

POWERING A BRIGHTER FUTURE

2023 Sustainability Report

sherritt

Table of Contents

sherritt



Overview

3 About This Report
4 CEO Message:
In Conversation with Leon Binedell
5 Our Operations



Sustainability at Sherritt

8 Our Approach
9 Business Conduct
9 ESG Governance
10 Responsible Production and Supply
11 Purpose, Values and Promises
11 Sustainability Framework
12 Management System
13 Sustainability Goals
16 Materiality Assessment



Environment

18 Water and Effluents
18 Tailings
19 Climate, Emissions and Energy
21 Biodiversity
21 Mine Closure and Reclamation



Social Impact and Performance

23 Occupational Health and Safety
24 Diversity and Inclusion
26 Human Rights
27 Local Communities
29 Indigenous Relations
30 Emergency Preparedness
30 Grievance Mechanism

About This Report

This report provides information on Sherritt International Corporation's ("Sherritt" or the "Company") sustainability performance for the calendar year January 1, 2023 through December 31, 2023. Where relevant, qualitative updates on key initiatives from 2024 and previous reporting years have also been included.

This report has been prepared with reference to the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) disclosure standards.

In addition to this Sustainability Report, Sherritt has released its supporting 2023 annual sustainability disclosures. Sherritt's 2023 Sustainability Scorecard is the output of our environment, social and governance (ESG) information system that details discrete data disclosures against a broad set of sustainability reporting standards. The Company's 2023 Climate Report provides an overview of our climate change strategy and a discussion of identified climate-related risks and opportunities. Sherritt's 2023 Tailings Management Report offers a detailed summary of Sherritt's approach to tailings management alongside detailed data disclosures.

Sherritt has also prepared its inaugural report to the Canadian Minister of Public Safety on measures taken to comply with the requirements of the Canadian government's newly enacted Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff. Sherritt also releases an annual Organisation for Economic Co-operation and Development (OECD) Step 5 Due Diligence Report at the end of each fiscal year, and completes compliance-based reporting to the Mining Association of Canada (MAC) and the Voluntary Principles on Security and Human Rights on an annual basis.

Sherritt's 2023 Sustainability Report is focused on areas of the business where there are relevant ESG disclosures to be made. To review all publicly available information about Sherritt, and information about Sherritt's sustainability approach and initiatives, please visit our website.

For information on this report, please email sustainability@sherritt.com. For all other inquiries, please contact info@sherritt.com.

How to Use This Report

This report uses interactive features to direct readers to supporting data within the report or other disclosure documents.

A guide tool is provided at the top of each page to provide easy access to readers on topic-specific disclosures.

Analyst Centre

Analyst Centre information boxes, which appear like this one, are included throughout the report. These boxes identify which reporting framework indicators the data disclosed within the report and/or the 2023 Sustainability Scorecard correlates with.



CEO Message:

In Conversation with Leon Binedell



Leon Binedell
President and Chief Executive Officer
Sherritt International Corporation

I am pleased to share the release of Sherritt's 2023 Annual Sustainability Report. At the outset I would like to note that 2023 was a year of both highs and lows for the Company. Throughout the year, we demonstrated effectiveness in several areas, including swiftly responding to changing market conditions, increasing the supply of a lower-carbon energy alternative to the Cuban grid, and continuing to advance our journey to being a preferred supplier of responsibly produced, low-cost critical minerals. However, the two fatalities at our Moa Nickel joint venture and unplanned maintenance events in our Metals division, which have since been resolved, affected us. Despite the impact of these events, Sherritt remains resilient in the face of adversity. In 2023, we laid out the long-term plans for the Company's success, and as we look ahead to 2024 and beyond, I have full confidence in the Sherritt team's ability to deliver on our financial, social, and environmental commitments.

2023 was a big year for Sherritt. What accomplishments of the last year are you most proud of?

At the start of 2023, we expected to remain on a trajectory of growth consistent with past successes and supported by our 2023 updated reserve estimate and 2023 life of mine plan. With the cobalt swap in place and the accompanying first of the five-year payments received from our Cuban partners, the renewal of our long-term partnership with Energas, and a persistent focus on critical minerals in the market, there were several reasons to be optimistic. Unfortunately, a combination of operational challenges at our sites and an oversupply of nickel to the market required us to be innovative. The response from Sherritt's employees to these fluxes is certainly what I am most proud of. I witnessed our team develop a series of timely and strategic responses to these changing conditions that have ensured we can maintain course on our plans to move the business forward. I continue to be inspired by our team's agility, innovative thinking, and unwavering commitment to the success of this business.

I would also like to highlight the operational efficiencies the Company delivered in the Power division. Between 2022 and 2023, Energas' net power generation increased 750,000 GJ, while maintaining an emissions intensity level comparable to previous years. This is noteworthy considering that Sherritt's power operations generate approximately 30% less greenhouse gas (GHG) emissions per MWh of power than what is typical for the Cuban grid. As a long-term partner in Energas, Sherritt has brought both technical and operational expertise that support Cuba's energy security needs and the country's own carbon reduction aspirations.

What events of 2023 do you think were most significant for shaping the culture of the Company in the years to come?

Sherritt employees always demonstrate resilience in the face of adversity, but I can say with both certainty and sincere regret that the two fatalities we experienced at Moa Nickel in the first half of the year have had a profound impact on Company culture. Although Sherritt has always embraced a safety-first approach, the loss of our colleagues forced us to take a deeper look into what is happening on the ground and evaluate where we can do better. After conducting detailed incident investigations on each of the fatalities and a corresponding Fatality Prevention gap analysis, the leadership teams at each of Sherritt's sites were mandated with identifying areas for improvement. A series of safety workshops were held with leadership at each of the sites with the aim of establishing a multi-year roadmap for safety performance. We also held a dedicated session on the role of leaders in safety at our November annual Leadership Summit. This is a theme that we will continue to embed through our newly launched Leadership Development program, which I know will have a significant impact on enhancing leader interactions in the field, expand how we transfer skills and knowledge across the organization and improve communications and sharing of ideas to keep the organization safer and more efficient.

I recognize that nothing we do now can change the past, but I trust that Sherritt, together with our partners, is making all efforts to ensure safety remains our top priority and that corrective actions are in place to prevent the heartbreak the families of these workers, and we as a company, experienced from happening again.

Other than safety considerations, what do you see as being the most material sustainability issues facing the Company?

When we updated the life-of-mine plan for Moa Nickel in 2023, extending the mine life to 2048, we set forth a path for the operations that enables us to think about the continuation of sustainability improvements and investments that will be relevant in the many years to come. This perspective is embedded into our sustainability strategy, where climate and tailings – two topics that require long-term solutions – are regarded as our primary areas for improvement and innovation. We recognize that by reducing emissions intensity in our Metals business we will see rewards on our investment – both in terms of being eligible for anticipated premiums in the market for producers who demonstrate an environmentally responsible approach to production, and by reducing the amount of energy per unit required to optimize and grow our assets. At Moa Nickel we are also benefiting from the expansion project providing an opportunity to both grow the business, increase the overall operating standards at our facilities and invest in long-term tailings management solutions.

Do you think critical mineral producers that are upholding high ESG standards are being adequately rewarded in the market right now?

I do not think we have yet realized the reward for being a responsible supplier from a purely financial perspective. Over the course of the last several years, we have observed two competing phenomena at play. On the one hand, there has been a significant ramp up in the production of nickel in areas like Indonesia, where ESG standards are known to be lower, leading to an oversupply of 'cheap nickel', and on the other, increased pressure for Western producers to make substantial capital investments into their operations to raise the bar on what is considered a sustainable operation. While Sherritt is compliant with, and advocates for the adoption and implementation of these higher ESG standards, I believe both downstream industries and regulatory bodies have a critical role to play in incentivizing producers to uphold these. Ultimately, a distinction in the market will be needed to provide the capital responsible producers need to continue improving the sustainability of their operations and ensuring their long-term viability, which I see as necessary for pivoting towards a truly greener economy and powering a brighter future.

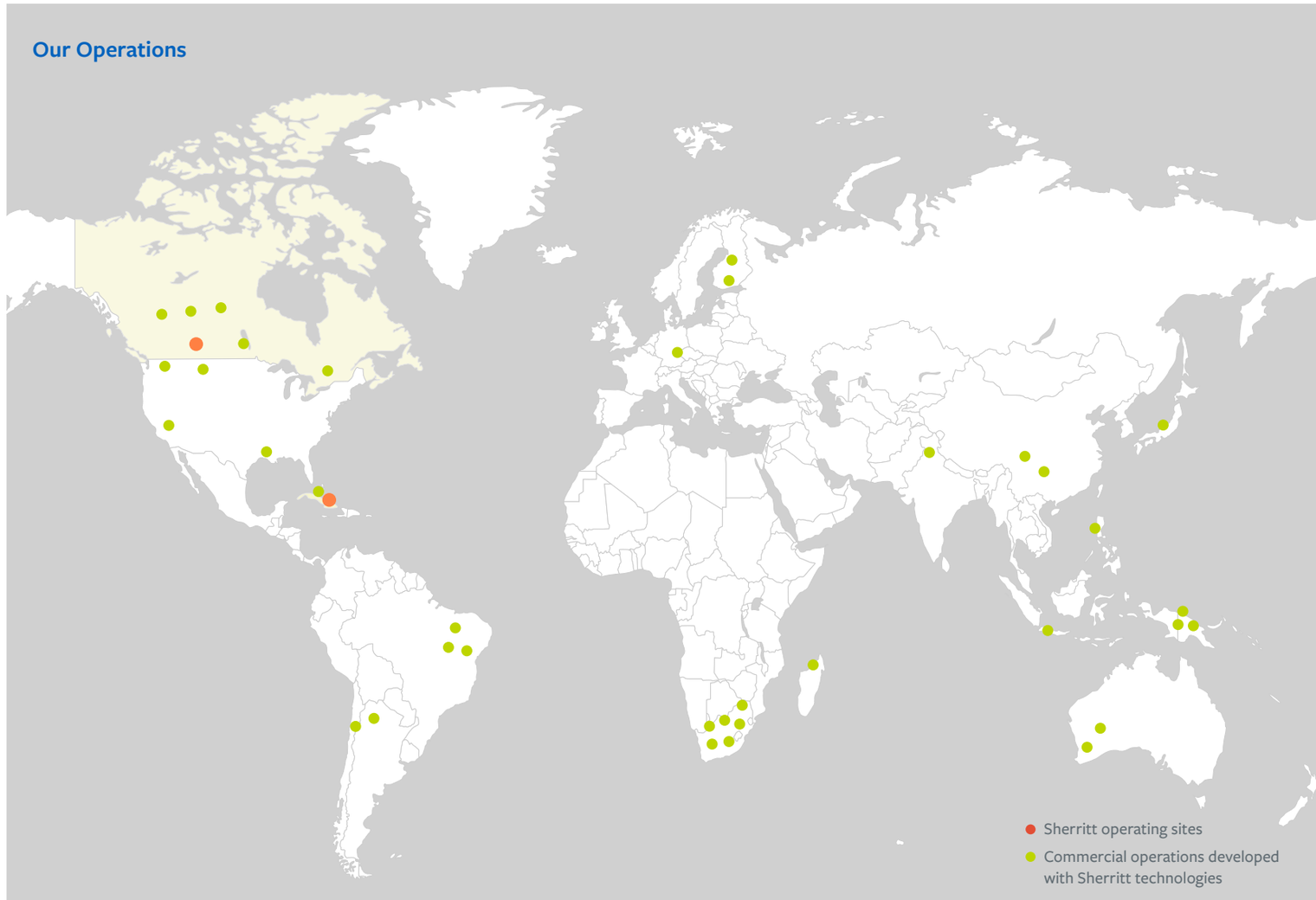
What is the focus of the business for 2024?

