

A scenic landscape photograph showing a wide valley with rolling green hills and a winding river. The foreground is filled with dense evergreen trees. A large, abstract blue graphic element, consisting of several overlapping curved shapes, is positioned in the upper right corner of the image.

2022 REPORT ENVIRONMENTAL, SOCIAL AND GOVERNANCE



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INTRODUCTION

Sayona is dedicated to the exploration and development of lithium deposits in Quebec. Lithium is a mineral of the future : the raw material used to manufacture batteries.

Extracting and processing this resource right in Abitibi-Témiscamingue and Eeyou Istchee James Bay is a strategic advantage for all of Quebec.

As it develops its own battery ecosystem, the province is growing its collective wealth and enhancing its reputation around the world.

By adopting a sustainable development approach and showing respect for local communities and the environment, we are joining forces to fight climate change and contribute to the electrification of transportation.

A word from management

“At Sayona, our commitments to sustainable development and respect for local communities and the environment drive all our actions and initiatives.

We’re accelerating the development of a battery manufacturing chain here in Quebec that will allow us to become a leading lithium supplier for the entire North American market. Le *Lithium d’ici™* will drive the electric vehicles of tomorrow.

Our actions are helping create a cleaner, more sustainable future for the generations to come.”

Guy Belleau, P.Eng.
CEO, Sayona

Our ESG Priorities for a Sustainable Legacy

In 2022, the company began developing its ESG (environmental, social, and governance) strategy around these three factors, which help assess the sustainability of an investment.

ESG factors are used to inform strategic decision-making and risk management. They also guide Sayona's actions and development as fundamental corporate values. They have become a set of standards that form the baseline of responsible investment today.

Sayona builds relationships of trust with the community by pursuing its ESG commitments.

In November 2022, Sayona applied a participatory approach with different stakeholders to gather valuable information on the communities, its activities, the industry, and the market.

During these exchanges, various stakeholders communicated their expectations for Sayona: The organization must be a leader in sustainability and ESG factors.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE

GOVERNANCE



Leaders



In Quebec, Sayona is helmed by a strong management team with proven leadership.



Brett Lynch
Managing Director and CEO,
Sayona Mining Limited



Guy Belleau, P.Eng.
CEO, Sayona



Cindy Valence, MBA, PACI
Executive Vice President
and Chief Sustainability Officer



Bernard Toupin
Vice President,
Health and Safety



Philippe Chabot, P.Eng.
Vice President,
Mining



Salvatore Vitale, CPA, CA
Executive Vice President
and Chief Financial Officer



Sylvain Collard, P.Eng.
Executive Vice President
and Chief Operating Officer



Guy Laliberté, P.Eng.
Strategic Advisor



Carl Corriveau, P. Geo.
Vice President,
Exploration



Jean-Christophe Perrelet, MSI
Vice President,
Information Technology

What Guides Sayona's Actions

Vision

Sayona wants to be involved in the entire value chain for producing the batteries for electric vehicles in Quebec. It aims to become a producer of lithium concentrate first, then a major player in the manufacture of high-grade lithium carbonate and hydroxide to serve the entire North American market.

Mission

Sayona is developing several mining projects in the lithium spodumene sector in Quebec. It takes care to minimize the environmental impact and risks of its activities while maximizing the social and economic benefits of its projects for stakeholders and local communities.

Values



Our **5** guiding principles

“ Our values translate into a firm commitment to our communities ”



Act transparently.

The Canadian mining industry is a leader in transparency, working with civil society and the government to put Canada at the forefront of this global movement. This inspires Sayona's commitment to act transparently, not only to make sure citizens are well informed and able to benefit from its projects, but also to discourage and detect corruption and support the social acceptability of the company's projects.



Act to ensure the company's sustainability.

Sayona leverages growth, performance, and the achievement of production targets to ensure it remains sustainable, with profitable projects that generate a return on investment for its shareholders. And by integrating social factors (like prioritizing local purchasing and employment) into its corporate objectives, Sayona ensures that its stakeholders benefit from opportunities for financial gain, and therefore support projects in their communities.



Act in harmony with the host communities.

Sayona uses a proactive approach to ensure its stakeholders are involved from day one. It aims to work in harmony and build strong relationships with host and First Nations communities using an approach tailored to each individual area.



Act to protect the environment by promoting the circular economy and applying best practices.

Sayona is committed to sustainable development, so it goes above and beyond by adopting industry best practices instead of legal minimums. This makes it proactive when it comes to impactful projects that support new initiatives and encourage responsible environmental best practices.

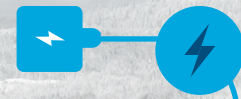


Act with respect for our teammates, their health and safety, and their well-being, and promote the development of their skills.

