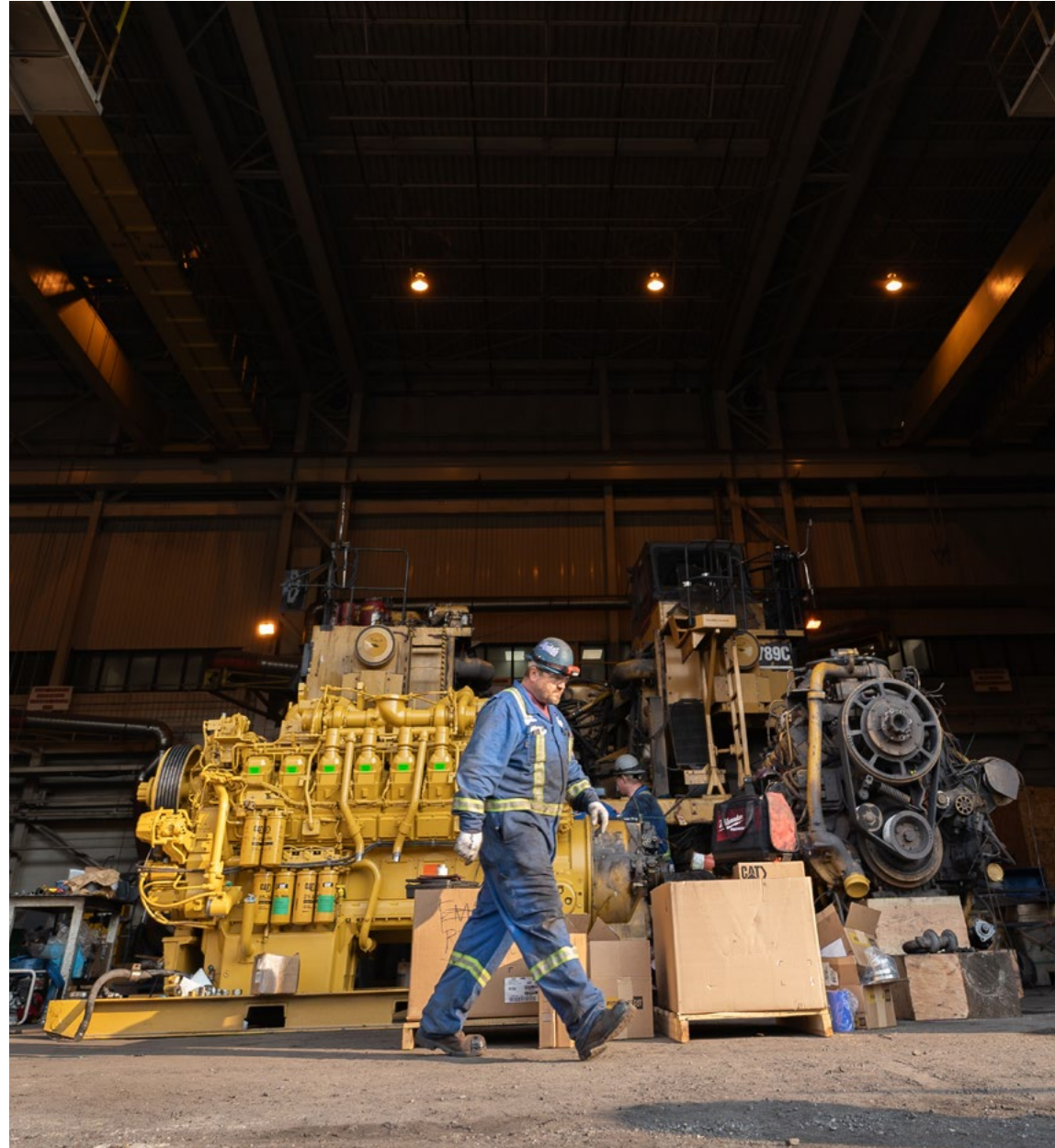
Responsible sourcing is fundamental to our mission and underscores our commitment to sustainability. Recognizing this, we have proactively engaged with our principal vendors to establish a transparent, accountable supply chain that aligns with international standards and local regulations.

We are also on track to complete the Canadian Bill S-211 filing by the end of May 2024, aligning with Canada's legislative requirements for companies to report annually on forced and child labour risks in their supply chains.

Scope 3 emissions from our inbound supply chain and outbound logistics comprise a material part of our total emissions.

To adequately understand and work with our business partners to reduce our total emissions (Scopes 1, 2 and 3), we engaged with seven of our ten largest supply chain providers in 2023 to assess their emission-reduction commitments and progress, and to strengthen our joint accountability to reduce our collective carbon intensity.

Notably, each vendor has made meaningful progress on their respective journeys to reduce carbon intensity, and we continue to work collaboratively to reduce emissions across the total supply chain.



## Lowering our explosives' carbon intensity with Orica

Conuma partnered with Orica, one of the world's leading mining and infrastructure services providers, to better understand the greenhouse gas emissions associated with Conuma's use of bulk explosives products in blasting activities.

Orica is ambitiously moving towards decarbonization, aiming to reduce its net Scope 1 and 2 emissions by at least 45% by 2030 and net zero emissions by 2050. A central component of their strategy to reduce carbon emissions involves implementing tertiary catalyst abatement technology, a sophisticated method designed to decrease nitrous oxide (N<sub>2</sub>O) emissions, a potent greenhouse gas.

This technology works by introducing a catalyst — a substance that accelerates a chemical reaction without being consumed — into the emission control system. In the context of N<sub>2</sub>O, the catalyst facilitates a reaction that converts N<sub>2</sub>O into nitrogen (N<sub>2</sub>) and oxygen (O<sub>2</sub>), two harmless gases.

Doing so significantly reduces the amount of N<sub>2</sub>O released into the atmosphere from industrial processes, contributing to the broader goal of decarbonization by mitigating the impact of these emissions on climate change.



## Fugitive Methane

Throughout 2023, we continued our comprehensive program to develop science-based calculations for our fugitive methane emission factors.

The program included:

- » Compilation of available existing data
- » Surface air emission testing
- » Satellite and aerial testing and imagery
- » Core sample drilling, and desorption and isothermal analysis on these core samples to ascertain methane release under various temperature and pressure conditions
- » Acquisition of gas well modelling software and development of site-specific models
- » Collaboration with other industry and regulatory organizations to optimize the project approach

Preliminary results suggest emissions being materially lower than the current prescribed Government of Canada factor of 0.93kg of methane per tonne of coal mined. We have proactively engaged with Environment and Climate Change Canada and the BC Ministry of Environment and Climate Change Strategy, updating them on our tailored approach and sharing our results. Both entities support our efforts and have signalled a willingness to adopt sound and scientifically determined fugitive methane factors.