One of the things that makes working in resource development so exciting is that there are endless opportunities to push ourselves to think outside the box. Leaders must remain adaptable and resilient – balancing near-term priorities and constraints with the long-term goals of the Company. We have our sights set on making 2024 a year that focuses on getting back to basics. We are driven by the principles of being fiscally disciplined, working safely and running reliable and efficient operations. I am confident that this focused approach will ensure our future success, and that the innovation built into Sherritt's DNA will allow us to continue evolving to face head-on the demands of the future.

I want to thank our employees, communities, and shareholders for continuing to secure another successful year for the Company and look forward to continuing to deliver value and excellence with your support in the years to come.

Our Operations

Sherritt is a world leader in using hydrometallurgical processes to mine and refine nickel and cobalt – metals deemed critical for the energy transition. Sherritt's Moa Joint Venture (Moa JV) has a current estimated mine life of 25 years and has embarked on an expansion program focused on increasing annual mixed sulphide precipitate production by approximately 20% of contained nickel and cobalt. The Company's Power division, through its ownership in Energas S.A., is the largest independent energy producer in Cuba with installed electrical generating capacity of 506 MW, representing approximately 10% of the national electrical generating capacity in Cuba. The Energas facilities are comprised of two combined cycle plants that produce low-cost electricity from one of the lowest carbon emitting sources of power in Cuba. Sherritt's common shares are listed on the Toronto Stock Exchange under the symbol "S".



Metals

Sherritt has a 50/50 partnership with General Nickel Company S.A. of Cuba in the Moa JV.

The Moa JV is a vertically integrated JV that mines, processes and refines nickel and cobalt for sale worldwide (except in the United States). The JV has an open pit lateritic ore mine and processing facility in Moa, Cuba where ore is processed into mixed sulphide precipitate containing nickel and cobalt which is then transported to the refining facilities in Fort Saskatchewan, Alberta, Canada. The resulting nickel and cobalt products are sold to various markets, primarily in Europe and Asia.

The refinery facilities in Fort Saskatchewan have an annual combined production capacity of approximately 38,200 tonnes of nickel and cobalt.

This program capitalizes on the growing demand for high purity nickel and cobalt being driven by the accelerated adoption of electric vehicles and builds on the 29-year successful track record of the Moa JV.

Sherritt has a wholly-owned fertilizer business in Fort Saskatchewan that provides inputs (ammonia, sulphuric acid and utilities) for the Moa JV's metals refinery, and produces agriculture fertilizer for sale in Western Canada.

The Company's Metals Marketing division includes its 100% interests in subsidiaries established to buy, market and sell certain of Moa JV's nickel and cobalt production.

Within the report, the operations in Moa will be referred to as "Moa Nickel" and the operations in Fort Saskatchewan will be referred to as "the Fort Site".

Power

Sherritt holds a one-third interest in Energas S.A., a Cuban JV corporation established to operate facilities for the processing of raw natural gas and the generation of electricity for sale and delivery to the Cuban national electrical grid system.

The remaining two-thirds interest in Energas are held equally by two Cuban government agencies: Unión Eléctrica and Unión Cubapetróleo.

Within the report, the Power operations will be referred to as "Energas".

For a detailed overview of the business in 2023, please refer to Sherritt's 2023 Annual Information Form.



Moa Nickel



The Fort Site



Energas

Sustainability at Sherritt

Sherritt's Sustainability Framework and management systems provide a focused and practical approach to addressing material sustainability issues, risks, and opportunities to enhance the benefits of our operations.

In This Section

- Our Approach
- Business Conduct
- ESG Governance
- Responsible Production and Supply
- Purpose, Values and Promises
- Sustainability Framework
- Management System
- Sustainability Goals
- Materiality Assessment



Our Approach

Sherritt recognizes the critical role businesses play in addressing global environmental and community development challenges.

Sherritt understands that transitioning to a low-carbon future implies a significant increase in demand for metals produced by Sherritt's Metals division, such as nickel and cobalt. These minerals are used by our customers to develop low-carbon and carbon-neutral technologies such as electric vehicle batteries and energy storage solutions for renewable power sources. Additionally, as a long-term partner in Energas, Sherritt has brought both technical and operational expertise to lower carbon-intensity power production in Cuba, which supports the country's energy security needs and has resulted in measurable carbon reduction for Cuba's grid. The Technologies Group at Sherritt creates innovative process solutions for natural resource–based industries around the world to improve environmental performance and increase economic value.

Additionally, Sherritt seeks to add value to the countries and communities in which we operate and is firmly committed to upholding human rights throughout our supply chain. Sherritt positively impacts local communities by providing direct and indirect benefits through a variety of mechanisms including taxation, wages, contracting opportunities and direct community investments.





Business Conduct

Our Business Ethics Policy and Anti-Corruption Policy provide clear guidance to our workforce on what it means to act with integrity.

These policies cover conflicts of interest, fraud and corruption, fair dealings, protection and proper use of the Company's assets, compliance with regulatory requirements, disclosure, confidentiality, and reporting mechanisms available to employees and contractors. These policies are not available publicly but may be provided upon request.

As a Canadian corporation, Sherritt is subject to the Canadian Corruption of Foreign Public Officials Act (CFPOA), as well as anti-corruption laws in all jurisdictions in which we operate. The CFPOA prohibits Canadian (and Canadian-controlled) corporations and their intermediaries from making or offering improper payment of any kind to a foreign public official, or any other person for the benefit of the public official, where the ultimate purpose is to obtain or retain a business advantage. Sherritt's Anti-Corruption Policy prohibits violation of the CFPOA and other applicable anti-corruption laws. Some of Sherritt's operations are located in jurisdictions where governmental and commercial corruption can present a risk. As such, Sherritt uses a risk-based approach to mitigate risks associated with corruption.

Sherritt ensures that all business divisions, groups and offices undergo mandatory anti-corruption training and are required to log all government meeting, gifts, and business courtesies. Sherritt also complies with the Extractive Sector Transparency Measures Act (ESTMA) in Canada and supports the implementation of the Extractive Industry Transparency Initiative abroad. On an annual basis, Sherritt produces and discloses an ESTMA report which transparently itemizes regulatory payments made to governments in Canada and Cuba. These reports have been made publicly available and are found here.

In Canada and Cuba, governmental and commercial corruption does not present a significant risk, based on the latest Corruption Perceptions Index (CPI). Sherritt does not have any operations in countries that rank outside of the top 70 on the CPI.

Analyst Centre

Material Topic: Business Conduct and Governance
SDG: 12, 16

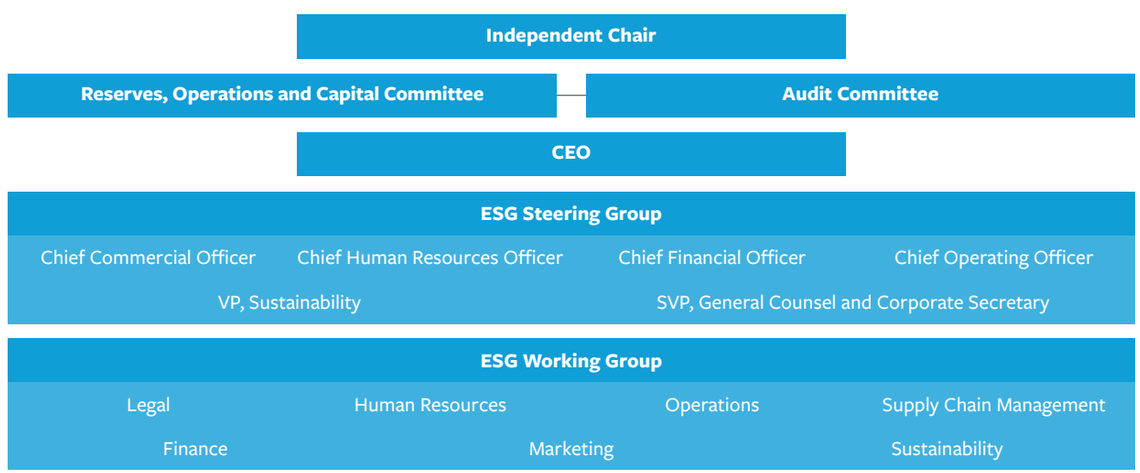
Disclosures in our **2023 Sustainability Scorecard:**
GRI Indicators: 2-10:23, 2-26, 2-27, 2-29, 2-9, 205-3, 206-1, 207-1:3
SASB Indicators: EM-(MM, EP)-510a.1, EM-MM-150a.2

ESG Governance

Sherritt has an independent Chair and two committees of the Board of Directors that oversee matters related to ESG.