Sayona's corporate strategy is built around respect and protecting people's physical and mental health. This commitment is part of its sustainable development vision, and applies to all its employees, contractors, and stakeholders.

Sayona makes sure its workforce is qualified and that the next generation of employees has the skills they need by providing training and professional development opportunities.

A Brief History



2016

2020

2021

2022

In 2016, Australian mining company Sayona Mining acquired the Authier lithium deposit in Abitibi-Témiscamingue. It then created Sayona, its Quebec subsidiary, to oversee the development of the Authier project and seize potential opportunities. In 2020, the company acquired the Tansim property, a high-potential deposit 80 kilometres away from the Authier project.

The acquisition of the North American Lithium (NAL) Complex in 2021 marked a major milestone for Sayona, as the complex had its own crusher and concentrator. This meant that they were no longer needed for the Authier project, which will now be supplying the NAL Complex. The Abitibi-Témiscamingue lithium hub was taking shape, and an investment plan to modernize equipment and resume operations was launched.

Sayona also acquired the Moblan project in Eeyou Istchee James Bay in 2021, laying the foundation for a future hub in northern Quebec.

Today, Sayona holds more than a third of North America's lithium reserves, putting it in an ideal position to become a leader in Quebec's energy transition.

A Large Portfolio of Lithium Exploration and Mining Projects





Abitibi-Témiscamingue Hub

North American Lithium Complex

Sayona's flagship project became the leading spodumene concentrate producer in North America in the first quarter of 2023. The complex, which is located in La Corne, in Quebec's Abitibi-Témiscamingue region, includes an open-pit mine and a primary processing plant. A pre-feasibility study is also underway for lithium carbonate, the second transformation step. The NAL Complex is anticipating an annual production of 226,000 tons of concentrate.

Authier project

Located in La Motte, in Abitibi-Témiscamingue, the Authier project is currently at the permit stage. Sayona has voluntarily requested to go before the Bureau d'audiences publiques sur l'environnement (BAPE), an impartial body that holds environmental hearings and inquiries, and the BAPE has accepted. This project will be similar to a quarry and will not include a tailings facility or a concentrator. Ore from Authier will supply the NAL Complex once production resumes. The Authier project's development will follow the industry's environmental best practices.

Tansim property

Located in Témiscamingue, the Tansim property lies along the southeastern edge of the Superior Craton. It features metasedimentary and metavolcanic rocks of the late Archean eon. The site was chosen because of its strong exploration potential for lithium-bearing pegmatites.



Eeyou Istchee James Bay Hub

Moblan project

In a joint venture with SOQUEM, Sayona acquired a 60% majority of the Moblan project in September 2021. The project is located in a world-class lithium-rich mining province in the Eeyou Istchee James Bay region. Sayona is proud of this new project, which gives it another boost to ensure that Quebec can meet the growing demand for lithium in North America.

In 2022, Sayona drilled a total of 366,090 metres at the Moblan site. Sayona has also acquired new mining claims from Troilus. This will give it the option to set up its mine infrastructure in the area and allow it to continue exploration to the northeast of the deposit's extensions. The project is at an advanced stage; pre-feasibility and feasibility studies will be used to develop a resource estimate in 2023, based on the amounts drilled in 2022.

Sayona is working closely with SOQUEM to continually communicate with the communities that are affected by the project. The company works hard to ensure everyone benefits from the project, in particular by creating jobs and making investments that will breathe life into Quebec's clean energy sector, from mining to electric vehicle production.

Lac-Albert property

Sayona is significantly increasing its production potential with this new project. This promising property in the Eeyou Istchee James Bay area, near the Moblan project, will bring strength to Sayona's lithium hub, improving its chances to supply the electric vehicle and battery industry.



Investments

In 2022, Sayona invested exactly **\$206M** into its projects. These major investments allowed the NAL Complex to restart and the Moblan and Lac-Albert drilling campaigns to continue. They also enabled the company to carry out pre-feasibility and feasibility studies for its sites.

\$206M

A Fulfilling Place to Work

Sayona implemented a variety of actions throughout the year to make the company a great place to work.

Professional development

In 2022, employees received **188 training courses** to improve their skills and enhance their occupational health and safety knowledge. The company allocated budgets of \$600,000 in 2022 and \$500,000 in 2023, going far beyond the 1% requirement.

Sayona also improved employees' access to training by acquiring the Synapse management software.

Workplace

Sayona allows employees to **work from home**. Depending on the department, office workers have the option to work remotely one to two days per week to improve their work-life balance.

Sayona also provides housing for employees who live more than 130 kilometres from their workplace.

An **alignment committee for executives and hourly employees** has been formed to resolve issues related to work hours and arrangements.



Wellness and activities

Sayona offers its employees show tickets, gift cards, doughnuts, office theme days, and much more to make the company a fun and friendly place to work.