In partnership with the University of British Columbia and industrial proponents, we also participate in the Natural Sciences and Engineering Research Council of Canada (NSERC) approved project on fugitive methane from coal mines in Canada.



### Novamen – Case Study

Novamen supplies dust control and de-icing products to Conuma. To reduce emissions and improve delivery efficiencies, Novamen started receiving delivery of product by railcars and blending it in Chetwynd.

The change happened in December 2023, and, in this short period of time, Novamen was proud to report that 1,682 tonnes of GHG emissions were eliminated. In addition, over 33,000 km of highway driving was avoided, with the inherent safety benefits

**1,682 tn**  
of GHG emissions eliminated

**33,000 km**  
of highway driving avoided

## Energy Consumption in 2023 and looking out to 2030

What constituted our energy consumption in 2023

92% 7% 1%



- Petroleum and biogenic diesel
- Electricity
- Natural gas & propane

The energy consumption goals we're pursuing on the road to 2030



## 2023 Scope 1 & 2 Emissions and Targeted Reduction Strategies to 2030

What made up our 2023 reported Scope 1 & 2 emissions

57% 1% <0.5% 42%



- Petroleum Diesel
- Biogenic Diesel
- Electricity
- Fugitive Methane

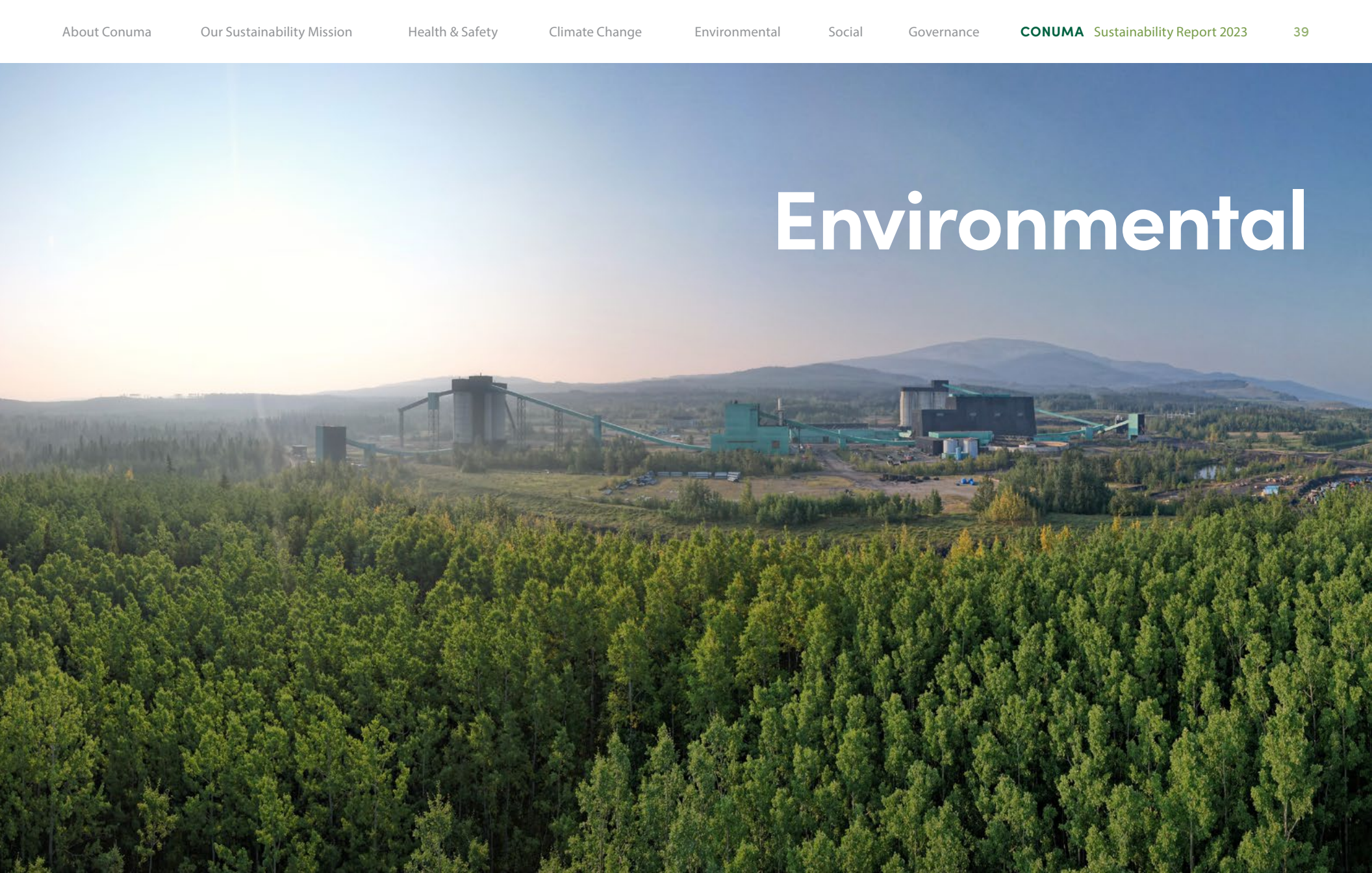


### Strategies to enhance our reporting and achieve, or surpass, our 15% Scope 1 emission intensity reduction goal by 2030

- » Further improving the fuel efficiency of our mining operations
- » Increasing use of HDRD (~1/4 carbon intensity of petroleum diesel)
- » Introducing electric mining equipment into our pit operations
- » Developing science-based mine specific fugitive methane emission levels
- » Capturing fugitive methane where possible

Note: Biogenic diesel is a type of diesel fuel derived from biological sources, such as vegetable oils or animal fat, and includes HDRD and Fatty Acid Methyl Ester (FAME).

# Environmental



# Tailings Management

Safely managing processed coal residue, known as ‘tailings,’ is critical for our Company. Our critical priority is to ensure that our tailings facilities always meet, at a minimum, legislative safety and environmental standards. We maintain and operate one tailings storage facility (TSF) at our Wolverine Mine and with the acquisition of Quintette, now own two additional TSFs, which are currently in care and maintenance.

The Wolverine Mine TSF, initially constructed in 2005, captures tailings piped from the adjacent Wolverine Processing Plant and pumps clarified water back for recycling through the Processing Plant. The TSF is operated, maintained by our employees, and supported by an Engineer of Record (EoR). The Operating Management System (OMS) manual requires site engineering and operational staff to complete weekly inspections.

A designated Qualified Person also performs monthly inspections, and the EoR prepares an annual inspection and safety report. We also conduct yearly governance reviews to confirm that we have the appropriate personnel and procedures to meet our committed management and safety standards.