The Reserves, Operations and Capital (ROC) Committee is the primary Board committee charged with setting and monitoring implementation of ESG priorities and approving policies and actions identified by the ESG sustainability steering committee and working group. The ROC Committee meets at least four times per year, visits our operating sites (physically, or when not so permitted, virtually), and receives information from corporate and divisional management quarterly, and more often when required. The Committee Chair reports to the Board on significant issues. A copy of the Committee's mandate is publicly available here.

Operationally, accountability for the Sustainability Framework is the responsibility of the CEO, COO, CCO and other members of the ESG Steering Group, which is comprised of all executives and heads of divisions. The ESG Steering Group identifies priorities for the ESG Working Group, which delivers on these across the organization and reports back to the Steering Group on outcomes as appropriate. ESG responsibilities are a part of all department and division mandates to ensure priorities are embedded across the business.



Responsible Production and Supply

Sherritt's responsible sourcing strategy encompasses all elements of the mineral supply chain, from sourcing to the production of our finished products.

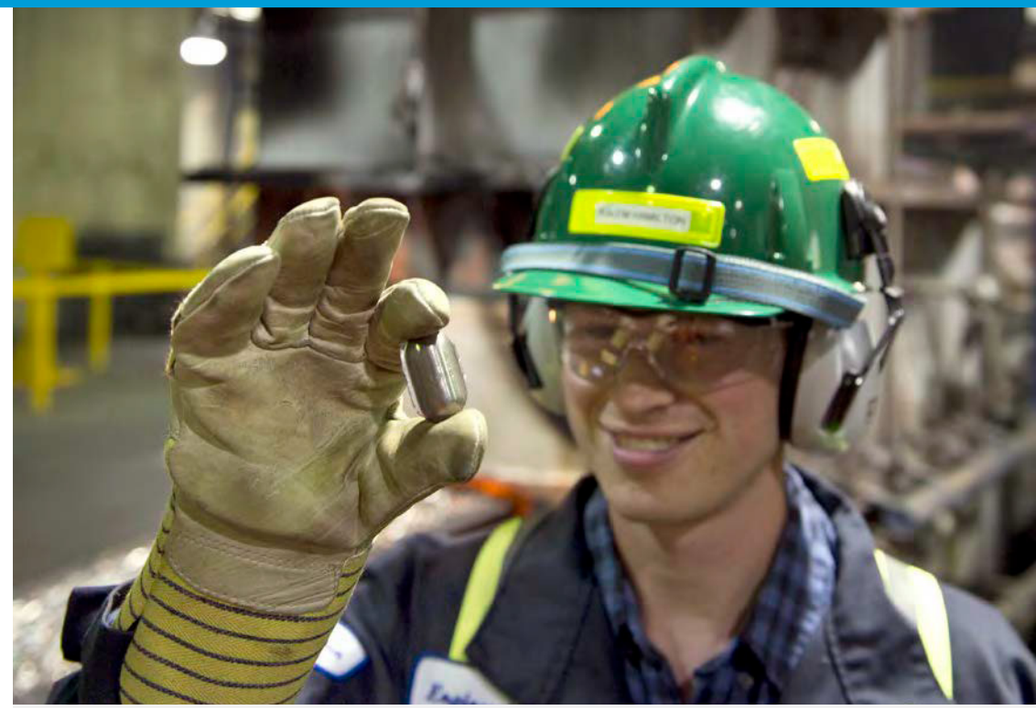
Sherritt's Responsible Production and Supply Policy and Human Rights Policy identify our commitments and our Mineral Supplier Code of Conduct identifies expectations for suppliers and due diligence processes to be followed to ensure risks in our mineral supply chain are identified and mitigated.

Sherritt has a robust management system in place to manage key risks outlined in the OECD's Due Diligence Guidance and the MAC Towards Sustainable Mining (TSM) program.

Throughout 2023 Sherritt continued to make progress against our action plan for addressing the requirements of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Sherritt reports annually on its performance against these requirements in a Responsible Production and Supply Report, the most recent version of which is available here. Additionally, Sherritt remains actively engaged with the standards of MAC, the Responsible Minerals Initiative (RMI), the London Metal Exchange (LME), the Nickel Institute and the Cobalt Institute to ensure alignment with recognized responsible sourcing initiatives, standards and frameworks. Sherritt advocates for the adoption of all these guidelines by its partners, subsidiaries and joint venture organizations. In 2023, Sherritt and the Fort Site refinery's conformance with the LME's Track B responsible sourcing requirements was validated by an independent LME-approved auditor and the LME.

Sherritt's Responsible Production and Supply Due Diligence Approach





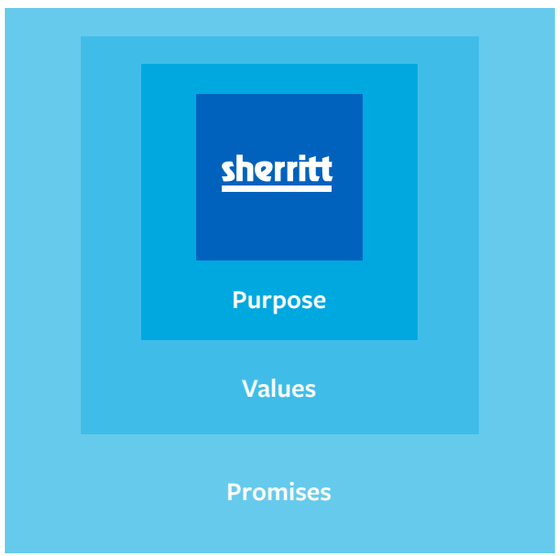
Fort Site ISO Certification

The Fort Site's Environment and Health and Safety teams have spent the last few years formalizing their environmental and occupational health and safety management systems and in early 2024 we achieved ISO certification for these systems. Sherritt is committed to providing a safe and healthy workplace and demonstrating environmental responsibility. The ISO 14001 and 45001 certifications give our stakeholders assurance that we are living up to our environmental health and safety commitments, and that this has been audited and verified by a third party.

"ISO systems create improved safety and environmental performance, reduce risk and serve as a driver for continual improvement. Our employees now have a formal mechanism to provide feedback and get involved in the review and improvement of our systems."

– Greg Poholka (He/Him), Director, Sustainability

Purpose, Values and Promises



Purpose

Sherritt's purpose is to be a low-cost nickel producer that creates sustainable prosperity for employees, investors and communities.

Values

The values that underpin our everyday decision-making at both the corporate and operational levels include:

- Integrity and inclusion
- Agility
- Safety and sustainability
- Continuous learning and innovation
- Shared prosperity

Promises

- We are committed to avoiding environmental impacts wherever we can and minimizing, managing and remediating any remaining impacts.
- We are committed to providing a safe and rewarding workplace for our employees, operating ethically, and engaging stakeholders and benefiting communities wherever we operate.
- We are committed to a long-term target of achieving net carbon neutrality by 2050 and have developed a climate change strategy to achieve that target.

Sustainability Framework

Sherritt's Sustainability Framework provides a focused and practical approach to addressing material sustainability issues, risks, and opportunities and to address performance.

The framework is underpinned by four key pillars:

1. **Providing a Safe and Rewarding Workplace**

2. **Operating Ethically**

3. **Demonstrating Environmental Responsibility**

4. **Engaging Stakeholders and Benefitting Communities**

Within each of these pillars, Sherritt has made specific commitments, identified key organizational values and set corresponding targets to guide our decision-making. Implementation of the Sustainability Framework is supported by an integrated management system that sets company-wide standards for planning, implementation, measurement, reporting and assurance of sustainability efforts.

Management System

Sherritt takes an enterprise-wide approach to managing sustainability, which includes an integrated system with a series of sustainability standards. A description of the governance frameworks in place for effective implementation of our sustainability management system is described here.

Our Environment, Health, Safety & Sustainability Policy identifies our commitments and expectations for our employees, contractors and suppliers. Given the differences between the operating environments in Canada and Cuba, each of our operations has some flexibility in the way they implement these standards at their sites. Site-specific requirements in the standards reflect our experience, our risk profile and industry best practice.

Sherritt is an active member of MAC, and we are implementing the requirements of MAC's TSM protocols. TSM is a globally recognized sustainability program that supports mining companies in identifying and mitigating key environmental and social risks. TSM protocols inform several of our policies, operating procedures and sustainability priorities. Our past and present performance against TSM standards can be found here. In addition, Sherritt is a member of the Voluntary Principles on Security and Human Rights. These best-practice principles underpin our Human Rights Policy and our approach to security at each of the sites. Sherritt is also a member of the Nickel Institute and Cobalt Institute, which provide guidance to members on recognized best-practice standards and frameworks. Lastly, Sherritt is a member of the Devonshire Initiative, which is a multi-stakeholder forum focused on improving sustainable development outcomes in the mining industry.

As described in the Responsible Production and Supply section of this report, Sherritt is also aligning our management systems to meet the requirements of the OECD, the RMI and the LME. In addition to maintaining participation, Sherritt reports on the implementation of best-practice recommendations issued by several organizations and institutions that provide guidance for managing environmental and social performance.