- Team lunch and introduction of the corporate culture to NAL Complex employees
- Costume day for Halloween
- Advent calendar with NAL Complex employees
 - Massage therapy service for employees
 - Hot chocolate, candies, and Christmas cookies
 - Drawing contest for children, Christmas sweater day
- Christmas potluck

The company is developing a training course on environmental best practices for new employees to complement the annual training that all teams receive.

The Sayona team is creating a **stock purchase plan open** to all employees, starting in June 2023.

Sayona also supports **the energy transition by offering** a \$3,500 bonus to all employees who purchase **an electric vehicle**.





Frequent and effective communication

In September 2022, management at the North American Lithium Complex held a major meeting to share the company's culture orientations with employees. It was an opportunity to talk about Sayona's vision, mission, and values, while giving an overview of the company's projects across Quebec.

In late 2022, Sayona launched an internal communications campaign to foster team cohesion, motivate people, and unite employees around a common goal: the success of the project.

Milestones were identified in preparation for the restart of operations to frame each small achievement as a step towards the successful restart of the North American Lithium Complex's processing plant. The campaign included internal signs and posters, a newsletter on the project (infoLAN), celebrations with employees, and awards to mobilize the teams and recognize their efforts.



Diversity and culture

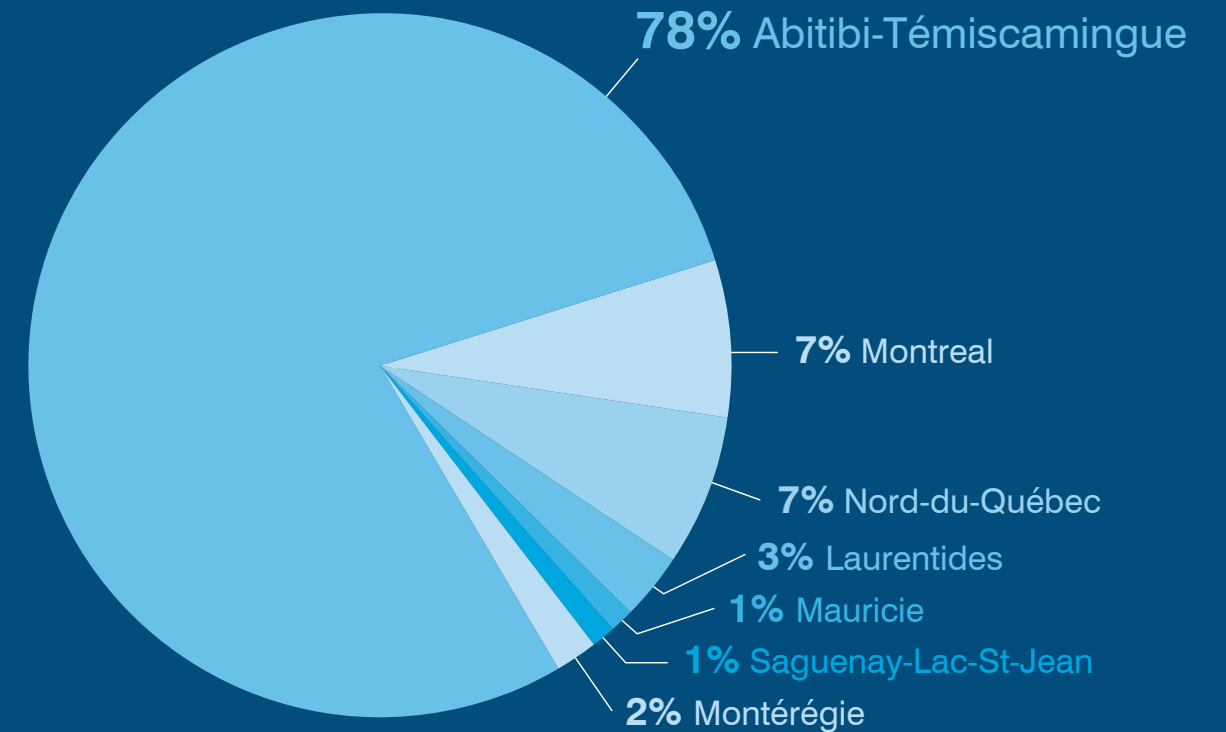
One facet of Sayona's commitment to communities is its local hiring strategy, which aligns with its values. For example, it ensures that jobs are posted in **Indigenous communities**, and it promotes the hiring of women and visible minorities when all other skills are equal.

Women make up 30% of Sayona's workforce—well above the industry average of 16–17%. Women represent 33% and 27% of North American Lithium Complex and Sayona's management, respectively.

30%

Employee origins

Our employees come from all across Quebec.