The facility maintains all associated documents and procedures in a Tailings Management System (TMS). The TMS maintains the organization of the specifics for the facility and allows for focused efforts to identify continual improvement opportunities.

This includes an extensive instrumentation (piezometers, inclinometers, and settlement gauges) monitoring and surveillance program that is in place to confirm performance and integrity per the geotechnical design parameters. Visual monitoring, periodic inspections, and compaction monitoring instruments helped confirm design assumptions.

PERIOD	WOLVERINE	BRULE	WILLOW CREEK	QUINETTE
2016-2023	1	0	0	2
Planned	1	0	0	2





Monitoring results are included in the Annual Dam Safety Inspection Reports and tracked through a quarterly performance monitoring program prepared by the EoR. Any practicable improvements noted by the EoR or employees through monitoring and reporting are tracked for implementation.

Emergency Response planning has been conducted specifically for the TSF and included in the Wolverine Mine Emergency Response Plan. This plan focuses on the potential impacts of a TSF failure, initial response steps, coordinated efforts for response and recovery, and employee education on general response steps. Implementing training for a TSF emergency has been completed through desktop studies. The mine rescue coordinator is responsible for reviewing all documentation and running live exercises for the entire site as part of the regular training program.

A closure and reclamation plan for the TSF is in place, including long-term monitoring and maintenance of the facility to ensure stability and prevent any impacts on the regional communities or environment. A current conceptual plan is in place for closure and bonded with the BC regulators, but detailed designs will be finalized with the EoR before the end of the operation.

TOPIC	WOLVERINE TSF INFORMATION	QUINTETTE PLANT SITE TSF	QUINTETTE TSF - SHIKANO
a) Facility name	Wolverine Tailing Dam, ENV Permit PE-17756	Quintette Plantsite Tailing Dam: EMLI Permit No. C-156 ENV Permit No. 6739	Quintette Shikano Tailing Dam: EMLI Permit No. C-156 ENV Permit No. 6739
b) Location	The Wolverine Mine is located approximately 17 kilometres (km) southwest of Tumbler Ridge, British Columbia (BC), Canada.	The Quintette Mine is located approximately 15 kilometres (km) south of Tumbler Ridge, British Columbia (BC), Canada.	The Quintette Mine is located approximately 15 kilometres (km) south of Tumbler Ridge, British Columbia (BC), Canada.
c) Ownership status	Conuma Resources Ltd.	Quintette Resources Limited Partnership	Quintette Resources Limited Partnership
d) Operational status	Operational	Closure - Care and Maintenance	Care and Maintenance (Reopening 2024)
e) Construction method	Downstream	Starter embankment dam; Centerline Ultimate Zoned Earthfill Dam; Downstream raise	Stage I: crest raised to El.810m. Stage II: crest raised to El.829m. Downstream raise Rockfill dam
f) Maximum permitted storage capacity	To permanently store 0.8 million dry tonnes of coarse coal reject (used to construct the main dyke) and 1.4 million dry tonnes of fine coal  Reference: Wolverine Tailing and CCR Geotechnical Design report, January 27, 2005	To permanently store 11 Mm3 dry fine coal  Reference: Quintette Plantsite Tailing consolidated report, January 23, 2018. Plant site Tailing Annual performance report, February 15, 2023	Designed storage capacity: 6 Mm3  Reference: Quintette Shikano Tailing Annual performance report, February 15, 2023.
g) Current tailings stored material amount	The interim and ultimate remaining capacities are 660,000 m3, and 1,075,000 m3 (~89,000 m3 deposited in 2023)  Reference: VA101-770/22-1 Wolverine Tailings Storage Facility 2023 Annual Dam Safety Inspection)	Full  Reference: Quintette Plant site Tailing consolidated report, January 23, 2018.	The interim and ultimate remaining capacities are 3 Mm <sup>3</sup>
h) Consequence classification	High - 2021 Dam Safety Review report	High - Dam Safety Review Report 2022	High - Dam Safety Review Report 2022
i) Date of most recent independent technical review	January 2024	July 2023	July 2023
j) Material findings	There are currently no ongoing investigations in place	There are currently no ongoing investigations in place	There are currently no ongoing investigations in place
k) Mitigation measures	Through a routine monitoring plan	Through a routine monitoring plan	Through a routine monitoring plan
l) Site-specific EPRP	In place	In place	In place

The next five-year TSF Dam Safety Review (DSR) for the Wolverine TSF is planned for early 2024. This work will be reviewed by the Independent Tailings Review Board (ITRB), which the BC Provincial Government established in 2014 to oversee all mining tailings impoundments.

With the Wolverine mining operations finishing in mid-2024, the existing Wolverine TSF has more than enough capacity for the life of the current Wolverine Mine and Processing Plant. To innovate safe and sustainable mining practices, we have pledged to implement the [Global Industry Standard on Tailings Management \(GISTM\)](#) for our Quintette TSFs.

GISTM, published in 2020 by the International Council on Mining and Metals, sets out a framework for prioritizing safety throughout the life of a TSF, including design, operation, closure, and post-closure. We have begun working on aligning this framework with the TSFs at Quintette, including identifying a new EoR, Ecora, for both facilities in 2023.

An ITRB for the TSFs was also established with an annual meeting and site visit occurring in August. The TMS for these facilities will continue to be refined through 2024 before restart as the EoR and ITRB complete reviews of the previous document in place for the facilities.



## Water Management

Water is of fundamental importance to our business, Indigenous Nations, communities, and regulators. Our strategy is to “Keep Clean Water Clean” by reducing water’s interaction with mined overburden. Diversion of water around our mine sites is an essential part of our approach to water management.

Per our permits under the BC Environmental Management Act, surface and groundwater are primarily used for coal processing, site dust control, and equipment cooling. Some water remains in the steelmaking coal products that we export, primarily for dust control, temperature management, and ease of handling.

The water bodies used to source our freshwater need to be identified as high-risk in the World Resource Institutes (WRI) Water Risk Atlas tool. All operations are conducted in areas considered low-risk.

Identifying and implementing water recycling opportunities across our current operations and planning for Quintette remain key focus areas. Several new opportunities for the recycling of contact water and reduction in freshwater interaction are incorporated into the mine plan and infrastructure for Quintette, including new collection systems near the TSF with associated infrastructure to pump water back to the processing plant.



All three mine sites operate under the authorization permits issued by the provincial regulators and are updated through regular engagement on mine plan changes. These permits include compliance sampling frequencies and water quality levels beyond the BC Water Quality Guidelines (BCWQG). Minor non-compliances occur through regular operation during low flow periods when the Total Suspended Solid level or water quality parameter concentrations can be slightly elevated (see discussion below on water treatment). It is also considered non-compliance when sampling areas are unsafe for employees to access to collect the required samples. These incidents are all tracked and reported as part of the annual reports submitted to regulators.

