ENVIRONMENTAL PROTECTION AGREEMENT

relating to the Port-Daniel-Gascons cement plant

MMS
MI'GMAWEI MAWIO'MI SECRETARIAT

st marys
cement

VOTORANTIM cimentos

In January 2016, Ciment McInnis — then the proponent of a new cement plant in Port-Daniel-Gascons — and Secretariat MI'GMAWEI MAWIO'MI (MMS) signed an Environmental Protection Agreement, as the plant is located on lands historically occupied and used by the Mi'gmaq people in the Gesgapegiag, Gespeg and Listuguj communities.

In April 2021, St Marys Cement, a company that is majority-owned by its Brazilian parent company Votorantim Cimentos, assumed responsibility for the operations of the plant. St Marys Cement continues today to respect the commitments outlined in the Agreement.

ABOUT THE CEMENT PLANT

St Marys Cement and its parent company have embraced sustainability as a strategic driver of growth, setting out 2030 Sustainability Commitments, and endeavour to generate shared value in the communities where they operate.

In Port-Daniel-Gascons, St Marys Cement operates a quarry that provides the limestone for its kiln line producing clinker ("clinker" is an intermediate product in cement manufacturing) and its two cement finishing mills, a maritime shipping and receiving terminal, and a land-based cement shipping terminal for transport by truck (and soon by train).

A pioneer in environmental standards

St Marys Cement's McInnis plant is the first cement plant in Canada to commit to meeting the U.S. National Emission Standards for Hazardous Air Pollutants (NESHAP), one of the most stringent air emission standards in North America. The plant was designed and built using state-of-the-art technology and uses processes and equipment that reduce its electrical energy consumption compared to older cement plants.

Since assuming control of the plant's operations in 2021, St Marys Cement has invested more than $80 million to maintain and improve the plant's productivity, efficiency, and environmental footprint.

A roadmap to carbon neutrality

The company's vision is to achieve carbon neutrality by 2050. To that end, St Marys Cement has established a roadmap with clearly defined strategies and milestones for 2030. These strategies include optimizing energy and thermal efficiency, producing blended cements that have a lower carbon content by utilizing supplementary cementitious materials to replace higher carbon content clinker, and using alternative low-carbon fuels in the cement manufacturing process.

A significant economic impact

With some 200 employees, St Marys Cement is one of the largest private employers in the Gaspé region. It is committed to contributing to the sustainable development of the region.

Responsive to the community

St Marys Cement is committed to maintaining a positive relationship with the communities its plants operate in, including First Nations communities. To that end, it works in a respectful and collaborative manner with First Nations representatives through two joint committees: the Environment Committee, created with the Mi'gmawei Mawiomi Secretariat (MMS), and the Economic Benefits Committee, created with the Mi'gmawei Mawiomi Business Corporation (MMBC).

THE ENVIRONMENTAL PROTECTION AGREEMENT

This Agreement aims to ensure the protection of the air, land, water, aquatic resources, fauna, flora, as well as archaeological and cultural resources that are essential to the way of life and well-being of Mi'gmaq citizens. The joint Environment Committee ensures the effective and timely respect of the commitments and responsibilities stipulated in the Agreement.

The objectives of the Agreement

The four main objectives of the Agreement are to:

- Ensure that the rights of access of Mi'gmaq citizens to St Marys Cement's property in Port-Daniel-Gascons are respected and that Mi'gmaq values are taken into account in the preservation of the environment.
- Ensure the respect and protection of environmental, archaeological, and cultural resources that are essential to the way of life and well-being of Mi'gmaq citizens.
- Monitor the environmental commitments initially made by Ciment McInnis, and respected by St Marys Cement, in particular that of being a cement industry leader in environmental protection.
- Facilitate the continued improvement in St Marys Cement's environmental performance at the Port-Daniel-Gascons plant.

Archaeological sites and access to property measures

Under the terms of the Agreement, St Marys Cement is committed to the following measures to protect the archaeological heritage and ancestral rights of the Mi'gmaq communities:

- Protect any Indigenous artifacts or graves that are discovered and notify Mi'gmaq communities if and when they are.
- Allow access by the Mi'gmaq to the safe, non-industrial areas of its property in Port-Daniel-Gascons, so that they can exercise their ancestral rights, such as trapping, fishing and gathering clams, medicinal plants, and berries.
- Prior to any new logging on the Port-Daniel-Gascons property, St Marys Cement will notify the MMS so that a medicinal plant harvesting activity can be organized if the Mi'kmaq so desire.

Environmental management measures

Here are the main environmental management measures that St Marys Cement continues to implement at the Port-Daniel-Gascons plant under the terms of the Agreement:

- **Environmental monitoring programs** to determine the effectiveness of the measures that have been implemented to mitigate environmental impacts.
- Implementation of a **Biodiversity Management Plan (BMP)** that covers the quarry, cement plant, surrounding land, and marine terminal.
- Implementation of the consultative **Wetlands Compensation Plan**, taking into account the Mi'gmaq's Valued Ecosystem Components (VECs) such as medicinal plants and wildlife habitats.
- Development and implementation of a **Quarry Rehabilitation Plan**.

If you have any questions about this Agreement, please contact:

MI'GMAWEI MAWIOMI SECRETARIAT
Nathalie English – nenglish@migmawei.ca

CIMENT ST MARYS
Mathias Lamérant – mathias.lamerant@vcimentos.com