OECD BETTER POLICIES FOR BETTER LIVES

The Mining Association of Canada ADVOCACY STEWARDSHIP COLLABORATION

Nickel INSTITUTE knowledge for a brighter future

COBALT INSTITUTE

VOLUNTARY PRINCIPLES ON SECURITY + HUMAN RIGHTS

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

RMI

LME An HKEX Company

Sherritt Membership and Best Practice Frameworks

Industry Framework	See More from Sherritt
OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas	Responsible Production and Supply Policy 2022–2023 OECD Step 5 Due Diligence Report
The Responsible Minerals Initiative	
TSM Tailings Management Protocol	2023 Tailings Management Report
Global Industry Standard on Tailings Management	
Task Force on Climate-related Financial Disclosures	2023 Climate Report

Sustainability Goals

Sherritt's five-year sustainability goals are focused on:

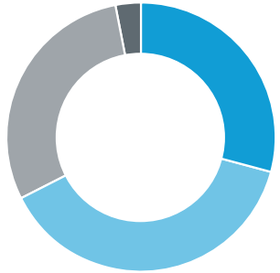
- Aligning the enterprise by focusing on those sustainability priorities shared across Sherritt's business;
- Addressing existing and emerging industry-wide issues and societal concerns;
- Clearly linking Our Purpose and Our Promises, strategic priorities and the Sustainability Framework;
- Driving improved performance across the business;
- Demonstrating our commitment to sustainability excellence; and
- Aligning with the United Nations Sustainable Development Goals (UN SDGs).

Our five-year sustainability goals are as follows:

1. Achieve Level A requirements in TSM protocols across all operations.
2. Strengthen our safety culture, behaviour and performance.
3. Improve environmental management.
4. Create community benefit footprints that support local priorities and the SDGs.
5. Improve diversity at all levels throughout the Company.
6. Be recognized as a preferred supplier of responsibly produced products.

In 2023, Sherritt made significant progress on advancing our targets. A summary of Sherritt's performance against the five-year sustainability goals is offered in the accompanying chart on this page. A more detailed summary, including specific targets and a description of their alignment with the SDGs, is available in the table on the next two pages.

2023 Five-Year Sustainability Goal Target Performance Summary





2023 Performance Against our Five-Year Sustainability Goals and Alignment with SDGs

Sustainability Goal	Sustainability Targets		2023 Performance	Related UN SDGs
Goal 1: Achieve Level A requirements in TSM protocols across all operations	**TSM**	All operations independently verified to have achieved Level A in TSM protocols by 2024	Ongoing	
	ISO	Fort Site: ISO 45001 (occupational health and safety) and ISO 14001 (environmental management systems) certified by 2023	Achieved	
		Moa Nickel: ISO 45001 and ISO 14001 certified by 2025	On track	
	Process Safety	Fort Site: independently verified to full conformance with CSA-Z767-17 (process safety management) by 2025	On track	
		Energas sites: conformant with Cuban Resolution 148 by 2025	On track	
	Other	Year-over-year improvement in analyst ESG ratings	Achieved	
Goal 2: Strengthen our safety culture, behaviour and performance	**Leading Indicators**	Achieve an interdependent safety culture by 2030	On track	
		Independent validation of the implementation of Sherritt's Fatality Prevention Standards and visible felt leadership programs by 2024	Ongoing	
	Lagging Indicators	Zero fatalities	Not achieved	
		TRIFR, LTIFR and AIFR < three-year average: TRIFR < 0.31, LTIFR < 0.15, AIFR < 2.68 by 2024 **TRIFR**: Total Recordable Incident Frequency Rate **LTIFR**: Lost Time Incident Frequency Rate **AIFR**: All Injury Frequency Rate	Ongoing	
	Management Systems	All operations independently verified to have achieved Level A in TSM Safety & Health Protocol by 2024	On track	
Goal 3: Improve environmental management	**Incidents**	Zero significant environmental incidents (as defined by Sherritt's standard)	On track	
	Climate and Energy	Achieve net zero GHG emissions by 2050	Ongoing	
		Reduce overall GHG emissions intensity by 10% by 2030	Ongoing	
		Obtain 15% of overall energy from renewable sources by 2030	Ongoing	
		All operations independently verified to have achieved Level A in TSM Climate Change Protocol by 2024	On track	
		Implement a climate plan that includes risk and opportunity assessments, and mitigation, adaptation, innovation and communication measures	On track	
	Air Emissions	Reduce nitrous oxide emissions intensity by 10% by 2024	Achieved	
		Reduce hydrogen sulphide point emissions intensity by 5% by 2024	Ongoing	
	Water	Increase water reuse/recycling by 5% by 2024	Ongoing	
		All operations independently verified to have achieved Level A in TSM Water Stewardship Protocol by 2024	On track	
	Tailings	Moa Nickel: independently verified to have achieved Level A in TSM Tailings Management Protocol by 2024	On track	

Achieved – target achieved to date **On track** – performance aligned to hit targets **Ongoing** – additional work is needed to validate we are on track to hit target **Not achieved** – target has not been achieved, or progress to date suggests target will not be achieved in the given time frame

2023 Performance Against our Five-Year Sustainability Goals and Alignment with SDGs (continued)

Sustainability Goal	Sustainability Targets		2023 Performance	Related UN SDGs
Goal 4: Create community benefit footprints that support local priorities and the SDGs	**Incidents**	Zero fatalities involving members of the community	✓	
		Zero significant environmental incidents impacting the community	✓	
	Community Investment	100% of community investments aligned with local priorities by 2024	✓	
	Indigenous Relations	Fort Site: independently verified to have achieved Level A in TSM Indigenous and Community Relationships Protocol by 2024	✓	
Goal 5: Improve diversity at all levels throughout the Company	**Representation**	Increase board composition to at least 30% women by 2022	✓	
		Increase number of female employees to 36% by 2030	🕒	
	Organizational Culture	All operations to implement Sherritt's Diversity and Inclusion Framework	🕒	
Goal 6: Be recognized as a preferred supplier of responsibly produced products	**External Frameworks**	Comply with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas by 2024	✓	
		Comply with LME responsible sourcing requirements by 2024	✓	
	Management Systems	All operations independently verified to have achieved Level A in TSM Prevention of Child and Forced Labour Protocol by 2024	✓	
		Fort Site: ISO 45001 and ISO 14001 certified by 2023	✓	
		Moa Nickel: ISO 45001 and ISO 14001 certified by 2025	✓	

✓ **Achieved** – target achieved to date ✓ **On track** – performance aligned to hit targets 🕒 **Ongoing** – additional work is needed to validate we are on track to hit target ⊗ **Not achieved** – target has not been achieved, or progress to date suggests target will not be achieved in the given time frame

Materiality Assessment

As in previous years, our 2023 materiality assessment focused on identifying priority sustainability issues and risks. This year's assessment viewed key topics through the lens of 'double materiality' – meaning issues that we consider to be impactful both from a financial perspective and the perceived perspectives of society or the environment at large.

Impacts on environment and society were evaluated considering industry and/or global trends and priorities, as well as more localized and site-specific needs and priorities. It is worth noting that in some cases, stakeholder interests, or 'impact topics' may not be relevant to the operational realities of the organization but reflect broader perspectives facing the industry. For example, Sherritt has included conflict-affected and high risk areas (CAHRAs) as a material topic because concerns related to the potential for interactions with CAHRAs in the nickel and cobalt markets persist. However, the rating on this from a Sherritt perspective is low given that the Company has robust management systems in place to eliminate the presence of any OECD Annex II risks in its supply chain, and conducts annual, independently verified assessments to verify this.

Sherritt's definition of stakeholders includes employees, contractors, local communities, suppliers, investors, and investment analysts.

To evaluate impacts to the business, we considered the extent to which management's approach to a specific topic could impact our ability to operate from a process or safety standpoint, affect our social licence to operate or maintain environmental compliance, and the potential economic impact on the long-term prospect of the business.

The Company feels the scope of this year's materiality assessment better reflects topics that it deems critical than it has in previous years. However, similar to past reports, we have included disclosures on a wide range of topics in our Sustainability Scorecard and throughout this report to reflect the robust internal data collection processes that exist within the business, and to ensure stakeholder transparency is maintained.

A discussion on all material issues, opportunities and risk factors that affect Sherritt, from both a sustainability and 'whole-of-business' lens are available in our 2023 Annual Information Form.

2023 Materiality Assessment



Environment

Sherritt is committed to implementing a robust environmental management system that is aligned with global industry standards and designed to facilitate strict compliance with regulations and our Operating Licences. We continually seek ways to minimize the impacts of our operations on the environment.

2023 Highlights

- No material non-compliances with local environmental regulations
- No significant environmental spills at any of our sites in 2023

In This Section

- Water and Effluents
- Tailings
- Climate, Emissions and Energy
- Biodiversity
- Mine Closure and Reclamation



Water and Effluents

Sherritt recognizes that water is an important shared resource, integral to the well-being of communities, essential for ecosystems and a vital input for our operations.

Sherritt's operations are continually taking steps to optimize practices and minimize the amount of water we use.

Water management at each of our sites is tailored to the specific technical requirements, local climate and hydrogeology, and stakeholder interests; however, this is all governed by our overarching Water Management Standard and local regulatory requirements. Sherritt's Water Management Standard is guided by the principles and practices of the TSM Water Stewardship Protocol. Through implementation of the Water Management Standard, our sites can effectively:

1. Identify, evaluate and respond to catchment-level water-related risks and opportunities.
2. Proactively and transparently manage water quantity and quality to reduce potential environmental and social impacts and realize opportunities and collaboration with local regulatory authorities and other stakeholders.

At Moa Nickel, a permitted effluent discharge, which is referred to as 'waste liquor', is produced as a by-product of the refining process. It is comprised of sulphuric acid and metals and is currently discharged via a pipeline from site to Moa Bay. The waste liquor is a legacy issue that predates Sherritt's involvement with the site. Limits for the total amount of waste liquor discharge are established and regulated by Cuban authorities and the site remains in compliance with its Operating Licence.