What they're saying about us

“

I chose to join the Sayona family so I could have a job that was close to home, with **great benefits**. I'm honoured to be able to say that I'm playing a part in Quebec's energy transition every day!”

Laurence Rouillard

Plant Assistant

“

I work at Sayona because they care about their employees. The company is open to the changes workers want to make. We don't feel like numbers, but like whole people who are part of a big family. I also get to work with the best team, which further proves to me that I chose the right company.”

Maude Lepage

Nurse

“

I like the challenge of reopening a mine that had shut down. Sayona is a company committed to transport electrification, which is certainly a topical issue! I also enjoy working here, because the team has a great energy.”

Joseph Paré

Environmental Consultant

Health and safety

Sayona emphasizes the health and safety of its employees and communities in all of its values and commitments. For that reason, it has formed a dedicated occupational health and safety (OHS) team, with clear roles and responsibilities and a well-thought-out foundation for the OHS management system.



Some of the actions undertaken by the Sayona team:

- Gap analysis for risk management processes and regulations
- Mandatory training for all employees upon arrival
- Continuation of the COVID protocol, as instructed by the public health authorities
- Development of the OHS file for the ECOLOGO certification ahead of deployment in 2023
- Vigilance by the OHS team to prevent any events recorded on the exploration side

OHS objectives for 2023



Develop and implement several prevention activities:

- Monthly meetings
- Start-of-shift meetings
- Evaluation of supervision system
- Management tour



Develop and implement the Emergency Measures Plan (EMP) and the fire and medical emergency protocol

ENVIRONMENT



Environmental Report Card – Corporate

Environmental management system

Sayona's **internal environmental management system (EMS)** was developed in 2022. It provides a framework for improving the company's environmental performance and allows decision makers to evaluate risks and take different aspects into account when making

strategic decisions. As a core part of Sayona's business strategy, this system is designed to manage and monitor risks and provide the means to apply the industry's best standards.

In 2022, Sayona:

- Prepared a **Sustainable Development Policy**.
- Identified **significant environmental aspects**:
 - The activities at every stage—from ore exploration to processing plant operation and even at the administrative level—have all been evaluated in terms of their significant environmental impacts. This will result in an action plan with objectives and targets, strategic decisions, and risk management.
 - Sayona has developed an **Environmental Management Manual**, which determines its general philosophy and the way environmental actions are implemented.



The UL ECOLOGO® certification for mineral exploration

To uphold its sustainability best practices in its exploration projects, Sayona has committed to obtaining the UL ECOLOGO® certification for mineral exploration. This certification—the only valid third-party certification for mineral

exploration in Canada—recognizes good environmental, social, economic, and governance practices. Sayona developed its program in 2022, with the first independent audit scheduled for 2023.

Environmental Report Card – North American Lithium Complex

Towards Sustainable Mining initiative

As a member of the **Mining Association of Canada's (MAC) Towards Sustainable Mining (TSM)** initiative, Sayona is committed to its guiding principles of acting responsibly and adopting social, economic, and environmental practices that reflect the priorities and values of its communities of interest.

To provide the general public with comprehensive insight into the company's performance in key environmental and social areas, the MAC requires its members to implement high-level measures in the field and publish their results within three years of joining the initiative.

✔ **Members must demonstrate continuous improvement over time.**

In 2022, Sayona was able to begin its gap analysis with the TSM initiative to achieve the MAC's standards. The company has two years to implement the protocols. The first, which covers the communication and crisis management plan, was carried out in 2022. It applies to the North American Lithium Complex.



Environmental leadership

In 2022, Sayona demonstrated environmental leadership on an individual and collective level. Over the past year, Sayona has adopted numerous policies to better formalize its practices and ensure effective environmental management and protection.

Targeted objectives and processes must be defined both locally and organizationally. Ultimately, the goal is to reduce the site's environmental footprint while fostering greater community engagement.

Our environmental report card is based on the eight protocols established by the Mining Association of Canada for the TSM initiative. These protocols guide Sayona in developing management systems and complying with other requirements to meet the commitments in the TSM guiding principles.

Management of energy and greenhouse gas emissions

Consumption performance for 2022

Estimated greenhouse gas (GHG) emissions for the first tons of ore mined from November to December 2022.

	TONS OF CO ₂ EQUIVALENT	TONS OF CO ₂ EQUIVALENT/ TON OF ORE PRODUCED ¹
DIRECT SOURCES²	2,564	0.03
INDIRECT SOURCES³	45	0.0006



2023 objectives

Senior management plans to develop a GHG reduction strategy by creating a management protocol.

- Certify the implementation of a comprehensive energy and GHG emission management system
- Demonstrate that Sayona provides for senior management accountability
- Plan for regular review of energy data and its use in operations

1. For the November–December 2022 production period.
 2. According to the *Regulation respecting mandatory reporting of certain emissions of contaminants into the atmosphere* (RMRCECA).
 3. Calculated with a factor of 34.5 gCO₂eq/kWh of electricity supplied by Hydro-Québec.



