

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) FRAMEWORK 2021 CONTENT INDEX

DISCLOSURE		CIA RESPONSE	DISCLOSURE LOCATION
Governance (TCFD-G)			
a	Describe the Board's oversight of climate-related risks and opportunities.	The Board of Directors, supported by the ESG Committee, is the ultimate body responsible for monitoring and acting on climate change-related risks, opportunities and strategies. It is also responsible for approving the public release of climate-related information. Reporting to the Board of Directors, the ESG Committee is accountable for all of Champion's sustainability and climate change areas, including: risk assessments, management performance, corporate strategy approval, metrics and KPI setting, and monitoring. The ESG Committee meets at least once quarterly. Climate-related policies, strategies and information are subject to the same governance processes and controls as financial information. In regards to these topics, the ESG Committee, which is formed by non-executive Board members, is awarded the same importance as other executive committees. Currently, no management nor executive remuneration is tied to the company's performance on climate change-related KPIs.	2021 Sustainability Report - Energy and Climate Change: Task Force on Climate-Related Financial Disclosures Framework (TCFD) Alignment - Governance
b	Describe management's role in assessing and managing climate-related risks and opportunities.	The Chief Operating Office ("COO") and the energy group are responsible for the company's management, measuring, monitoring and reporting of its GHG emissions and their trajectory over the short-, medium-, and long-term. The COO, together with other management executives, reports material climate change-related topics to the ESG Committee on a regular basis. Any climate-related issues that may emerge within our operations are promptly brought to the attention of management, with site superintendents informing the General Manager ("GM"). The GM then communicates the relevant concerns to the COO, including how they are being addressed and managed. The Board of Directors is kept apprised of environmental and safety considerations through scheduled quarterly updates on operations, though any issues deemed significant by the Executive team are brought directly to the Board's attention.	2021 Sustainability Report - Energy and Climate Change: TCFD Alignment - Governance
Strategy (TCFD-S)			
a	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Our organizational strategic plan is divided into three periods: short term (2022), medium term (2022-24) and long term (2025-30). In assessing climate change risks, specifically related to our tailings facilities, we consider the impact of our operations beyond the life of the mine (20 year) period. Identified short-term physical risks relate to worker health and safety arising from increased heat waves, forest fires, or extreme precipitation resulting in flood events. Medium term risks include the potential damage to infrastructure from forest fires. Long term risks include potential dike failure from extreme and inconsistent precipitation events that could release acidic tailings into the environment. We expect climate change-related opportunities to arise from the same conditions, including potentially longer summers that will extend our operating season and reduce the need for winter heating (resulting in energy savings).	2021 Sustainability Report - Energy and Climate Change: TCFD Alignment - Strategy
b	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Our primary climate-related risks have already been taken into account in the operational design of our facilities. Nevertheless, we continue to work on addressing possible climate change risks, including those arising from forest fires. During the reporting period, we significantly expanded our fire protection team to mitigate this identified threat. We are also currently reviewing how we could factor climate related risks into our financial planning processes. In terms of opportunities, Champion is actively identifying how we can contribute in the transition to a low-carbon economy. The global and national shift provides opportunities since we already produce high-purity iron ore that allows our steelmaking customers to use less energy in their production process. This also reduces medium- and long-term transition risks within our value chain as we are one of the lowest emissions-intensity producers of iron ore globally.	2021 Sustainability Report - Energy and Climate Change: TCFD Alignment - Strategy
c	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	In 2019, Champion engaged WSP Global to conduct a climate risk study, including scenario analysis specific to the resilience of the tailings infrastructure, and in consideration of our expansion planning for existing operations. This scenario analysis was based on the IPCC RCP4.5 and RCP8.5 scenarios. The RCP8.5 scenario corresponds to the status quo, if no climate action is taken (2°C increase by 2065 and 3.7°C by 2100). The RCP4.5 scenario corresponds to moderate mitigation (1.4°C increase by 2065 and 1.8°C by 2100). The conclusions from the study over the short term (2021-2050) and long term (2051-2080) indicate that the most significant risks requiring mitigation and adaptation controls are wildfires at the Bloom Lake mine, heat waves and extreme precipitation. The study also concluded that many of our primary climate-related risks have already been taken into account in the operational design of our facilities. In assessing the impact of climate-related physical and transitional risks as well as opportunities, Champion has not conducted a full scenario analysis and financial impact assessment as defined under the TCFD guidelines. However, the company has analyzed the risks to its physical infrastructure. Champion intends to expand its scenario analysis of climate change-related risks and opportunities across its value chain in future reporting periods.	2021 Sustainability Report - Energy and Climate Change: TCFD Alignment - Strategy
Risk Management (TCFD-R)			
a	Describe the organisation's processes for identifying and assessing climate-related risks.	Champion's risk management framework is guided by the Equator Principles, a number of International Organization for Standardization ("ISO") standards, and our internal governance structure. This supports us in identifying, assessing, managing and mitigating the environmental and social risks throughout our operations and value chain.	2021 Sustainability Report - Energy and Climate Change: TCFD Alignment - Risk Management; Tailings Management; Water Stewardship; Closure and Reclamation