Water quality monitoring has shown occasional elevated levels of selenium and nitrates compared to BCWQG and Permit conditions, most notably at Brule Mine. However, the trend of these levels for parameters of concern has been favourable during the period of Conuma's ownership of Brule. Conuma conducts mesocosm, fish tissue, and other studies in the local watersheds to ensure that the parameters of concern do not have environmental effects.

Conuma operates two Biochemical Reactors (BCR) as part of water management at its Brule site. A BCR is an engineered system facilitating biological reactions that can remove parameters of potential concern from contact water, employing exceptionally low energy intensity. The BCR itself is a lined basin filled with a mixture of hay, wood chips, and limestone (known as the biomixture), and a top layer of hay for insulation.

Living within the biomixture are naturally occurring microbial populations (microbes) that remove both nitrate and selenium through reduction-oxidation reactions. The microbes require a food source (substrate) for their growth and metabolic activities. In the context of selenium remediation, the substrate (hay and wood chips) are carbon sources that serve as electron donors for selenium reduction by metabolism (e.g., microbes consume oxygen creating an environment suitable for nitrate and selenium reduction). From there, nitrate is reduced to nitrogen gas and the soluble selenium form (selenate or selenite) is broken down into immobilized forms that are less soluble such as elemental selenium. These less soluble species of selenium are then adsorbed onto the biomixture surfaces or precipitated/settled out within the BCR system. These two BCRs treated over 6,000m<sup>3</sup> of water per day reducing the nitrate and selenium levels by 50% or more on average.



## Conuma wins the Environmental Managers' Association of BC's 2023 emission & discharge control award for its biochemical reactors

Conuma won the 2023 Emission and Discharge Control Award at the Environmental Managers' Association of BC, held in July 2023. This award was the result of many years of hard work the Conuma environmental team in NEBC has done in building, adapting and operating our biochemical reactors (BCRs) to remove selenium and nitrates from mine water discharges. The BCRs are a low-cost, low-energy demand and natural way to treat mine water and were rightfully recognized among environmental peers for this award.

Brule mine also commissioned a Near-Term Water Treatment System (NTWTS), in March of 2023, that uses a combined biological, chemical, and physical based technology to convert soluble forms of selenium to an elemental form. This allows for the newly formed selenium particles to be removed from the water prior to discharge from the treatment system.

Moving bed bioreactor (MBBR) technology is an attached growth biological treatment method using neutrally buoyant plastic media to provide a controlled environment to enhance the microorganisms' natural conversion of selenium.

The NTWTS went through a series of modifications through 2023 to refine the process for maximum efficiency, reaching nitrate and selenate reductions of 98% while treating close to 9 million liters of water. This system will continue to be tested through 2024 to further increase the efficiency of water treatment.

We are taking additional measures to mitigate contaminant levels, including different mining practices at the current operations and integrating these learnings into the Quintette mine plan. These include strategies related to material stockpiling practices, non-contact water diversion, and improvements in blasting techniques.

In 2023, we transitioned to electronic detonators for the blasting process to help strengthen blasting controls and with the added benefit of reducing nitrates remaining in the blasted rock material that is ultimately disposed of onsite. Electronic detonators help reduce misfires by signalling and communicating potential misfires before blasting.



## Air Quality Management

Monitoring air quality is crucial for both employee respiratory health and ecosystem well-being. With our operations' remote locations, the potential impacts from dust are less material than other environmental aspects.

Nevertheless, dust management practices defined in site-specific Air Quality and Fugitive Dust Management Plans are still implemented to help control the total volumes of dust created by the operations.

### These practices include:

- » Continuous dust suppression efforts across all the sites through water trucks, applying suppressants to the roads, and employing rain birds at the processing plant stockpiles;
- » Mechanical dust suppression methods including baghouses at the plants and semi-covered conveyors or transfer points;
- » Maintenance and enforcement of speed limits throughout the operations to minimize dust mobilization;
- » Application of a suppressant to the train cars once loaded with coal to reduce dust during transportation; and
- » Progressive reclamation of areas no longer required for mining to reduce exposure to wind events.

Dustfall canisters that provide high-level information on dust volumes have been utilized at all three operating sites. Emission stack monitoring occurs annually at 7 locations between the Wolverine and Willow Creek processing plants.

Particulate matter ("PM") sizes of 2.5 and 10 are monitored at Willow Creek. This is due to the proximity of the mine and processing plant to the highway and some residential properties. The new 24-hour monitoring station showed the high variability of particulate matter in the air through 2023 due to the wildfires in the region.



## Waste Management

Ensuring the control of all waste materials is fundamental to the efficiency and effectiveness of the operations. This includes all waste categories and types like tailings, rock, hydrocarbons, and metal.

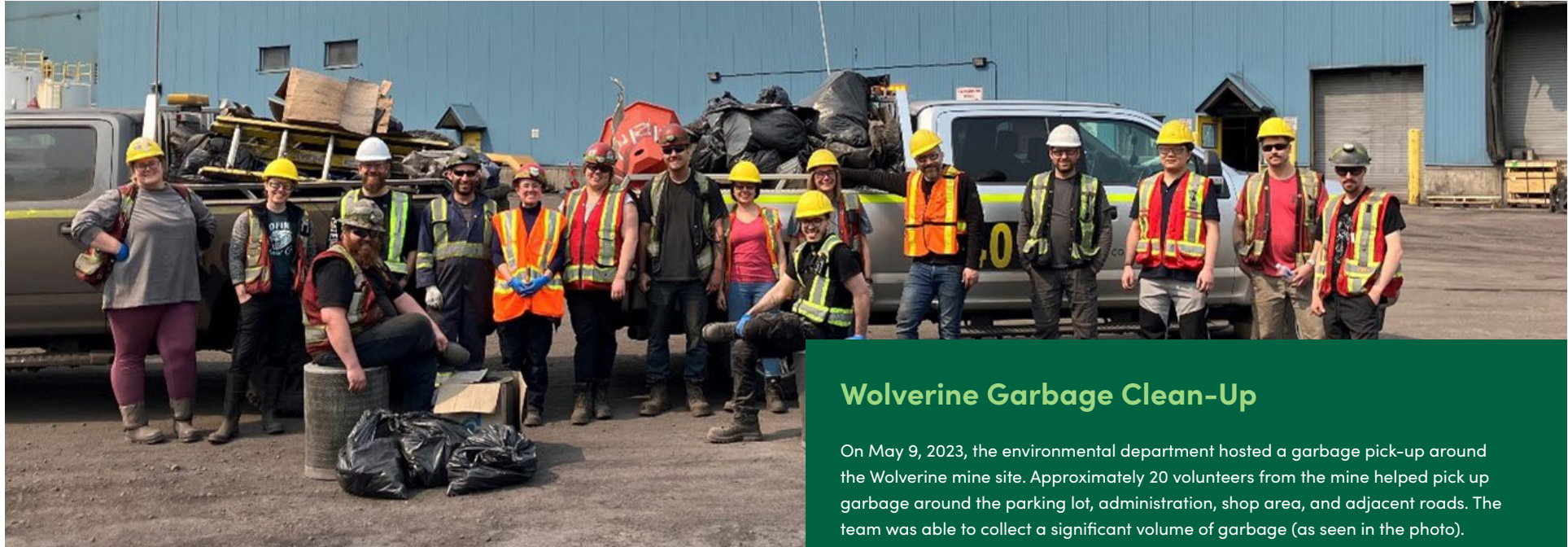
We maintain procedures across the operations to manage and track the volumes of waste being handled or taken off-site. These procedures include the steps required to utilize the waste practically, such as tailings water being recycled for processing or waste rock being used for land forming the dumps to help reclamation.