Tailings management

Sayona follows best practices for the safe and responsible management of its tailings facilities.

2022 achievements

The implementation of Sayona's Tailings Management Policy has established its commitments and principles of tailings management.

The initial development of the Operations, Maintenance, and Surveillance (OMS) Manual aims to implement site-specific systems for responsible tailings management and enable tailings engineering and management principles to be applied consistently.



2023 objectives

- Develop the tailings management and emergency preparedness system
- Allocate accountability and responsibility for tailings management: the matter is assigned to a senior executive who has the appropriate resources and management structure to ensure responsible tailings management
- Annually review tailings management to ensure it is supervised properly

Biodiversity maintenance management

Mining, when done in consultation with communities of interest, can coexist with biodiversity conservation.

2022 achievements

- Establishment of a Biodiversity Conservation Policy
- Protection of status species and their habitats through an updated Avian Wildlife Monitoring Program (inventory, mitigation measures, and environmental monitoring program)

Bio
diver
sity

2023 objectives

- Establish a biodiversity conservation plan or management system by identifying the company's biodiversity intents and setting targets
- Positively contribute to the conservation of biodiversity throughout the entire operational life cycle
- Collaborate with the main communities of interest to incorporate biodiversity conservation into the projects
- Ensure transparency and accountability

Water management

2022 overview

Consumption

- Freshwater: 3,433 m³
- Water released to the environment: 1,122,978 m³ of water, mainly from pit dewatering and precipitation, was analyzed for regulatory compliance before being released to the environment.
- Ore processing: the water used in ore processing is **100%** recycled. The water used comes from the tailings pond and the surplus at the end of the treatment is returned to the same pond for reuse. No fresh water is introduced into the treatment.

2022 achievements

- Obtained federal authorization under subsection 34.4(2) and paragraph 35(2) (b) of the *Fisheries Act* in December.
- Updated the federal environmental management plan (linked to that authorization) that will allow for the actual impacts of infrastructures and mining activities to be measured. It contains the environmental monitoring program as well as a monitoring plan for mitigation and control measures.

100%



2023 objectives

Sayona strives for responsible management by continuing its efficient water use, quality conservation, and accountability to communities. It will implement the following measures to do so:

- Develop a surface water and groundwater monitoring program with targets and objectives that meet regulatory quality criteria (among others) and account for risks
- Organize community discussions on water-related risks and issues

Environmental Report Cards



Moblan project

For the Moblan project, Sayona focused on elements related to the Environmental and Social Impact Assessment (ESIA) and is continuing studies for 2023.

- Sayona has been reviewing and updating the existing (2019) ESIA since the spring of 2022.
- Within the framework of the ESIA, Cree businesses have developed partnerships with specialized consultants and are participating in characterization studies of the biophysical environment, including fish, moose, and caribou habitat inventories.
- Options for mining infrastructure locations are currently being studied; environmental and social concerns in the area are being considered.
- The latest infrastructure location options and project progress were presented to the identified tallymen.

2023 objectives

- The narrow study area for the ESIA has been expanded and baseline studies will continue through the spring and summer of 2023.
- As part of the feasibility study for the Moblan project, Sayona is currently developing its project execution and delivery philosophy to incorporate the existing best practices and technologies in the mine development field.

Authier project

2022 achievements

- The new project parameters do not trigger the standard assessment procedure. However, Sayona applied to the Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs (MELCFP) to voluntarily go before the Bureau d'audiences publiques sur l'environnement (BAPE), an impartial body that holds environmental hearings and inquiries. In line with its commitment to transparency and collaboration, the company's request will allow citizens to get involved in the project's development.
- Sayona reached an agreement with the Municipality of La Motte to compensate for the loss of property taxes associated with the concentrator and other buildings after the changes made to the project.
- In collaboration with COREM researchers, Sayona intends to complete a study to assess the potential for reusing and recovering waste rock from the Authier project. This study will examine the mineralogical and chemical data to determine if there are opportunities to reuse the waste rock in other applications, reclaim some of the minerals, or, if necessary, reduce some of the harmful metals in the waste rock.

2023 objectives

- Conduct a new impact assessment and issues consultation following changes to the original project, taking into account the new environmental, social, economic, scientific, and technological situation.
- Proceed with the BAPE assessment, during which citizens will be consulted and informed. The BAPE investigates and advises Quebec's environment minister on the dossiers he gives them in order to inform government decision-making.



Our environmental actions

RAMO – Environmental innovation project

Sayona has initiated a project in partnership with RAMO, the Université du Québec en Abitibi-Témiscamingue (UQAT) and the Institut de recherche en biologie végétale de Montréal to create a filtering plantation of fast-growing littletree willows.