Over the last several years, Sherritt has taken steps to address this issue, including relocating the initial discharge point in 2019 away from water bodies closer to the site and investing in enhanced erosion control in areas around the mine to prevent sediment from reaching local water systems. Sherritt continues to investigate further mitigation options and will provide details on these in its future annual sustainability reports.

Analyst Centre

Material Topic: Water
GRI Indicators: 303-3:6
SASB Indicators: EM-(MM, EP, RM)-140a.1
SDG: 6, 12

Additional disclosures in our **2023 Sustainability Scorecard:**
GRI Indicators: 303-1, 303-5
SASB Indicators: EM-(MM, EP)-140a.2

Tailings

There are several tailings management facilities (TMFs) at Moa Nickel. A geotechnical engineer is employed to provide oversight of design, construction and operation of the tailings facilities. Third-party engineering firms are utilized in the design and monitoring of tailings facilities, and an Independent Tailings Review Board (ITRB) provides third-party audit and assurance activities and issues binding recommendations.

Sherritt and its partner have also been actively investigating options for tailings management expansions so that we can continue to support future mining operations. When evaluating expansion options, Sherritt works with its partners to ensure design criteria minimize environmental impacts and meet international best practices in tailings management. An annual Tailings Action Plan is established at Moa Nickel, based on inputs from the ITRB, operational staff and third-party engineers to document targets for advancing reclamation on facilities undergoing closure, retrofit historical TMFs to better meet today's standards and maintain long-term storage capacity aligned with the Moa Nickel life of mine. It remains Sherritt's goal to ensure its JV operates and maintains its TMFs in accordance with global best practices for safety. We continually review our facilities and procedures and are committed to pursuing the highest standards at our operations.

As a member of MAC, Sherritt is committed to implementing and achieving the highest standards contained in the TSM Tailings Management Protocol. Sherritt recognizes MAC's guidance documents on tailings management as a benchmark of good management practice. For a more detailed summary regarding our approach to tailings management, please read our 2023 Tailings Management Report.

Analyst Centre

Material Topic: Tailings
GRI Indicators: MM3
SASB Indicators: EM-MM-150a.5, EM-MM-150a.6
SDG: 12

Additional disclosures in our **2023 Sustainability Scorecard:**
SASB Indicators: EM-MM-150a.10, EM-MM-540a.1, EM-MM-540a.2, EM-MM-540a.3

Climate, Emissions and Energy

Sherritt recognizes the critical role businesses play in addressing global climate-related challenges and acknowledges that transitioning to a low-carbon future implies a significant increase in demand for responsibly sourced metals such as nickel and cobalt. Sherritt supports the international climate change goals outlined in the United Nations Framework Convention on Climate Change and the Paris Agreement. To reflect this, Sherritt has established a climate change strategy informed by our four guiding principles: Adapt, Mitigate, Innovate and Enable.

Analyst Centre

Material Topic: Climate, Energy and Emissions
GRI Indicators: 305-1, 305-2
SASB Indicators: EM-(EP, MD, MM, RM)-110a.1
SDG: 7, 9, 12, 13

Additional disclosures in our **2023 Climate Report:**
GRI Indicators: 201-2, 305
SASB Indicators: EM-(MM, MD)-110a.2, EM-EP-110a.3

Additional disclosures in our **2023 Sustainability Scorecard:**
GRI Indicators: 302-1, 305-5:7, 307-7, G4-DMA
SASB Indicators: EM-MM-110a.2, EM-(MM, EP, MD, RM)-120a.1, EM-MM-130a.1

As a reflection of the relative importance of climate-related considerations to the Company, Sherritt's Board of Directors and executive team have integrated climate-change risks and opportunities into all levels of the Company's strategic planning and enterprise risk management processes. Throughout 2023, Sherritt made further progress on integrating identified climate-related risks and opportunities into our business strategy and financial planning processes, and we are continually evaluating new ways to further embed these considerations into all aspects of the business including capital allocation, operational strategy and mine planning, and expansion strategy and investment.

As indicated in the accompanying tables on this page, compared to the previous year, emissions in 2023 and the amount of energy required to produce nickel and cobalt remained relatively stable within the Metals business. At Energas, there was a significant increase in net power generation, which resulted in a corresponding increase in Scope 1 emissions, although the emissions intensity per GJ produced did not materially increase. Overall, this increase in power generation is seen as a net benefit from a socio-economic and environmental perspective, as energy security in Cuba remains precarious and as the energy produced by Energas produces 30% less emissions than other power sources.

Please refer to our 2023 Climate Report for a detailed discussion of our climate-related risks and opportunities.

Metals Business Emissions and Production Values[1]

		2023	2022
Emissions[2]	Scope 1 GHG emissions (tonne CO_2e)	**864,392.509**	923,132.712
	Scope 2 GHG emissions (tonne CO_2e)	**110,377.822**	119,558.000
Production	Cobalt (tonne)	**2,876.000**	3,367.075
	Nickel (tonne)	**28,672.000**	32,267.933

1 No external assurance of this data has occurred for the years reported here.
2 Production and Scope 1 and 2 emissions values are inclusive of both Sherritt and our joint venture partner's emissions. In opting to facilitate this disclosure on our partner's behalf, the total emissions attributed to Sherritt are over-represented. The total of each of these values that can be attributed to Sherritt is 50% due to the level of equity ownership by Sherritt in this joint venture.

Energas Business Emissions and Production Values[1]

		2023	2022
Emissions[2]	Scope 1 GHG emissions (tonne CO_2e)	**3,097,824.788**	2,704,379.825
	Scope 2 GHG emissions (tonne CO_2e)	**66,979.405**	27,660.000
Production	Liquid Petroleum Gas (tonne)	**8,434.923**	6,170.450
	Net Power Generation (GJ)	**7,503,021.400**	6,745,700.000

1 No external assurance of this data has occurred for the years reported here.
2 Production and Scope 1 and 2 emissions values are inclusive of both Sherritt and our joint venture partner's emissions. In opting to facilitate this disclosure on our partner's behalf, the total emissions attributed to Sherritt are over-represented. The total of each of these values that can be attributed to Sherritt is 33% due to the level of equity ownership by Sherritt in this joint venture.

Climate Change Strategy

Adapt
Strengthen ability of operations and host communities to adapt to a changing climate

Mitigate
Reduce operational GHG emissions and improve resource efficiency

Innovate
Develop solutions that reduce GHG emissions and improve environmental performance

Enable
Provide responsibly sourced products in support of the transition to a low-carbon economy

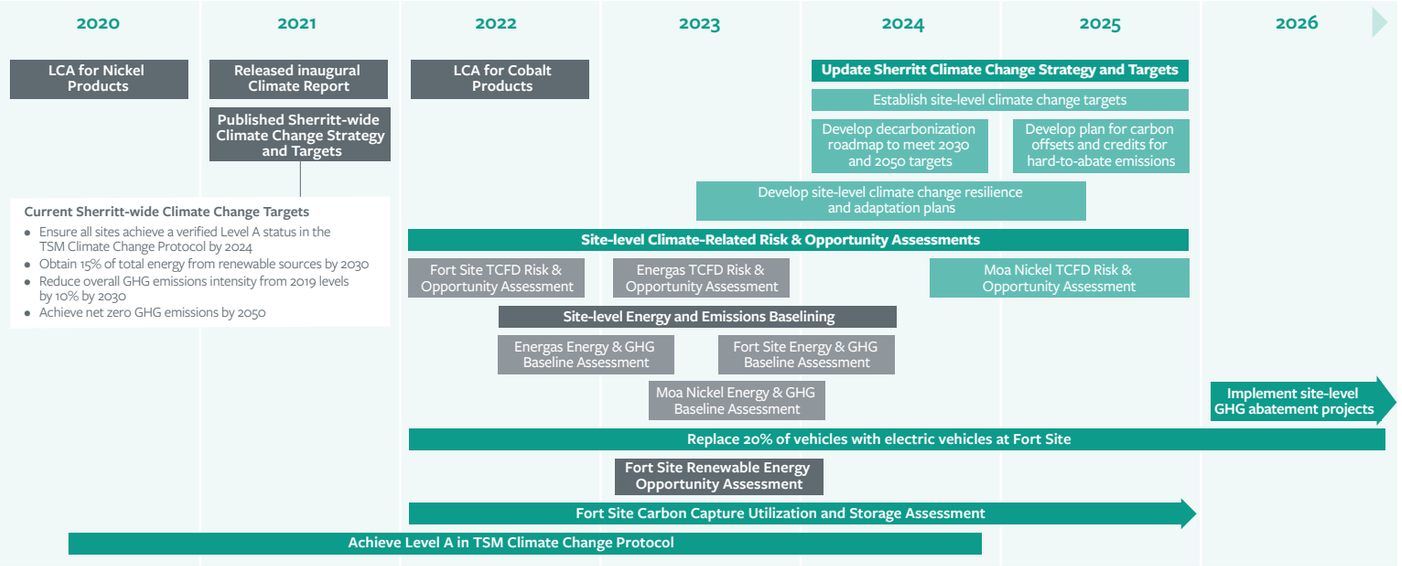
Build in Strong Governance
- Board & Senior Management oversight
- Policies & standards
- Assurance mechanisms

Reduce GHG Emissions
- Energy & emissions baseline assessments
- Climate-related target setting
- Identify combination of quick-wins and longer-term projects for abatement
- Integration of climate criteria into innovation/capex decisions

Improve Operational Resilience
- Climate scenario analysis
- Risk & opportunity assessments
- Identification, prioritization & execution of adaptation initiatives

Support the Low-carbon Economy
- Provide responsibly produced nickel and cobalt to market
- Increase production of and lower emissions intensity of power generation in Cuba
- Create and enable use of innovative technology and products

Ensure Compliance
- Prepare robust and transparent disclosures
- Maintain alignment with best-practice reporting standards



Advancing Our Decarbonization Roadmap

Sherritt is actively implementing measurable steps towards a net zero future while bringing to market the materials and technologies needed for a decarbonized future and circular economy. Accordingly, Sherritt has set interim and aspirational targets of reducing our carbon footprint with the ultimate goal of achieving net zero GHG emissions by 2050.