Other waste management includes recycling waste products by licensed contractors, including general waste (e.g. wood, cardboard and metal) and hydrocarbons. Using these contractors ensures the appropriate waste handling to ensure lifecycle control.

To further improve our waste management practices, we will implement a consolidated service for all waste handling and tracking in 2024 to increase our recycling and overall waste reduction. These practices will build upon an ongoing proactive approach to select the best lifecycle diversion pathways for each material.

There were 27 spills of hazardous material (i.e., hydraulic oil or coolant) from equipment malfunctions across the three operations reported to the Provincial Environmental Emergency Program as per the Environmental Management Act, down from 32 similar spills in 2022. All spills were sufficiently cleaned, and the material was removed from the site in contaminated bins for removal from site.





## Wolverine Garbage Clean-Up

On May 9, 2023, the environmental department hosted a garbage pick-up around the Wolverine mine site. Approximately 20 volunteers from the mine helped pick up garbage around the parking lot, administration, shop area, and adjacent roads. The team was able to collect a significant volume of garbage (as seen in the photo).

OPERATIONAL WASTE		
	TAILINGS <sup>1</sup> (kt)	MINED OVERBURDEN <sup>2</sup> (kbcm)
2021	117.0	63,944.5
2022	117.0	63,944.5
2023	89.0	64,988.0

<sup>1</sup> Tailings only produced at Wolverine (Density of 0.9 ton/m<sup>3</sup>)  
<sup>2</sup> Note that mined overburden includes Coarse Coal Rejects

	GENERAL WASTE <sup>1</sup> (t)		HAZARDOUS WASTE (t)		SCRAP METAL (t)
	TOTAL <sup>2</sup>	RECYCLED	TOTAL	RECYCLED	RECYCLED
2021	686.3	602.1	1,140.7	1,050.9	1,387
2022	1,080.2	802.8	1,360.7	1,200.4	2,220
2023	1,951	833.2	1,365.9	1,263.1	698

<sup>1</sup> Conversions from m<sup>3</sup> to kg are required for some waste shipments. Not including Scrap Metal  
<sup>2</sup> Totals calculated from manifests for waste moved by contractors in alignment with Canadian regulations, such as Transportation of Dangerous Goods (TDG)

	HAZARDOUS WASTE RECYCLED (t) <sup>1</sup>		
	ANTI-FREEZE	LUBE OIL	GLYCOL
2021	67.8	937	-
2022	53.7	1,117.2	3.9
2023	24.1	1,110.1	-

<sup>1</sup> Not all Hazardous Waste materials listed



## Biodiversity

Operating all of our sites in a species-rich landscape like BC provides us with a beautiful backdrop for our operations and a responsibility to help protect the ecosystems supporting biodiversity.

We want to ensure our operations continue to meet or exceed the environmental management expectations of stakeholders and regulatory bodies. With the number of regulations and permit conditions continually increasing, we upgraded our internal compliance tracking mechanisms for each site as part of our Environmental Management System (EMS). The company also created and hired for over 10 new environmentally related roles.

Each site maintains a comprehensive set of management plans as part of the EMS, covering topics such as wildlife, vegetation, soil, and reclamation, identifying the associated risks and mitigation practices to minimize impacts.

All our sites report on their environmental performance through provincially regulated permitting reports, such as the Annual Reclamation Report, which are publicly available.

### Metal Leaching and Acid Rock Drainage

Our properties lie within the Gates and Gething coal formations, which interact with multiple stratigraphy units that present a low but potential risk for Metal Leaching and Acid Rock Drainage (ML/ARD). Our operations actively monitor and manage material on-site, utilizing ML/ARD management plans and standard operating procedures. These are kept current by qualified professionals who review the site data. These monitoring requirements are carried out on the sites' associated materials, including coarse coal rejects, tailings, waste rock and pit surfaces.

Our Quintette operation will also proactively minimize the potential impacts of ML/ARD from the on-site materials through intentional mining practices.

Progressive reclamation and seeding at Brule



## Reclamation

We recognize that our mining activities are a temporary use of the land on which we operate. When we conclude production at our operations, we are responsible for restoring the entire site to meet end land use goals. Restoration and reclamation planning begins from the first day we design and plan our mining operations.

We maintain five-year mining plans and Reclamation and Closure Plans for each facility, including an estimate of the costs to complete the activities outlined, that the BC Ministry of Energy, Mines and Low Carbon Innovation (EMLI) approves and for which it collects a security bond.

As we operate our mines, we practice progressive reclamation. We do this so that reclamation has been completed on relevant and accessible parts of the mining operation when mining operations finally cease. This supports our target to return the land and watercourses to a standard suitable for wildlife habitat and traditional uses by Indigenous Nations and our communities.

We do this through sloping, layering topsoil, and revegetating to establish forest cover and forage areas that support wildlife and traditional Indigenous uses.

We contract local Indigenous-owned businesses to support and execute reclamation activities. These partnerships extend from re-sloping to the layering of topsoil and hydroseeding. Twin Sisters Native Plants Nursery, based in Moberly Lake, has collected area-specific seeds, plants, shrubs, and trees to ensure the appropriate native plants are used in reclamation.

In 2023, we focused on monitoring previously reclaimed areas for vegetation success and metal uptake. With minimal areas to progressively reclaim, we were able to plant over 100,000 trees and seed over 26 hectares of reclaimed area to support additional vegetation growth. In 2024, we will continue to focus on progressive reclamation where possible and ongoing maintenance and monitoring of previously reclaimed areas.