b	Describe the organisation's processes for managing climate-related risks.	Internal monitoring processes ensure that any relevant risks are identified and brought to the attention of the responsible managers, with senior management providing oversight of the entire risk management process. Senior management updates the Board on a quarterly basis.	2021 Sustainability Report - Energy and Climate Change: TCFD Alignment - Risk Management; Tailings Management; Water Stewardship; Closure and Reclamation
c	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Within the company's governance structure, climate-related risks, such as floods, fires, regulatory changes, and energy security are incorporated into the company's overall business risk management. Our energy group monitors the company's climate-related risks. The energy group reports to the COO, who collaborates with the executive management team and reports to the ESG Committee and the Board of Directors. Risks are prioritized by management according to their probability, materiality and potential impact on operations, including the time period in which the risks may occur (short-, medium, or long-term). The materiality of potential risks is regularly evaluated by the management team, and is part of a periodic materiality assessment process.	2021 Sustainability Report - Energy and Climate Change: TCFD Alignment - Risk Management
Metrics and Targets (TCFD-M)			
a	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Champion currently monitors direct (Scope 1) and indirect (Scope 2) emissions. We do not yet directly estimate indirect emissions within our value chain (Scope 3); however, Champion uses third party methodology to estimate the reduction potential of our iron ore products. The Company plans to calculate Scope 3 emissions in future reporting periods. We monitor both the total energy consumed (including the percentage derived from renewable sources) and the intensity of our consumption. We also monitor a range of climate-relevant metrics as disclosed in sections of our Sustainability Report on Air Quality, Closure and Reclamation, Biodiversity and Water Stewardship. Data on revegetated land, mining water returned into the environment, and any effluent events provided in our Sustainability Report are measured in absolute terms.	2021 Sustainability Report - Energy and Climate Change: TCFD Alignment - Metrics and Targets; Tailings Management; Water Stewardship; Biodiversity; Air Quality
b	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Scope 1 emissions: 83,918 tonnes of CO ₂ e Scope 2 emissions: 531 tonnes of CO ₂ e The company does not disclose Scope 3 emissions at this time.	2021 Sustainability Report - Energy and Climate Change: Our Performance Energy and Climate Change: TCFD Alignment - Metrics and Targets
c	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Our GHG reduction targets currently reflect historical trends. As per the TCFD guidelines, Champion will start to use forward-looking metrics and targets in future periods as we better understand our climate change risks and opportunities. Since the recommissioning process of Bloom Lake in 2018, we have heavily invested in technologies and infrastructure, achieving an emissions reduction of 36,000 tonnes of CO ₂ per annum. We are finalizing goals for the reduction of our GHG emissions over the medium and long term and are committed to reducing our emissions by 40% by 2030, based on 2014 emission intensity. We also aim to be carbon neutral by 2050.	2021 Sustainability Report - Energy and Climate Change: TCFD Alignment - Metrics and Targets