Throughout 2023, Sherritt made progress on advancing the baseline data collection phase of its climate change strategy. Over the next year, we will continue to collect independent information on the carbon intensity of our operations, complete independent climate risk assessments, assess and refine our targets and plans accordingly, and prepare for alignment with reporting guidelines. As we progress on the development of our decarbonization strategy, Sherritt expects to incorporate a combination of both abatement tools and offsetting opportunities.

Work completed in 2023 continued to advance our ability to refine and identify short-term (1–5 years), medium-term (5–10 years) and long-term (10+ years) climate-related risks and opportunities and meaningful and effective mitigation and management strategies to reduce risk and enhance our ability to seize opportunities.

Several key activities aimed at providing us with critical data for our climate change strategy were advanced, commenced or completed in 2023, including the following:

- Completed a climate risk and opportunity assessment for our Energas operations;
- Initiated baseline energy/GHG emissions assessments of our Moa Nickel and Fort Site operations, completed the first half of 2024;
- Continued to investigate a carbon capture, utilization, and storage project at the Fort Site in line with regulator and project sponsor advancements.

For a detailed overview of our approach to climate-related risks and opportunities, and our efforts to advance our decarbonization journey, please see our 2023 Climate Report.

Biodiversity

Sherritt is committed to identifying, managing, protecting and conserving biodiversity. Our Biodiversity Management Standard is designed to meet all the Level A requirements of the TSM Biodiversity Conservation Management Protocol.

To achieve implementation of our Biodiversity Management Standard, operating sites are required to develop a site-level biodiversity action plan that assesses potential impacts or risks to biodiversity and identifies specific objectives or targets for significant biodiversity aspects. The biodiversity action plan includes considerations such as local ecological knowledge, identification of any no-go or buffer zones near key areas, and monitoring and evaluation mechanisms. The action plan is designed to address legal and corporate obligations (including those related to closure and post-closure) and align with existing regional initiatives, where possible.

Habitat enhancement and the protection of waterbodies were the primary focus of the Fort Site's biodiversity program in 2023, maintaining a Level A status under the TSM Biodiversity Conservation Management Protocol. A Streambank Riparian Enhancement Project was successfully rolled out in the second quarter, resulting in the installation of over 1000 native trees and shrubs along the banks of Josephburg Creek within the facility's property boundary. Riparian buffer zone signs were installed in the field to delineate habitat setbacks and an onsite tree planting event positively increased employee engagement and awareness of the facility's biodiversity program.

Analyst Centre

Material Topic: Biodiversity and Reclamation
GRI Indicators: MM1
SDG: 12, 15

Additional disclosures in our
2023 Sustainability Scorecard:
GRI Indicators: G4
SASB Indicators: EM-MM-160a.1

Mine Closure and Reclamation

Sherritt takes seriously our responsibility to provide adequate financial resources to address the closure of our properties and to restore the areas of operations to a condition suitable for future use.

Sherritt complies with regulatory requirements regarding closure planning and related environmental rehabilitation obligations, cost estimates and financial assurance in each of the jurisdictions in which we operate. We also meet the requirements of the Ontario Securities Commission, which obliges publicly listed companies in Ontario to estimate and disclose their environmental rehabilitation provisions. We review these provisions on a quarterly basis. Whenever possible, we engage in the progressive reclamation of our properties over the life of the operation, rather than initiate such activities at the time of closure.



Progressive Rehabilitation in Action

An employee tree planting event took place at the Fort Site in June 2023 where 16 employees from multiple departments volunteered to learn about the facility's biodiversity program and help plant native trees and shrubs along Josephburg Creek. Over 40 plants were installed, including species such as chokecherry, balsam poplar, prickly rose, wolf willow, and red osier dogwood. The result was a positively engaged workforce, stronger site awareness of our biodiversity program, action towards progressive rehabilitation of the site, and an enhancement of riparian habitat.

Social Impact and Performance

Sherritt maintains active engagement with our stakeholders for the betterment of our operations, employees and the communities in which we operate. We recognize that we have an important role in providing opportunities for local communities to achieve their development goals. Sherritt is firmly committed to providing a safe, respectful and inclusive work environment, and to upholding human rights throughout our supply chain.

2023 Highlights

- 23% of Sherritt's employees are women
- 43% of our Board of Directors are women (50% of our non-executive Board members)
- Approximately CAD$1 million spent on local community investment projects in 2023

In This Section

- Occupational Health and Safety
- Diversity and Inclusion
- Human Rights
- Local Communities
- Indigenous Relations
- Emergency Preparedness
- Grievance Mechanism



Occupational Health and Safety

Sherritt is committed to ensuring the health and safety of everyone at our operations. This commitment is embodied in several key mechanisms to prevent fatalities, minimize risks, ensure that leaders are coaching in work areas regularly, address psychological safety and mental health, involve personnel at every level of the operations to improve safety behaviours, and find continual improvement opportunities.

Over several years, Sherritt has worked to implement enterprise-wide standards aligned with industry guidelines. Sherritt's health and safety standards draw from MAC's TSM Safety and Health Protocol, ISO 45001 and industry best practice related to fatality prevention. We update these standards regularly as part of our commitment to continuous improvement, operational excellence and a stronger safety culture.

We track a series of leading indicators designed to increase safe behaviours, improve competency, ensure safe working conditions and strengthen safety culture. These indicators include frequent face-to-face leadership interactions, proactive health and safety communications, workplace inspections and training. We also have a Significant Potential Incident Standard in place which requires tracking and specific management actions for any workplace incident that, under different circumstances, could have resulted in a fatality. Assurance of our health and safety programs is conducted through regular executive reviews, peer comparisons, internal audits and external audits.

Despite having a strong management system in place, as shown in the accompanying table on this page, Sherritt reported two fatalities in unrelated incidents at Moa Nickel in 2023 and performance on safety across multiple indicators, and at all sites diminished when compared to previous years. In response to these incidents, separate root cause analyses and a Fatality Prevention Gap Analysis were undertaken. Sherritt also initiated a series of safety strategy sessions with each of its operations to create a multi-year roadmap for improvement. Areas of focus are expected to include visible and felt leadership, workforce competencies, risk management, change management, root cause analysis, contractor management, and external assurance. The work to develop a roadmap for improving our safety culture and performance that began in 2023 will continue into 2024. With our Cuban partners, Sherritt is implementing immediate measures to enhance our focus on safety at all of our sites, with a notable emphasis at Moa Nickel. The operations have also completed updates to their Fatality Prevention Standards, Life Safety Rules, permitting programs, procedures, and training programs. The safety and well-being of our employees remains our highest priority and we are fully committed to taking every necessary measure to provide a safe work environment for everyone.

2023 Health and Safety Metrics

	Energas[2]	Fort Site	Moa Nickel	Corporate	Sherritt Total
Fatalities	0	0	2	0	**2**
Lost time injuries	1	0	9	0	**10**
Recordable injuries	4	6	9	0	**19**
Hours worked	1,355,951	1,896,094	6,412,800	145,920	**9,810,765**
Lost time injury frequency rate[1]	0.147	0.000	0.281	0.00	**0.204**
Total recordable injury frequency rate[1]	0.590	0.633	0.281	0.00	**0.387**

1 Employees and contractors per 200,000 hours worked.
2 Energas health and safety data values are inclusive of Sherritt's Oil and Gas divisional health and safety data.

Analyst Centre

Material Topic: Health & Safety
GRI Indicators: 403-1, 403-9
SASB Indicators: EM-(MM, EP)-320a.1
SDG: 3, 8



Diversity and Inclusion

Sherritt recognizes the inherent value that comes from having a diverse group of employees at all levels of the organization.

We understand that the mining industry faces talent attraction and retention challenges, and that diversity, inclusiveness and a respectful work environment will be required to help us continue to excel. Sherritt also recognizes that our stakeholders want to see themselves and their values reflected in our organization. Accordingly, Sherritt has set ambitious goals to increase the number of female employees in the organization to 36% by 2030. As illustrated by the supporting data on this page, we recognize that we still have a way to go. However, it is anticipated that the excellent Employee Resource Groups and Diversity and Inclusion Committees that have been established to promote diversity and inclusion, and our Diversity and Inclusion Policy and Five-Year Action Plan will help us reach this target.

Analyst Centre

Material Topic: Diversity and Inclusion
GRI Indicators: 2-7, 2-9, 102-8, 405-1
SDG: 5, 8, 10

Additional disclosures in our
2023 Sustainability Scorecard:
GRI Indicators: 2-7:9, 102-7, 401-1
SASB Indicators: EM-MM-000.B



Total Number of Direct Employees by Employment Type, by Gender[1]

	2023	2022
Total number of permanent employees	**869**	818
Total number of permanent employees – female	**216**	188
Total number of permanent employees – male	**650**	630
Total number of permanent employees – non-binary	**3**	0[2]
Total number of temporary employees	**56**	48
Total number of temporary employees – female	**11**	12
Total number of temporary employees – male	**45**	36

1 Based on self-reported employee data.
2 Data not collected in previous reporting years.

Gender Diversity – Permanent Employees



Gender Diversity – Board of Directors



Better Serving Our Employees

Sherritt consistently evaluates our total rewards and benefits offering to ensure they remain competitive and reflect our strong commitment to diversity and inclusion. Sherritt believes the pursuit of continuous improvement in these areas is key to attracting and retaining skilled and diverse talent.

An opportunity to put this commitment into practice was realized during a Fort Site tour with Sherritt's Board of Directors in 2023. As part of this tour, members of the Board and Sherritt's Chief Human Resources Officer engaged in a meaningful discussion with a group of women operators, where one employee shared the significant financial hardships many families, particularly those in the 2SLGBTQIA+ community, face due to inadequate provincial coverage for fertility treatments.

