

**CHAMPION IRON** 

**CHAMPION IRON LIMITED**

# **TAX POLICY**



## **Introduction**

The tax policy of Champion Iron Limited ("Champion" or the "Company"), as adopted by the Board of Directors (the "Board"), is based on principles of transparency, compliance, and social responsibility, acknowledging the differing interests of all our stakeholders. As an organization operating in Canada through its subsidiaries and domiciled in Australia, we are committed to adhering to applicable tax laws in each jurisdiction while generating positive economic impacts for our host communities.

## **Guiding Principle**

Our primary responsibility relating to taxation is to ensure we comply with the relevant law and statutory compliance obligations, and that we apply our internal policies and standards. Within the limits established by these requirements, and subject to the principles in this policy, we manage our tax affairs proactively.

By aligning our conduct with the following key principles, we are committed to upholding a high standard of integrity, accountability, and sustainability in our tax practices:

- **Transparency in our disclosure practices:** We commit to transparently communicate all relevant information about our tax situation in accordance with regulatory requirements to which we are subject.
- **Regulatory compliance:** We adhere to all applicable tax laws and regulations governing our operations.
- **Social responsibility:** We recognize the importance of our contribution through the taxes and royalties we pay, thereby supporting various levels of government.
- **Commitment to sustainable development:** We seek to minimize our environmental impact while maximizing economic and social benefits for all our stakeholders.

## **Tax Commitments and Strategy**

Our tax policy reaffirms our commitment to comply with tax laws and regulations in the jurisdictions where we operate, fulfill our tax obligations, and to be transparent, cooperative, and ethical.

Champion and all its subsidiaries shall take all necessary actions aimed to comply with their tax obligations in Québec, Canada, and Australia. As an entity subject to Canada's Extractive Sector Transparency Measures Act ("ESTMA") and Québec's Act respecting transparency measures in the mining, oil, and gas industries, we disclose certain types of payments made to various levels of government annually, in accordance with the laws to which we are subject.



### **Compliance Commitments:**

We are committed to upholding both the spirit and the letter of tax laws and regulations in the countries where the Company operates or may operate. This includes actively collaborating with tax authorities to ensure full compliance and transparency in our operations.

### **Commitment Against Tax Evasion Practices:**

We are committed to not shifting created value to jurisdictions with low tax rates. This ensures that Champion contributes fairly to the economies of the countries where we operate, in line with the principles of corporate social responsibility. We pledge not to utilize tax structures lacking commercial substance and to avoid any aggressive tax planning.

### **Governance**

At Champion, the Audit Committee (the "Committee") is responsible for the implementation, evaluation, and review of our tax policy, ensuring strong governance practices and maintaining adequate oversight of the Company's tax practices (amongst other responsibilities). The Committee is tasked with implementing and monitoring this policy and advising the Board on any material issues, in addition to periodic reporting provided to the Board.

Our tax policy is reviewed and approved by the Board annually to ensure its relevance and alignment with the Company's objectives and values, as well as with evolving regulations and legislative requirements in the jurisdictions in which Champion operates.

Major tax issues are addressed by the Committee along with other significant risk factors, demonstrating the integration of our tax approach into our overall business strategy.

Compliance with the governance and tax control framework is regularly assessed by the Committee, which annually reviews our controls to ensure their effectiveness and compliance with current standards and regulations.

### **Reporting Concerns**

To report actual or potential non-compliance relating to this policy, please refer to the procedure provided for in the Whistleblower Policy of the Company.



**Review and Approval of the Board**

The Board reviews this policy on an annual basis. It approved the current version of this policy on January 29, 2025 (Montréal) / January 30, 2025 (Sydney).

