



First Class
Metals

FIRST CLASS METALS PLC ENVIRONMENTAL, SOCIAL and GOVERNANCE ('ESG') POLICY

This policy sets out First Class Metals "FCM" overall approach to sustainability and a range of environmental, social and governance (ESG) issues. It will be reviewed annually by our Board of Directors. This ESG policy applies to all staff, contractors, consultants, and associates. All new employees and external contractors will be given a copy of this policy upon joining and they and existing employees will receive periodic training on its contents.

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Purpose statement

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We recognise the safety and well-being of our employees, local communities, and other stakeholders as a non-negotiable priority. Our commitment to high environmental, social and governance (ESG) standards is central to maintaining our social license to operate, to creating value for all stakeholders and to ensuring commercial success. Our operations are guided by an acute awareness of the role we play as a company in meeting the UN's Sustainable Development Goals (SDGs), including the critical role of strategic minerals in supporting global climate action and complementing resource development in Canada.

As a result, ESG is at the centre of everything First Class Metals undertakes. The Company is dedicated to exploring for precious & battery/base metals in a socially and environmentally responsible way in an industry that will play an essential role in the transition to a lower-carbon economy through underpinning the supply chain for sustainable battery and electric vehicle manufacturing as well as other industrial growth in Canada. In this way, the Company aims to play an important role in helping Canada meet its emissions reduction targets.

First Class Metals aims to comply with all relevant UK and Canadian standards, as well as accepted international guidelines, including strict adherence to the health, safety and environmental standards and regulations, as well as the applicable elements of the Equator Principles. The Company will also endeavour to provide stakeholders with clear insights into our operations to increase assurance regarding the ESG and health and safety aspects of our business.

This policy sets out First Class Metals approach to ESG issues. The policy consists of five pillars: 1) responsible stewardship, 2) strong partner for local communities (First Nations), 3) an enabler of energy transition, 4) ensuring safe workplaces and operations, and 5) strong governance and an inclusive culture.

Our broad commitments are outlined below. Throughout all operations and our activities, we aim to:

- Play a positive and critical role in the green energy transition.
- Operate in an environmentally responsible manner.
- Promote diversity Inclusion and equality.



Pillar 1: Responsible stewardship

Pillar 1: Responsible stewardship

First Class Metals aims to operate in a socially and environmentally responsible and sustainable manner, focussing on a deep understanding of our effects of our activities on the environment, as well as working to avoid, mitigate and manage any negative effects.

The Company will monitor our impacts and engage with stakeholders regarding our environmental performance, to address any concerns, where possible. The Company will also collaborate with

- Minimising effects on biodiversity, aiming to achieve 'no net loss' and, where possible, 'net gains.
- Protecting and further promoting Ontario's cultural heritage including direct liaison with the First Nations.
- Implementing international best practice regarding waste management.
- Driving innovation to ensure the efficient processing of key strategic minerals in a low carbon manner.
- Seeking opportunities to minimise our energy consumption and use of other resources in project design– including through the appropriate use of on site or local renewable energy sources.
- Implementing efficient water management and ensuring our activities do not negatively affect the quality or availability of local water sources.
- Committing to ensuring that disturbances are minimized at all work sites and all areas rehabilitated once work is completed. We aim to follow all regulatory conditions, industry guidelines and our corporate Environmental Protection Plan, for early exploration.
- To this end FCM has commissioned a bespoke roadmap of environmental conduct for our core business.



Pillar 2: Strong partner for local communities

Pillar 2: Strong partner for local communities

Building and maintaining strong, consultative, and respectful relationships with the communities First Nations around our projects is fundamental to the way First Class Metals conducts itself. The Company is committed to open, active, inclusive engagement with indigenous communities and to supporting local socio- economic development, with the aim where possible to improving living standards. The Company will continue to develop strong relations with the academic and scientific community in Ontario, including through partnerships to advance innovation.

Building on the strong legacy of mining in Ontario, our project exploration plans include an aim to re-develop, and where possible re-utilise, previously used mineral sites and infrastructure. The Company will also leverage the extensive knowledge and capabilities that exist in the region.