SITE	AREA RECLAIMED (HA)		TREES PLANTED (K)	
	2022	2023	2022	2023
Brule	21	0	0	103
Willow Creek	0	0	10	0
Wolverine	16	0	30	0

A mountain goat roaming through Quintette



# Social



## Labour Relations and Human Rights

We operate exclusively within Canada, ensuring that our operations are situated far from conflict areas—regions often characterized by ongoing military conflict, violence, or political instability.

As a result, we benefit from producing in a nation that consistently ranks near the top of Transparency International's Corruption Perception Index, underscoring our commitment to integrity and ethical business practices in a stable and secure environment.

As part of our proud NEBC heritage, we strongly support our local communities' efforts to grow and sustain thriving societies. We are involved across several fronts, including community investment, engagement, education and donations.

We recognize the importance of human rights legislation in all employment-related decisions and prohibit any form of unlawful discrimination while providing equal employment opportunities. We strive to align our practices and initiatives with the United Nations Sustainable Development Goals vision for a better and more sustainable future for all, recognizing these goals as a guiding framework for positive global impact.



## Relationships with Indigenous Nations

We operate entirely within Treaty 8 Territory. We understand and respect that our operations and proposed projects impact the traditional territories of Indigenous Nations. We are committed to maintaining and strengthening our relationships with Indigenous Nations through increased participation, collaboration and reconciliation.

We focus on meaningful engagement at the earliest stages of our projects, which continues throughout the entire mine life cycle. We are also committed and have a proven track record of growing economic opportunities for Indigenous Nations' businesses and affiliates.

In 2023, we deepened our engagement with local Indigenous Nations. In 2023, there were over 600 engagement activities in relation to Quintette, water management and treatment at the Brule Mine, exploration, environmental management and monitoring. Conuma is committed to ongoing and regular engagement throughout the mine life cycle.

In 2023, business spending with Indigenous Nations' companies and their affiliates more than doubled from 2022 to \$77 million. This excellent result reflects our commitment to providing benefits and creating value for Indigenous Nations with whom we have relationships. It also reflects the growing capacity and range of services provided by Indigenous Nations and their affiliate companies.

Local Indigenous Nations' goal is to grow their Nations' capacity by creating employment opportunities for their members. Conuma focuses on working with Indigenous Nations to provide and realize business opportunities. By doing so, this provides employment opportunities for Indigenous peoples. As an illustration of this, the Duz Cho Construction workforce was 30% Indigenous. Aski Reclamation was 52% Indigenous identifying staff, and 75% local employees within the Peace Region.

ASKI Reclamation LP (ASKI) is a Saulteau First Nations company which provides environmental monitoring, reclamation management and planning services. In 2022, ASKI began environmental monitoring for Conuma, focused on water, vegetation and soil monitoring. On any given day, two ASKI employees work with Conuma to collect environmental monitoring data. This partnership provides ASKI with stability, enabling the maintenance of local employment opportunities year-round and helping them grow their business. The relationship between ASKI and Conuma will continue to grow with continuing reclamation including research. Conuma is proud of this relationship with a Treaty 8 Indigenous Nation to grow the restoration economy.



## Community Relationships

Our operations are in NEBC, an area rich in resource development. In the early 1980s, the community of Tumbler Ridge was created to host and support the development of the area's new steelmaking coal mines, most notably the Quintette Mine, the largest employer in the town.

When Quintette was put into care and maintenance in 2001, Tumbler Ridge was significantly impacted. Since Conuma started operating in 2016 in the District of Tumbler Ridge, residents and businesses have benefited from the stability of a large local employer committed to delivering local support. In addition, over 70% of our employees live in NEBC.

In February 2023, we acquired Quintette and have been working diligently and investing significant capital to restart the mine in 2024. The restart of

Quintette, with proven reserves and significant resources, creates a profound and exciting new chapter for Conuma's employees and Tumbler Ridge.

The communities of Chetwynd and Mackenzie are supported by several natural resources industries, including our mines. The region includes the cities of Dawson Creek and Fort St. John, which also support and benefit from resource development and our activities. Our commitment to local employment and procurement contributes to the economic health of NEBC and the province.



### Conuma Cup

2023 saw the return of the Conuma Cup, a well supported hockey tournament where teams from each of our mines compete against each other to prove who has the top hockey talent. Living up to our true Canadian roots this event promotes community spirit and supports the local food banks as each admission is by donation.



Our procurement teams work closely with local businesses and contractors to secure a wide range of supplies, equipment, and services necessary for our operations. These efforts help contribute to the economies of the communities in which we work.

In rural communities, not-for-profit organizations and their volunteers donate countless hours to enhance the social fabric of these communities. We are honoured to support local organizations and initiatives to complement the work of volunteers. In 2023, we supported and participated in over 40 community events in Tumbler Ridge, Chetwynd, Mackenzie, McLeod Lake, Saulteau

First Nations, West Moberly First Nations, Kelly Lake, and Halfway River First Nation. We continue to look for opportunities to partner and support local organizations and initiatives.

We offer a range of scholarships to young adults from NEBC who are interested in pursuing post-secondary education in mining-related fields, including engineering, environmental sciences, and trades.

Our scholarship program includes high-demand professions within NEBC that contribute to community well-being, like nursing and early childhood education, acknowledging the critical role of local

communities in delivering social services. This year, we granted scholarships to 10 deserving high school graduates and extended support to individuals pursuing careers in early childhood education. Our total investment in the community for 2023 exceeded \$300,000.

Our Chief Sustainability Officer, Hugh Kendrick, annually facilitates a multi-week course for senior students at the Tumbler Ridge and Chetwynd Secondary Schools. The Making Money Work course includes essential personal finance topics such as budgeting, debt, investing, taxation and insurance. More than 40 students from the two schools participated in the course in 2023.

LOCAL VENDOR SPEND (\$M)	2022	2023
Tumbler Ridge	7.6	9.8
Chetwynd	99.8	103.7
Dawson Creek	4.7	7.4
Fort St. John	8.3	6.5

Note – 2022 values were further refined through 2023 and updated accordingly.

## Bear-Aware Training provided to local communities by Conuma

In April 2023, Kale Ericson, our Wolverine Mine Health and Safety Manager, hosted a public Bear Awareness Training session in the local communities of Tumbler Ridge, Chetwynd, and Mackenzie. The sessions were very well received and appreciated. Over 200 local residents, including students, attended the Bear Awareness Training.



## Emperor's Challenge

The Emperor's Challenge is a challenging mountain running event held annually in Tumbler Ridge. The 20 km race, which includes traversing over 800 metres of elevation, takes participants through some of the most beautiful and rugged terrain in the Canadian Rockies. The event attracts a wide range of participants, making it a highlight of the region's annual sporting calendar. Many of our employees participated and volunteered at the 2023 event, and we were honoured to be the Platinum sponsor.