The willows, which will be subjected to precise irrigation of effluents using the innovative Evaplant technology, will allow for the recovery and reduction of the volume of mining water discharged into the environment while creating biomass that can be used during the reclamation period at the North American Lithium Complex site.



Groupement forestier coopératif Abitibi and Coopérative de solidarité de Pikogan

Sayona is collaborating with the Groupement forestier coopératif Abitibi and the Coopérative de solidarité de Pikogan to make its operations carbon-neutral.

This carbon sequestration project is also an ecological enhancement project thanks to diversified planting for the boreal forest.

- Emissions in 2021: 350 tCO₂eq
- Emissions in 2022: 4,070 tCO₂eq

A total of 30,434 trees will be planted in Villemontel, in the Abitibi-Ouest region, to offset the emissions from the company's activities for the years 2021 and 2022.



SOCIAL

Our Relationship with our Host Communities



Networking day in Chibougamau – November 2022

Host communities

Host communities are integral to Sayona's decisions. The company communicates with them regularly and transparently about upcoming activities. This approach allows Sayona to involve them more actively in its projects.

Sayona keeps the relationships strong by using multiple communication channels, including in-person meetings, calls, and emails.

In addition to holding targeted group meetings, the company works with communities to identify how it can improve its mining projects and which transformative projects they can develop together to create a proud legacy for the communities.

Sayona à votre rencontre

In September 2022, Sayona visited the host communities near its projects in Abitibi-Témiscamingue (the North American Lithium Complex, the Authier project, and the Tansim property). It visited 9 municipalities in total: La Motte, Preissac, Moffet, Amos, Saint-Marc-de-Figuery, La Corne, Barraute, Saint-Mathieu-d'Harricana, and Laforce.

The open house events, which were welcomed by the communities, were an opportunity to hear a variety of perspectives and receive constructive feedback from local citizens. They also allowed both Sayona and residents to learn useful information to improve the projects. These meetings raised some concerns, mainly about the environment, employability, and local benefits.

These citizen meetings were beneficial to Sayona, in particular as a valuable opportunity to assure citizens that it is making efforts to continue listening to them and meeting their expectations. In the spring of 2023, meetings will be held to discuss the issues in order to co-create and optimize the projects' design.



Constant presence

In 2022, Sayona took part in several events throughout Quebec and Ontario to meet with different players in the mining and investment industries and network with potential employees and business partners. These events were an opportunity for Sayona to maintain an open and constant dialogue with the players that attended.



- **Explo Abitibi:**
May 31–June 1, 2022
- **Secretariat to the Cree Nation Abitibi-Témiscamingue Economic Alliance (SAENCAT) annual conference:**
June 8–9, 2022
- **Prospectors & Developers Association of Canada (PDAC) convention:**
June 13–15, 2022
- **Cree Nation of Mistissini Local Annual General Assembly:**
August 9–10, 2022
- **Xplor convention:**
October 5–6, 2022
- **National Job Fair:**
October 13–14, 2022
- **SAENCAT Business Exchange Day:**
November 14–16, 2022

These events have been important for Sayona to share its projects, show its expertise, and have conversations with key figures in the industry. They also helped build strong relationships with stakeholders to find innovative and sustainable solutions.

Involvement with the next generation

Throughout the year, Sayona hosted students and interns to teach them about the mining industry and allow them to gain practical experience in the field. For instance, students from the mining DVS (Diploma of Vocational Studies) in Drilling and Blasting program at the CFP de la Baie-James visited the Moblan project to do some blasting for bulk ore sampling.

Students in the Mineral Resource Geology ACS (Attestation of College Studies) program at the Service aux entreprises et aux collectivités de Chibougamau also visited the Moblan project to meet the Sayona team and learn about the deposit and the way it is mined.

Over the summer, an intern from the Université du Québec en Abitibi-Témiscamingue (UQAT) came to support the exploration team as part of the UQAT-Polytechnique summer school on North American field geology, organized by the university's Research Institute of Mines and Environment.

Sayona is actively involved with up-and-coming mining professionals.





Involvement in the community

Even before processing started at the North American Lithium Complex, Sayona was already actively involved in its host communities. Several projects have been launched to contribute to select causes that align with the company's values.

This year, Sayona contributed **\$88,673 in donations, sponsorships, and events** to its host communities, both in Abitibi-Témiscamingue and in the Eeyou Istchee James Bay region, which is home to the Moblan project, the company's future flagship project. The company was already involved in the community before production even began.

Sayona has developed a **Donation and Sponsorship Policy** and identified the areas in which it wishes to get involved. Sayona aims to participate in impactful projects that are a source of pride for its host communities and Quebec as a whole. In addition, Sayona wishes to contribute to the sustainable development of the communities near its operations, as well as to projects that benefit Indigenous communities.