First Class Metals; is committed to:

- Engaging regularly and respectfully with the local communities around our operations and maintaining an open platform for dialogue with stakeholders.
- Understanding – and where possible responding to – local needs in relation to social investments, socio-economic impacts, and environmental concerns.
- Supporting local economic development by training and hiring community members, and by purchasing goods and services locally where possible.
- Establishing an accessible, timely and transparent process for communities to raise concerns or complaints.
- Identifying and minimising adverse effects on communities from our operations and minimising negative environmental impact.



Pillar 3: An enabler of the energy transition

Pillar 3: An enabler of the energy transition

Due to its essential role in battery technologies nickel copper and lithium are critical raw materials needed for the energy transition and the move to a net-zero economy. While North America is currently reliant on imports of battery metals, Ontario possesses significant potential deposits of battery metals that are integral to supporting the development of sustainable battery manufacturing in Canada , which will in turn support the automotive industry. Ontario also has potential to produce other key technology metals that are required to enable the energy transition, including Lithium, REE's, PGE's & zinc.

By exploring for technology materials in Ontario Canada and reducing reliance on imported strategic materials for battery production, First Class Metals contributes to the global net-zero ambition. The Company also aims to reduce the vulnerability to external supply disruptions, providing a significant source of strategic advantage to Canadian-based businesses, as well as helping reduce the overall carbon footprint associated with current global supply chains through our use of low- carbon technologies.

First Class Metals is focussed on exploration techniques that offer the opportunity to reduce our carbon footprint.

- Exploring opportunities to partner with initiatives that promote battery metals technology.
- Developing an understanding of our GHG emissions and thereby reducing our carbon footprint.
- Working with our suppliers and value chain to understand and minimise climate-related impacts.
- Capitalising on renewable energy including where appropriate and in line with community preferences.
- Repurposing existing infrastructure.
- Working with higher education institutions in the UK and Canada to maximise our ability to draw upon best practice and to work at the cutting edge of innovation.



Pillar 4: Ensuring safe workplaces & operations

Pillar 4: Ensuring safe workplaces and operations

Protecting the health and safety of our workforce is of the utmost importance. First Class Metals is committed to promoting and maintaining a strong safety culture for all employees and contractors.

The Company will strive to ensure that our activities do not have a negative impact on the health and safety of the communities adjacent to our sites.

First Class Metals is committed to:

- Rigorously implementing applicable Canadian & UK health and safety standards, and complying with other applicable legislation, codes, and standards.
- Creating a culture and working environment that is safe and does not adversely impact the health and safety of employees, partners, or communities.
- Providing health and safety training for all employees and business partners and continuously working to improve health and safety performance.
- Holding contractors and suppliers to the highest safety standards.
- Continuously seeking to eliminate potential workplace injuries and accidents.
- Undertaking thorough and comprehensive investigations into any workplace incidents that may occur and engaging in knowledge-sharing to ensure lessons are learnt and incidents are not repeated.
- Understanding and mitigating potential risks to community health and safety and developing plans in response to any potential risks identified.
- Engaging with internal and external stakeholders on health and safety-related issues.



Pillar 5: Good governance and inclusive culture

Pillar 5: Good governance and inclusive culture

Our approach to ESG is underpinned by robust governance structures and strong corporate policies. As a UK PLC & Canadian registered company, we uphold the highest corporate standards and ensure strict adherence to all applicable laws and regulations. Through our strong local presence in Ontario, we believe we are well-positioned to understand the needs of, and contribute positively to, our stakeholders and local communities.

As First Class Metals continues to grow its business and workforce, the Company will strive to maintain a supportive culture and ensure all employees understand the significance of ESG. The Company is already working to ensure ESG is formally integrated into relevant procedures and decision-making, as well as into the Company culture.

First Class Metals aims to promote diversity and inclusion at every level of our organisation and create a positive working environment for all.

- Ensuring all staff receive appropriate training on our standards and policies, and that all business partners are similarly aware of, understand and are held accountable for adhering to these standards. This will include a staff induction process for new employees, contractors, consultants and associates.
- Observing high standards of business integrity.
- Proactively developing and maintaining a diverse and inclusive culture, with a zero-tolerance approach to bullying or harassment.
- Establishing measures to ensure suppliers and contractors adhere to our culture and performance standards.
- Transparently disclosing and reporting on our material ESG activities and performance.

Approved by the Company's Executive Board of Directors on 16th January 2024

A handwritten signature in blue ink, appearing to read 'James Knowles', written in a cursive style.

James Knowles, Executive Chairman

Marc Sale, CEO