Moved by this discussion, our human resources team conducted a thorough review of our health insurance offerings and resolved to expand coverage to include fertility treatments starting in 2023. Since this announcement, we have received positive feedback from our employees that providing a range of essential fertility treatment services significantly eases the financial burden of those who are considering such treatments.

The inclusion of fertility treatment support in our benefits plan is a testament to Sherritt's culture of listening and supporting our employees' diverse family planning needs and reinforces our strong commitment to fostering an inclusive workplace environment.

Employee-Led Change

Launched in 2022, the *Queers & Allies* Employee Resource Group (ERG) was founded by three 2SLGBTQIA+ employees at the Fort Site with the objective of making Sherritt a more inclusive workplace for our queer peers, with full acknowledgement of our need for allies to champion our cause. *Queers & Allies* aims to create safer spaces for 2SLGBTQIA+ workers to thrive in through education and networking opportunities for Sherritt employees.

The *Queers & Allies* ERG diligently shares news and resources through their intranet site and news posts, and plans and hosts meetings and events designed to promote networking and community involvement and educate Sherritt employees and leaders on how best to make their 2SLGBTQIA+ peers feel welcome. *Queers & Allies* aims to create an open dialogue and highlight the accomplishments of the queer community both within Sherritt and in the broader landscape.

In 2022 *Queers & Allies* engaged Sherritt senior leadership to become a Proud Partner with Pride at Work Canada, an organization dedicated to empowering employers to build workplaces that celebrate all employees regardless of gender expression, gender identity, and sexual orientation. Sherritt was registered as a Proud Partner in 2023, with *Queers & Allies* utilizing their resources and expertise to host their Pride Week education event and complete a benchmarking audit (results to be released in 2024).

Queers & Allies hosted several events in 2023, including Sherritt's Pride Week from August 28 to September 1. Events during Pride Week included a sidewalk painting event and a 2SLGBTQIA+ Inclusion Seminar from Pride at Work Canada, as well as an engagement lunch for *Queers & Allies* members. *Queers & Allies* also participated in Sherritt's annual Employee Recognition BBQ by sharing resources and information about the ERG with hundreds of Sherritt employees and long-term contractors.



"Co-founding Queers & Allies has given me the opportunity to ensure 2SLGBTQIA+ voices are heard and valued, and the support to face the challenges I've encountered as the first openly Two-Spirit person at Sherritt. I'm grateful for the platform to help create a safer space for current and future 2SLGBTQIA+ employees to thrive."

– Riley McGinn (They/Them), Business Analyst

Human Rights

Sherritt is committed to identifying and addressing human rights risks, including forced labour and the rights of children in its supply chain. Sherritt has also prepared its inaugural report to the Canadian Minister of Public Safety on measures taken to comply with the requirements of the Canadian government's newly enacted Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff.

Although human rights issues do not currently represent a top risk at Sherritt, we have ensured our management systems align with industry guidelines and international commitments and expectations regarding human rights. We developed an enterprise-wide Human Rights Policy that aligns with OECD guidelines, and we remain committed to upholding the Universal Declaration of Human Rights, along with other international principles. We also regularly engage with guidance provided through our membership and participation in the Voluntary Principles on Security and Human Rights.

Sherritt regularly assesses human rights risks in its mineral supply chain and, to date, no risks of human rights abuses, artisanal or small-scale mining, forced labour, modern slavery or other red flags have been identified. Effective local laws and due diligence systems are in place at all Sherritt operations to prevent these risks. Measures are taken at the operations to comply with local human rights regulations and management systems. Sherritt also regularly conducts due diligence in the mineral supply chain to validate and ensure that human rights risks are identified and mitigated.

None of our operations are in countries on the World Bank's list of Fragile and Conflict-Affected Situations or other high-risk listings such as the E.U. indicative, non-exhaustive list of conflict-affected and high-risk areas under regulation (EU) 2017/821.

Analyst Centre

Material Topic: Human Rights
GRI Indicators: 2-7, 2-9, 102-8, 405-1
SDG: 16

Additional disclosures in our **2023 Sustainability Scorecard:**
GRI Indicators: 408-1, 412-1-a, MM8
SASB Indicators: EM-MM-210a.3



Local Communities

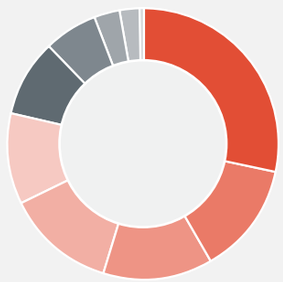
Effective stakeholder engagement is critical to maintaining our social licence to operate.

Sherritt has a long history of working to establish and maintain productive relationships with our stakeholders and to maximize the shared benefits of our activities. Through our work, we aim to contribute to long-term mutual prosperity.

Sherritt takes a respectful approach to engaging with our stakeholders and supporting the development of sustainable communities. We recognize that a significant benefit of our operations is that we can help build human and institutional capacity so that local communities can achieve their development goals. Our goal is to align 100% of our community investment with needs and priorities as identified by communities themselves.

Sherritt engaged with several community groups and representatives throughout 2023. This took many forms, including attending and contributing to community activities and events, supporting community-run organizations through employee volunteer programs and donations, and hosting of a community engagement and educational event at our Moa Nickel site. Sherritt also continued engagement with governments at municipal, provincial and national levels through meetings and industry events independently and as part of industry associations.

Our Community Investment Spend in 2023



Infrastructure	28%
Environment	13%
Diversity & Inclusion	13%
Health	13%
Education	11%
Community Safety	9%
Children & Youth	6%
Community Support	3%
Indigenous Organizations	3%
Employee Match Program	1%

Analyst Centre

Material Topic: Community Relations and Socio-economic Contributions
GRI Indicators: 203-1
SDG: 3, 4, 5, 8, 10, 12

Additional disclosures in our **2023 Sustainability Scorecard:**
GRI Indicators: 203-2, 413-1, MM6, MM7, MM9
SASB Indicators: EM-MM-210b.1

Indirect Economic Impacts

Local Community	Community Investment Summary	Related UN SDGs
Cuba-based Community Investment	▪ In Moa, Sherritt donated vital hospital equipment including a Hemodialysis Water Plant and surgical equipment in addition to complete irrigation systems to assist in the production of local food; ▪ In Matanzas, Sherritt donated appliances and equipment for the Provincial Children's Hospital and Provincial Diabetic Clinic, and road repair equipment to support safer transportation; ▪ In Santa Cruz del Norte, Sherritt donated submersible water pumps to communities in need of improved water supply, and appliances and equipment to local hospitals, daycares, medical residences and other community centres; ▪ As part of a three-year partnership, Sherritt supported UNICEF on a road injury prevention program in Cuba; and ▪ In partnership with Cowater, Sherritt supported the electrification of rural towns with renewable energy in the province of Holguin.	3 GOOD HEALTH AND WELL-BEING, 4 QUALITY EDUCATION, 5 GENDER EQUALITY, 6 CLEAN WATER AND SANITATION, 7 AFFORDABLE AND CLEAN ENERGY, 8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 10 REDUCED INEQUALITIES
Canada-based Community Investment	▪ In Toronto, Sherritt supported the Native Women's Resource Centre and Anduhyaun Inc. Emergency Shelter; ▪ In Alberta, Sherritt supported Women Building Futures, Boyle Street Community Services, Families First Society Fort Saskatchewan, the Bent Arrow Traditional Healing Society, the Fort Saskatchewan Food Bank, the Alberta Indigenous Games, the CHEW Project, and Indigenous and women students at the Northern Alberta Institute of Technology and several other organizations.	3 GOOD HEALTH AND WELL-BEING, 4 QUALITY EDUCATION, 5 GENDER EQUALITY, 10 REDUCED INEQUALITIES

Supporting the Next Generation

The mining industry is presently facing a tight labour market and with the transition to a green economy creating a need for critical minerals, Sherritt has activated the following programs to incentivize and support the next generation of mining professionals.

In 2023, Sherritt completed year two of its three-year grant program with the Northern Alberta Institute of Technology (NAIT). Each year, Sherritt's Fort Site provides eight CAD$1,500 grants to NAIT students. These grants are available to Indigenous students and women in Business Administration, Power Engineering, Chemical Technology, Chemical Engineering Technology and Environmental programs. This partnership serves as a terrific opportunity for Sherritt as we look to increase diversity in the workplace and talent pipeline.

The Fort Site also continued their partnership with Women Building Futures in 2023, where Sherritt has also been listed as an Employer of Choice. The Fort Site's 2023 donation provided a targeted contribution to their youth engagement program. Through partnerships with local high schools, this new program supports female youth in their discovery of the various trade career paths available to them. Women Building Futures mentors will run the after-school programming, offering their skills and experience to assist the students in building their own projects.

In addition, Sherritt continues to distribute funding to the Queen's University Sherritt International Corporation Prize in Mining Engineering on an annual basis. This prize is granted to the student with the highest combined standing in two of the University's geology and mining courses. Since 2016, over CAD$9,000 has been distributed to students.



"We are committed to fostering a workplace culture that values diversity, supports individuality and celebrates our team members' unique strengths. Investing in talent goes beyond filling vacant positions – it's about empowering our team members to develop skills and knowledge to excel in their current and future roles."

– Jennifer Quacha (She/Her), Talent Management Specialist

Indigenous Relations

Sherritt is committed to respecting the rights of Indigenous Peoples in our communities and to supporting Canada's path to Reconciliation through economic empowerment and partnership.

In 2023 Sherritt made substantial progress on the development of our Indigenous Reconciliation Roadmap. Work on the Roadmap began in April with the support of an Indigenous-owned consultancy. Initial efforts focused on sharing information about the advancement of Reconciliation in Canada and included establishing a cross-functional working group with members from various divisions and site locations. The numerous events and initiatives hosted at Sherritt in 2023 represent Sherritt's continued commitment to providing opportunities for all our team members to learn and understand our shared history, so that, together, we can take meaningful steps towards Reconciliation.