Sayona's objectives in providing **donations and sponsorships** are:

- Provide financial support to organizations whose projects align with its values
- Contribute to the socioeconomic development of the neighbouring communities
- Remain in tune with and committed to local residents and First Nations in the area
- Demonstrate its commitment as a good corporate citizen



Sustainable development



Next generation



Energy transition



Indigenous communities



Arts and culture



Economic benefits in our host communities

\$73.7M



Abitibi-Témiscamingue hub

With the restart of the North American Lithium Complex, Sayona has become an employer of choice in the region. By becoming a major driver of local economic development, the company is ensuring the entire Abitibi-Témiscamingue region will reap the benefits.

While the company only had 20 employees at the end of 2021, it grew to an amazing 124 employees by the end of 2022. The management team of 9 vice presidents is now complete, and 3 technical experts were hired in 2022.

Thanks to the **Local Purchasing Policy**, which favours goods and services from companies near its operations, **Sayona was able to record \$69.9M in economic impact** for the Abitibi-Témiscamingue region in 2022. This represents a considerable increase for the companies in its economic orbit.



Eeyou Istchee James Bay hub

As the Moblan project has advanced, it has brought many economic benefits to the Eeyou Istchee James Bay region. Sayona's direct expenditures for services and products and indirect expenditures (gasoline, fuel oil, etc.) totalled \$3.8M.

Overall, **Sayona has injected \$3.8M into the James Bay community**, in addition to having actively participated in multiple networking events in Lebel-sur-Quévillon and Chibougamau. These benefits are considerable for a project that is still in the exploration stage.

Our Relationship with the First Nations

Land acknowledgment

Sayona recognizes that its operations take place on the traditional, unceded territories of the Anishnabe and Cree First Nations.

In addition, the company wishes to recognize the Anishnabe communities of Lac Simon, Abitibi-winni, and Long Point First Nation as well as the Cree Nation of Mistissini. Sayona also recognizes the people and communities that are or have been part of these lands and territories.



Environment

Sayona's close relationship with its host communities allows it to keep them informed of ongoing and upcoming work in the area. Sayona is in contact with many community stakeholders such as band councils, tallymen, the heads of various departments, the business community, and even the members of neighbouring communities.

Sayona ensures its management is consistently present in the field to ensure compliance with environmental and social best practices. Tallymen are informed of upcoming work and inventories on the land. They are also invited to participate in wildlife inventories to provide a picture of the land and share their knowledge about plants and wildlife.

It is important for Sayona to create lasting relationships with the members of the communities in which it operates.

Discussions and dialogue

Sayona maintains an open dialogue with all of its local communities. In 2022, we built and strengthened relationships with the First Nations in a spirit of mutual respect.

Over the past year, Sayona has been involved in a few committees not only to increase business opportunities, but also to strengthen our relationships. Sayona plans its approach with

First Nations members well in advance of the projects so their design can be co-created and optimized. This type of closeness allows us to converse as true partners. These constructive, respectful, and open discussions are centred around developing a sustainable partnership that promotes local economic benefits and employability for these communities.



Our words in action

In 2022, First Nations members worked more than 3,600 hours at the North American Lithium Complex. Sayona also makes sure to post open positions in Indigenous communities.

Sayona is proud to have Darlene MacLeod, a member of the Cree Nation of Mistissini, on its team. Darlene works with the Cree communities of Oujé-Bougoumou and Mistissini to develop impactful projects for those communities. One of the projects is aimed at training and developing the next generation to offer them opportunities in the mining industry. Another important project involves preserving the Cree language and passing this precious knowledge down between generations.

A total of just over \$1M in contracts were awarded to Indigenous businesses in 2022 for work on our NAL Complex and Moblan project sites.

Our procurement policy reflects Sayona's desire to include First Nations in all our processes and to strengthen capacity building.

Sayona promotes entrepreneurs who hire members of the Indigenous communities and partner with Indigenous businesses. In 2023, the vision is to form an economic development committee with the communities of Abitibiwinini, Lac Simon, Long Point First Nation, and the Cree Nation of Mistissini to develop our partnerships.





pikogan.com/fr/media-gallery/1026174

Powwows

In 2022, Sayona is proud to have been able to sponsor the Pikogan and Lac Simon powwows.

The next generation

Sayona participated in the twentieth edition of the Val-d'Or Native Friendship Centre's Mëmëgwashi Gala last June. This event highlighted the perseverance and academic achievements of Indigenous youth.



Comité Mikis

In 2021, the community of Abitibiwinni, in collaboration with Sayona, took the initiative to create the Comité Mikis, a committee dedicated to the preservation and transmission of traditional craftsmanship. We were able to offer our support to this group in collaboration with the Abitibiwinni community of Pikogan.