## Employee Relations

### Employee Events

Each year we hold events for our employees and their families, which fit into their work schedules and involve local businesses and groups from our community. In June 2023, we celebrated the Quintette Mine purchase with two major events for 700 employees and guests. Later, after having to cancel some mid-year events due to the wildfire, we combined our annual golf and barbeque events into four large gatherings in September, which were well supported by our suppliers and local businesses.

We celebrated the holiday season in December with six “standing room only” parties for employees and their families. These celebrations were made possible with the support of local businesses and not-for-profits, including the involvement of community organizations ensuring safety and enjoyment. Additionally, we partnered with the Tumbler Ridge Global Geopark for “Sleddin’ with Santa,” a festive event that brought the community together with holiday activities and decorations, emphasizing our commitment to community engagement and festive cheer.



### Employee Engagement

Our success as a business is contingent on us having engaged employees. We know engaged employees are more productive, work more safely, sustain our core values, and stay with us longer.

Effective communication with our employees is essential to keep them engaged by making them feel valued and seen as contributing team members. Most of the communication comes through managers and supervisors on the ground. In this regard, we have worked hard to build robust communication and leadership skills in our frontline leadership through in-person and online training and development.

Our Conuma newsletter, which goes out to all employees, has been well received across the business. It has been an excellent forum to share additional information regarding the Company, provide operational updates, success stories of departments or individual employees, and Conuma and community events.

We completed our third employee engagement survey in September 2023, following previous employee surveys conducted in the last two years. Survey participation rose again in 2023 by 8%, totalling 56% of employees completing the survey (higher than the North America Metals and Mining average). Highlights of the survey are included in the associated following sections.



## Employee Training and Development

Developing the skills of our employees ensures not only safe operations of the mines but also supports employees in finding opportunities to grow within the Company. In 2023 we had:

- » Over 850 employees attend safety-specific training courses
- » Over 350 new employees complete our orientation program
- » Over 100 employees complete training to operate different equipment such as haul trucks, dozers, and excavators.

We also launched Safety Leadership in person and eLearning in 2023. We hired a Safety Training Coordinator so that we can train internally on much-needed courses such as Fall Arrest, Elevated Work Platform, Confined Space, and Forklift.



In 2023

850+

employees attended safety specific training courses

350+

employees went through orientation

100+

employees were trained on new pieces of equipment



## Career Development Check-in Program

This program continued in 2023 with Engineering/ Geology and expanded to include Regulatory Strategy, Innovation and Environment, with regularly scheduled meetings held with individual team members on a rolling basis.

### PROGRAM OBJECTIVES:

- » Establish and maintain regular communication between team member and Senior Leaders.
- » Provide individuals with clear information related to career path opportunities at Conuma.
- » Facilitate mentorship opportunities.
- » Facilitate regular discussion around individual career development goals.

## Leadership Development

Our Leadership Development Program continued through 2023, ensuring that we provided both experienced individuals and those new to leadership positions with the necessary tools and skills to be successful.

Our 2023 Employee Engagement Survey showed that leader engagement improved significantly (15-point overall increase) with the supervisor group the most improved at +23 points indicating that leaders are the most engaged group in the business.

The training in 2023 included 3 in-person full day workshops covering the following topics for each participant:

### Leading an Equitable and Respectful Workplace

Learning Objectives included equitable and respectful workplaces, unconscious bias and alignment with Conuma’s core values.

### Communicating with Groups

Learning Objectives included engaging audiences, running effective meetings and disagreeing respectfully.

### Safety Leadership

Learning Objectives included building and sustaining a safety culture, building accountability, safety interactions, mitigating risks and corrective actions.



#### SUPERVISOR TRAINING

DELIVERY METHOD	Average # of Participants per Session		Participant Training Hours	
	2022	2023	2022	2023
Virtual	50	240	504	900
In-Person	43	26	2,335	1,950
<b>TOTAL HOURS</b>			<b>2,839</b>	<b>2,850</b>

#### MANAGER TRAINING

DELIVERY METHOD	Average # of Participants per Session		Participant Training Hours	
	2022	2023	2022	2023
Virtual	38	96	608	368
In-Person	30	20	672	900
<b>TOTAL HOURS</b>			<b>1,280</b>	<b>1,268</b>

## Respectful Workplace

We are committed to maintaining and fostering a culture of respect throughout our organization because it is essential to ensure a safe and productive workplace. Our employees are responsible for ensuring everyone feels valued, and heard with kindness and in a collaborative spirit.

To help ensure a respectful workplace, our employees are provided with guidance to:

- » Be open and considerate of your colleagues' feelings, ideas and contributions.
- » Listen actively and show genuine interest in understanding different perspectives.
- » Embrace a growth mindset, viewing mistakes as opportunities to learn and improve.
- » Use appropriate language and maintain professionalism in your interactions.
- » Handle conflicts respectfully and constructively, avoiding personal attacks or hostility.
- » Be mindful of personal space and boundaries to ensure others feel comfortable and safe.
- » Respect your colleagues' time by being punctual, dependable, and reliable.
- » See feedback as a chance for growth and deliver it respectfully with a focus on improvement.
- » Acknowledge and celebrate your colleagues' successes, creating a positive and supportive environment.
- » Keep sensitive information about colleagues and the organization confidential.



Complementing our “Respectful Workplace” E-Learning, in-person workshops were conducted in May and July of 2023 as part of the Leadership Development Program, focusing on “**Leading an Equitable and Respectful Workplace**”. Over 150 supervisors, managers and future leaders joined together to participate in one of six workshop offerings.

This in-person workshop for Conuma’s leaders was a companion learning to our self-guided “**Creating a Safe and Respectful Workplace**” course delivered via LMS COAL (Conuma Online Applied Learning).

The e-learning course is mandatory for all Conuma team members to complete annually.

Among the objectives of the in-person workshop was for leaders to understand what an equitable and respectful workplace looks like and how unconscious bias impacts our perception and response to others. Leaders came away with recommended tools to help them identify and challenge unconscious bias.



## Diversity, Equity and Inclusion

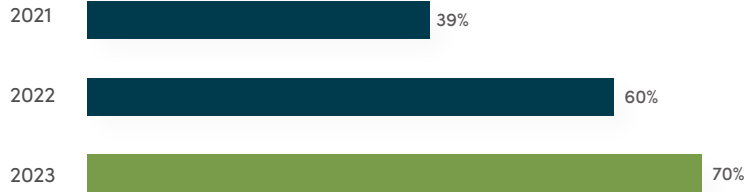
We recognize that our diversity, including the many unique contributions we each bring to our workplace, builds a stronger Conuma. It is essential to us, our many stakeholders, and Indigenous communities that our work environment is inclusive, equitable, and a welcoming place where everyone belongs.