Sherritt understands the profound impacts that Indigenous focused organizations can have on the communities they serve. In 2023, Sherritt supported several local Indigenous-run organizations including the Bent Arrow Traditional Healing Society, the Alberta Indigenous Games, Fort Saskatchewan Indigenous Society, Native Women's Resource Centre, and Anduhyaun Inc. Emergency Shelter.

2023 Indigenous Engagement Activities

- **May:** Visit to Bent Arrow Traditional Healing Society Community Centre with the MAC Community of Interest Panel
- **April – November:** Completed Reconciliation Roadmap Project
- **August:** Attended the Opening Ceremony for the Alberta Indigenous Games
- **September – November:** Hosted internal interdepartmental Discovery Sessions
- **September:** Attended Women Building Futures National Day for Truth and Reconciliation event
- **September:** Hosted 3 employee Reconciliation Sharing Circles
- **September:** Hosted Sharing Circle with Communities of Interest
- **November:** Indigenous Knowledge Building Webinar: Creating and Sharing Meaningful Land Acknowledgements
- **November:** Sherritt-wide Indigenous Knowledge Building Webinar: Why Reconciliation?



Promoting Cross-Cultural Learning Through the Arts

In 2023, Sherritt financially supported the Embassy of Canada in Cuba's effort to host an event in commemoration of Canada's National Day of Truth and Reconciliation. With the funds provided by Sherritt, the Embassy of Canada was able to bring three talented Inuit musicians from Nunavut, Canada to Cuba. The musicians showcased Inuit culture to a very receptive Cuban and Canadian audience while demonstrating the strength and vibrancy of the Inuktitut language and bringing to light the challenges of Reconciliation. The musicians visited the Instituto Superior de Artes, the most prestigious arts college in Cuba and Escuela Nacional de Artes, the leading high school for music students in Cuba. During these visits the musicians provided workshops on throat singing and discussed Inuit culture with Cuban music students. At the Embassy, a Townhall meeting with all staff to was held to hear the visitors narratives and truths about the legacy of residential schools and for the staff to hear their music.

The Canadian Ambassador in Cuba thanked Sherritt for the generous contribution which enabled a meaningful musical and cultural exchange between Canadian Inuit and Cuban musicians.

Emergency Preparedness

All operating sites have emergency response and business continuity plans in place, which are regularly reviewed and updated as needed.

To ensure the effectiveness of these plans in case of an emergency, the sites conduct simulations of emergency situations, implementing these plans and then discussing lessons learned and areas for improvement. To further enhance our approach, each of our operating sites are integrating the TSM protocol for Crisis Management and Communications Planning.

ECOARTE Event

In November, at Sherritt's Moa Nickel site, the Emergency Response team hosted a group of over 20 children from the local ECOARTE group to showcase the site's emergency response capabilities. The children were introduced to the equipment and procedures used on site to keep the mine and surrounding community safe.



Grievance Mechanism

Sherritt has a Whistleblower Policy and grievance mechanism that allow any person, anywhere in the value chain, to submit a reportable concern anonymously and confidentially through the system maintained by the Company's designated external service provider.

Sherritt maintains mechanisms to facilitate the receipt, retention and treatment of reportable concerns and grievances. The mechanisms are intended to cover theft, fraud and allegations of any kind of unethical behaviour.

Reportable concerns may be submitted by any of the Company's stakeholders, including employees, contractors, directors, officers, vendors and others.

Online: **https://clearviewconnects.com/#/**

Skype Audio Reporting: **clearview-sherritt**

Telephone:
Toll-free (North America): **1-866-840-8702**
Long distance: **1-416-386-5397**

For concerns related to the Fort Site in Fort Saskatchewan, Alberta, please call **1-780-992-7000**.



Forward-looking Statements

This Sustainability Report contains certain forward-looking statements. Forward-looking statements can generally be identified by the use of statements that include such words as “believe”, “expect”, “anticipate”, “intend”, “plan”, “forecast”, “likely”, “may”, “will”, “could”, “should”, “suspect”, “outlook”, “potential”, “projected”, “continue” or other similar words or phrases. Specifically, forward-looking statements in this document include, but are not limited to, statements regarding Sherritt’s strategy, plans, targets and goals in respect of environmental and social governance issues, including climate change and greenhouse gas emissions reduction targets and certain target amounts as they pertain to environmental and social governance commitments.

Forward-looking statements are not based on historical facts, but rather on current expectations, assumptions and projections about future events, including commodity and product prices and demand; the level of liquidity and access to funding; share price volatility; production results; realized prices for production; earnings and revenues; global demand for electric vehicles and the anticipated corresponding demand for cobalt and nickel; the commercialization of certain proprietary technologies and services; advancements in environmental and greenhouse gas reduction technology; GHG emissions reduction goals and the anticipated timing of achieving such goals, if at all; statistics and metrics relating to Environmental, Social and Governance matters which are based on assumptions or developing standards; environmental rehabilitation provisions; environmental risks and liabilities; compliance with applicable environmental laws and regulations; risks related to the U.S. government policy toward Cuba; and certain corporate objectives, goals and plans for 2024. By their nature, forward-looking statements require the Corporation to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that the assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections.

The Corporation cautions readers of this not to place undue reliance on any forward-looking statement as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to, security market fluctuations and price volatility; level of liquidity and the related ability of the Moa Joint Venture to pay dividends; access to capital; access to financing; the risk to Sherritt’s entitlements to future distributions (including pursuant to the Cobalt Swap) from the Moa Joint Venture, the impact of global conflicts; changes in the global price for nickel, cobalt, oil, gas, fertilizers or certain other commodities; risks related to Sherritt’s operations in Cuba; risks related to the U.S. government policy toward Cuba, including the U.S. embargo on Cuba and the Helms-Burton legislation; political, economic and other risks of foreign operations; uncertainty in the ability of the Corporation to enforce legal rights in foreign jurisdictions; uncertainty regarding the interpretation and/or application of the applicable laws in foreign jurisdictions; risk of future non-compliance with debt restrictions and covenant; risks related to environmental liabilities including liability for reclamation costs, tailings facility failures and toxic gas releases; compliance with applicable environment, health and safety legislation and other associated matters; risks associated with governmental regulations regarding climate change and greenhouse gas emissions; risks relating to community relations; maintaining social license to grow and operate; uncertainty about the pace of technological advancements required in relation to achieving ESG targets; risks to information technologies systems and cybersecurity; identification and management of growth opportunities; the ability to replace depleted mineral reserves; risks associated with the Corporation’s joint venture partners; variability in production at Sherritt’s operations in Cuba; risks associated with mining, processing and refining activities; risks associated with the operation of large projects generally; risks related to the accuracy of capital and operating cost estimates; the possibility of equipment and other failures; potential interruptions in transportation; uncertainty of gas supply for electrical generation; reliance on key personnel and skilled workers; growth opportunity risks; uncertainty of resources and reserve estimates; the potential for shortages of equipment and supplies, including diesel; supplies quality issues; risks related to the Corporation’s corporate structure; foreign exchange and pricing risks; credit risks; shortage of equipment and supplies; competition in product markets; future market access; interest rate changes; risks in obtaining insurance; uncertainties in labour relations; legal contingencies; risks related to the Corporation’s accounting policies; uncertainty in the ability of the Corporation to obtain government permits; failure to comply with, or changes to, applicable government regulations; bribery and corruption risks, including failure to comply with the *Corruption of Foreign Public Officials Act* or applicable local anti-corruption law; the ability to accomplish corporate objectives, goals and plans for 2024; and the ability to meet other factors listed from time to time in the Corporation’s continuous disclosure documents.

The Corporation, together with its Moa Joint Venture is pursuing a range of growth and expansion opportunities, including without limitation, process technology solutions, development projects, commercial implementation opportunities, life of mine extension opportunities and the conversion of mineral resources to reserves. In addition to the risks noted above, factors that could, alone or in combination, prevent the Corporation from successfully achieving these opportunities may include, without limitation: identifying suitable commercialization and other partners; successfully advancing discussions and successfully concluding applicable agreements with external parties and/or partners; successfully attracting required financing; successfully developing and proving technology required for the potential opportunity; successfully overcoming technical and technological challenges; successful environmental assessment and stakeholder engagement; successfully obtaining intellectual property protection; successfully completing test work and engineering studies, prefeasibility and feasibility studies, piloting, scaling from small scale to large scale production, procurement, construction, commissioning, ramp-up to commercial scale production and completion; and securing regulatory and government approvals. There can be no assurance that any opportunity will be successful, commercially viable, completed on time or on budget, or will generate any meaningful revenues, savings or earnings, as the case may be, for the Corporation. In addition, the Corporation will incur costs in pursuing any particular opportunity, which may be significant. Readers are cautioned that the foregoing list of factors is not exhaustive and should be considered in conjunction with the risk factors described in the Corporation’s other documents filed with the Canadian securities authorities, including without limitation the Annual Information Form of the Corporation dated March 21, 2024 for the period ending December 31, 2023, which is available on SEDAR+ at www.sedarplus.ca.

The Corporation may, from time to time, make oral forward-looking statements. The Corporation advises that the above paragraph and the risk factors described in this Sustainability Report and in the Corporation’s other documents filed with the Canadian securities authorities should be read for a description of certain factors that could cause the actual results of the Corporation to differ materially from those in the oral forward-looking statements. The forward-looking information and statements contained in this Sustainability Report are made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any oral or written forward-looking information or statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking information and statements contained herein are expressly qualified in their entirety by this cautionary statement.

We welcome your feedback on this report. Please share your comments or questions by contacting:

1-800-704-6698
(toll-free from within North America)

1-416-924-4551
(outside North America)

info@sherritt.com

sustainability@sherritt.com

https://sherritt.com/sustainability/

Sherritt International Corporation

22 Adelaide Street West,
Suite 4220
Toronto, Ontario
M5H 4E3
Canada