In addition to taking part in the creation of this committee, we eagerly purchase many traditional crafts as gifts for our employees and visitors.



Sayona Listens to Communities

Monitoring committees

The monitoring committees are intended to be a forum for discussion and consultation that allow local communities' expectations, concerns, and suggestions to be heard so that the projects can fit into their environment more seamlessly. The discussions held through the monitoring committees also allow local knowledge to be included in the project's design and development so it can be better adapted to the local context. The North American Lithium Monitoring Committee was initiated to comply with the *Mining Act*, while the Authier Lithium Monitoring Committee was formed ahead of the project, without any legal obligation to do so.



✓ **In late 2022, the members of the Authier Lithium and North American Lithium monitoring committees decided to join forces because of the many issues that affected both committees.**

Meetings for both committees were held in a positive setting that promoted dialogue, openness, transparency, and respect for everyone's roles and responsibilities.

The members of both committees all belong to one of the following categories:

- Sayona members
- Municipalities
- Socioeconomic interests
- Indigenous communities
- Citizens
- Environmental groups
- External resources

Objectives of the monitoring committees

- 1** Discuss the progress of the project and activities related to site operations.
- 2** Establish an open and transparent dialogue between Sayona and monitoring committee members.
- 3** Promote the sharing of local knowledge and information, as well as scientific knowledge, among local actors, the company, and external experts.
- 4** Encourage communication of any new concerns observed in the area and, where appropriate, provide advice on potential next steps.
- 5** Maximize the tangible benefits of the project for the community, encourage the participation of local businesses, and contribute to the creation of Sayona's social commitment program.

Topics covered in 2022

Committee members were kept informed about the progress of Sayona's projects through a series of meetings and presentations.

Many different subjects were discussed with both monitoring committees, including:

- benefits of acquiring the North American Lithium project and merging with the Authier Lithium project
- introduction of the management team and discussion of labour needs
- permit compliance
- environmental upgrading
- action plan to become the supplier of choice for the North American industry
- Sustainable Development Policy
- housing issues
- current and future steps for restart and production at North American Lithium
- amendments to be tabled for the Authier project
- BAPE hearing for the Authier project

The last meeting of 2022 involved both monitoring committees at once. Committee members were given a tour of the North American Lithium Complex facilities, where the team was preparing for the start of operations at the ore processing plant.



Monitoring committee members touring the North American Lithium Complex in September 2022

As 2022 was marked with many developments and updates, the committees have expressed a desire to prepare a list of priority topics for 2023 and to base their meetings around those topics. In addition, both committees expressed a desire to merge into one committee, which they did at the start of 2023.

Management of reports and concerns

Sayona implemented a reporting system in 2022. First, a hotline was set up; information about it is available on the Sayona website at all times.

Follow-up files were also developed to document the reports and ensure thorough follow-up on the mitigation measures implemented after a report.

Transparency is a core value for Sayona, and therefore quality control is also performed after a report is closed. This lets the company measure satisfaction with the follow-up and responses to the reporter.

This management system allows us to hear the concerns of the neighbouring communities, continuously improve processes, and implement mitigation measures.

Sayona wishes to explore and operate with respect, integrity, and harmony in its host environments and communities.

Sayona listens to communities



Reporting



Communications and crisis management

Throughout the year, Sayona's sustainability team worked on communications and crisis management with experts in the field to ensure that best practices were included and to comply with the requirements of the Mining Association of Canada's Towards Sustainable Mining (TSM) initiative. The plan was on track to be completed by the end of 2022.

Crisis cells have been set up. They involve all key personnel in order to respond to any emergency as efficiently as possible.

Additionally, an emergency on-call system was set up at the North American Lithium Complex towards the end of the year. It is expected to be in place by early 2023 to ensure coverage at all times should an emergency arise. The on-call team consists of the members of the management, health and safety, and nursing teams.



SUMMARY

Sayona saw many new developments and acquisitions in 2022. It achieved several milestones, such as the hiring of over 100 employees, plant improvements, and the start of mining operations at the North American Lithium Complex.

Through these achievements, Sayona has reaffirmed its commitment to its employees and local communities by taking concrete steps to build a clean and sustainable future together. Sayona's actions reflect its commitment to corporate social responsibility, which translates into a desire to minimize the environmental impact of its activities and provide tangible benefits to its host communities.

Sayona is now positioned as a major player in the development of a lithium hub in North America. It handles the first three stages of the lithium production chain, from exploration to primary processing. The company is continuing to advance towards more sustainable management of its activities, with a focus on working closely with stakeholders to achieve common goals.

Le lithium d'ici,^{MC} Charging the future



View our ESG report online



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