Conuma is committed to providing our employees with a culture where:

- » Everyone is treated with kindness and respect, no matter who they are or where they come from.
- » Differences in age, gender, ethnicity, heritage, physical and mental abilities, beliefs, language, sexual orientation, education, nationality, social background, and culture are valued and embraced.
- » Discrimination, bullying, and harassment are not tolerated.
- » Everyone is welcome and comfortable to be their true selves.
- » Employees are provided with and have access to equitable and inclusive work practices, policies, training, and development opportunities.
- » Employees receive career advancement opportunities based on qualifications, abilities and performance.
- » We are all mindful of our biases, both known and unknown, and take steps to address them in our actions, processes, and systems.
- » Diversity is encouraged across all levels of the organization, including leadership positions, and the importance of diverse voices in authority is recognized.



2023 EMPLOYEE SURVEY DATA – DEI DIMENSION (POSITIVE PERCEPTION)



The 2023 result of 70% in this area is 8-points higher than the “North America Metals and Mining” Benchmark (made of 7 organizations, that represent a total of about 8,500 responses)

Our management team maintained a 29% women representation, while the percentage of self-identifying women and Indigenous Nations was slightly lower than the prior year.

We continue to focus on hiring locally, with the percentage of our workforce in BC increasing to 82% by the end of 2023, with over 700 employees living near our operations in NEBC.

In 2023, we recorded significantly lower employee absenteeism, and our employee turnover also reduced compared with 2022 (8% improvement). These two factors combined considerably boosted the productivity of our operations this last year. Our Human Resources team together with our operational support teams have worked hard to retain high levels of communication, implement new policies and standards, and improve management systems to drive these major improvements.

TOTAL EMPLOYEES <sup>1</sup>			INDIGENOUS NATIONS <sup>2</sup>			WOMEN <sup>3</sup>		
2021	2022	2023	2021	2022	2023	2021	2022	2023
862	1,073	1,036	55	67	62	197	267	246

1. As of December 31, 2023 Excludes employees on extended leave (medical, personal, etc.)  
 2. Status is self-identified by the employee  
 3. Gender is self-identified by the employee



## Women's Employee Resource Groups

In September 2023 as part of our Strong When We Belong program, the first Women's Employee Resource Group meetings were held at the Wolverine mine. These pilot meetings were well attended and helped us gather input and ideas to inform further development of the group.

This initiative is expanding to hold meetings at the Brule and Willow Creek Mines as well as more at Wolverine in 2024.

We are committed to providing space where employees can join in their workplace based on shared characteristics or life experiences. These groups are focused on providing support, enhancing career development, and offering education and information to employees around their workplace and career opportunities.

Feedback from attendees of the Wolverine meetings was very positive, confirming this is a well received addition to our Strong When We Belong program.



# Business Ethics and Code of Conduct

To deliver on our mission, we need an engaged and competent workforce that behaves ethically and according to our Company Values and Code of Conduct. This is essential for us to maintain our social license to operate.

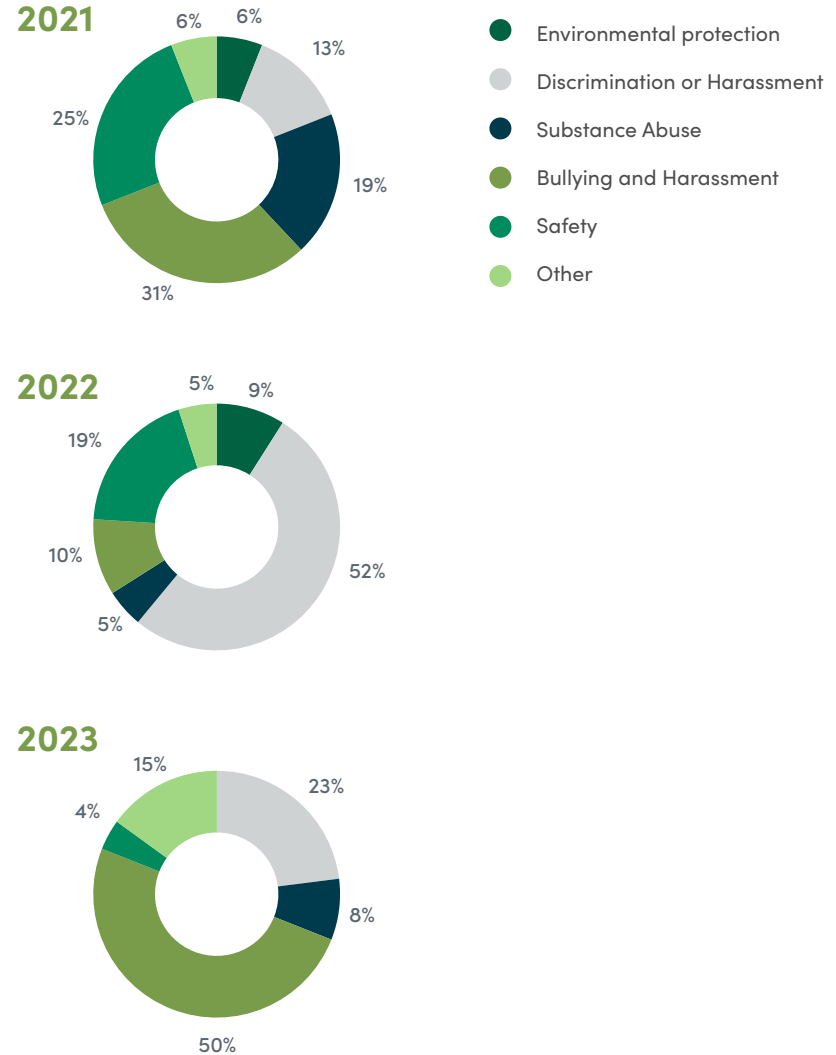
Our employees represent our organization and, through their actions, are expected to preserve and enhance our reputation through honesty, integrity and fair dealing standards.

Our Business Ethics and Code of Conduct Policy underscores our commitment to ethical, moral and legal business conduct and outlines the approach we must consistently take to meet and uphold our ethical and conduct standards, including anti-corruption compliance. This sets the tone for how we work, outlines acceptable workplace behaviour and business practices, and helps us recognize and address ethical and compliance issues before they arise.

Any employees (from ground-level to senior management) who may be exposed to interactions with vendors, regulators, or other stakeholders must complete additional anti-corruption training through our LMS training program.

We also have an external operator for a whistleblower service through NAVEX Global EthicsPoint. EthicsPoint offers anonymously easy reporting through phone, website, email, or letter communication.

In 2023, we received 26 reports of alleged violations through the service (compared with 21 in 2022), all of which we investigated and managed appropriately. The breakdown of business conduct cases reported in EthicsPoint from 2021 to 2023 is shown in the chart to the right.





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