



2023

SUSTAINABILITY
REPORT

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Letter from the Chief Executive Officer

It is my honor to share our inaugural Sustainability Report as America's Clean Energy Company. The report presents enCore Energy Corp.'s environmental, social and governance (ESG) programs and performance for the 2023 fiscal year, outlining our strategy and goals for the future.

We successfully achieved our objective of becoming a domestic uranium producer in 2023 with the commencement of uranium production at our Rosita In-Situ Recovery Central Processing Plant, the first operational uranium processing plant in a decade in Texas. In 2024, we also achieved our objective to become a multi-facility producer in the United States with a second uranium processing plant, the Alta Mesa In-Situ Recovery Central Processing Plant, in operation. Our commitment to the selection and advancement of production-ready projects, combined with strategic deployment of capital and the development of a multi-talented team has kept us quite busy this year. Our success comes at a time when the world is embracing nuclear fuel as a clean, reliable, and safe zero-carbon fuel source, with unparalleled support in the United States. This, combined with geopolitical tensions, has highlighted the essential need for domestic uranium in the United States to fuel energy needs as a reliable and affordable baseload power source. Our accelerated path to production has enabled us to meet the moment and this growing need.

At enCore, we devote the same level of energy that we have used to grow our Company, to identify avenues through which we may operate more sustainably. enCore's mission is to help power a clean energy future by becoming a leading supplier of low-cost, carbon-free uranium for the nuclear industry, from proven politically stable and resource-friendly jurisdictions in the United States. Sustainability and accountability are ingrained in the way we do business.

This inaugural report demonstrates our ongoing commitment to our shareholders, communities, people and the environment while maintaining our high standards for corporate governance and economic performance. In a fast-growing industry and company. The overall highlights of the enCore's sustainability progress are reported in the Sustainability Report, in summary we have:

1. Reported environmental, social, and governance performance across our business;
2. Completed our first materiality assessment;
3. Established our goals, targets, and next steps for priority sustainability topics;
4. Completed the exploratory life cycle assessment of greenhouse gas emissions at the Rosita and Alta Mesa facilities to support environmental strategy development.

enCore also proactively collaborates with the communities surrounding our projects, generating much needed employment and business opportunities. We are excited to share our new initiative, starting in 2024, which will see enCore embark on an education-focused program to enhance learning centered around In-Situ Recovery technology, a growing industry with many employment opportunities. *Get the Edge from Education*, enCore Energy's Education Society, is our way of giving back to our communities while simultaneously building the workforce of the next generation. We are aware of how meaningful initiatives can positively impact both our communities and our business, and we work hard to strengthen our relationships with local partners and suppliers.

Thank you to our board of directors, management, and operational staff for their commitment and motivation to continuously improve the quality of our processes and work outcomes. We also want to thank our shareholders for their continuing support, confidence and above all, for your trust as we strive to be a leading domestic producer of a clean, safe and reliable energy source, fueling the future.

Thank you again from enCore Energy, America's Clean Energy Company™.

Yours sincerely,

Paul Goranson, Chief Executive Officer

The Nuclear Energy Industry and enCore Energy Corp.

In May 2024, the World Nuclear Association reported, that globally, there are 440 operable reactors and 60 reactors under construction.¹ Many nations that have deployed nuclear power are appreciating its clean energy and energy security benefits, reaffirming their commitment, and developing plans to support existing reactor units while reviewing and developing policies to encourage more nuclear capacity. Several non-nuclear countries continue to emerge as candidates for new nuclear capacity. In the European Union (EU), specific nuclear energy projects have been identified for inclusion under its sustainable financing taxonomy and are therefore eligible for access to low-cost financing. In some countries where phase-out policies were previously in place, there have been policy reversals and potential reactor life extensions with public opinion polls showing growing support. In the United States, several utilities have announced life extensions and power uprates of existing, operating reactors because of government policy changes that are directly supporting nuclear power. With several reactor construction projects recently approved and many more planned around the world, demand for uranium fuel continues to increase.

Ongoing geopolitical events continuing in 2024, the global focus on the climate crisis, and energy security concerns all continued to provide tailwinds to the nuclear energy industry while further highlighting supply and demand challenges. Driven by a tightened uranium market and growing security of supply concerns, uranium prices reached levels not seen since 2008. Significantly, the continuing Russian invasion of Ukraine is impacting global nuclear supply chains including the ability to reliably deliver enriched uranium from Russia to the United States, and to reliably deliver uranium produced in Kazakhstan to western uranium markets.

enCore believes that these recent events are resulting in a geopolitical realignment of uranium markets. Nuclear energy is seen as a key source of clean, secure, and affordable energy. Currently, according to the World Nuclear Association, Russia supplies approximately 5% of uranium concentrates globally, 38% of conversion capacity, and 46% of enrichment capacity.² In May 2024, H.R. 1042 was signed into law banning the imports of Russian enriched uranium into the United States, effective August 11, 2024, subject to waivers granted for supply for distressed reactors and the national interest, and the ban is fully in effect on January 1, 2028. The Russian import ban is accelerating the realignment that has been occurring as the result of highlighted security of supply risk with a growing primary supply gap and shrinking secondary supplies. At the same time, there has been a significant increase in the focus on the origin of supply. To address these risks, utilities continue to evaluate their nuclear fuel supply chains. enCore expects continued competition among utilities to secure long-term contracts for uranium products and services with proven producers who demonstrate strong ESG performance and from assets in geopolitically attractive jurisdictions on terms that will ensure the availability of reliable supply to satisfy demand.

The World Nuclear Association's 2023 Nuclear Fuel Report highlights that nuclear power contributes of 10% of the global electricity demand, accounts for 25% of low carbon electricity production, and is expected to play a growing role in future energy supply in a low-carbon economy.³ Notably, geopolitical instability has led to increased interest in nuclear power for energy security. These realities are accelerated with the recent development including the restart of 3-Mile Island, now the Crane Clean Energy Center to facilitate the needs of the Artificial Intelligence industry.



1 World Nuclear Association: <https://world-nuclear.org/information-library/facts-and-figures/world-nuclear-power-reactors-and-uranium-requireme>

2 World Nuclear Association: <https://world-nuclear.org/Information-Library/Facts-and-Figures/Uranium-production-figures>

3 World Nuclear Association: <https://world-nuclear.org/our-association/publications/annual-reports>

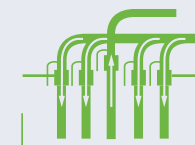
enCore Energy Corp.'s Role in the Nuclear Energy Industry

In-Situ Recovery: The First Step in Nuclear Energy Cycle

The United States is the world's largest consumer of nuclear energy yet only produces a small portion of its domestic uranium needs. Nuclear energy presently supplies about 20% of electricity in the United States



enCore's role in the cycle



Wellfield

Oxygenated water liquifies uranium, which is pumped to the surface.



Processing Plant

Rosita CPP and Alta Mesa CPP both currently in production.



Yellow Cake (U₃O₈)

Uranium extracted from the ground purified, concentrated, and dried.



Transport



Domestic Consumers

All receive reliable and affordable domestic energy to power homes and businesses thanks to a very dense and powerful energy source.



Nuclear Plant

Nuclear plants use the fuel rods to produce heat and spin the turbines, creating steam and carbon-free electricity.



Fabrication

The now enriched uranium is fabricated into fuel.



Enrichment

The gas is enriched to 5% U₂₃₅ for use in nuclear plants.



Conversion

The yellowcake powder is converted to a gas.

About enCore Energy Corp.

Our Vision: America's Clean Energy Company™

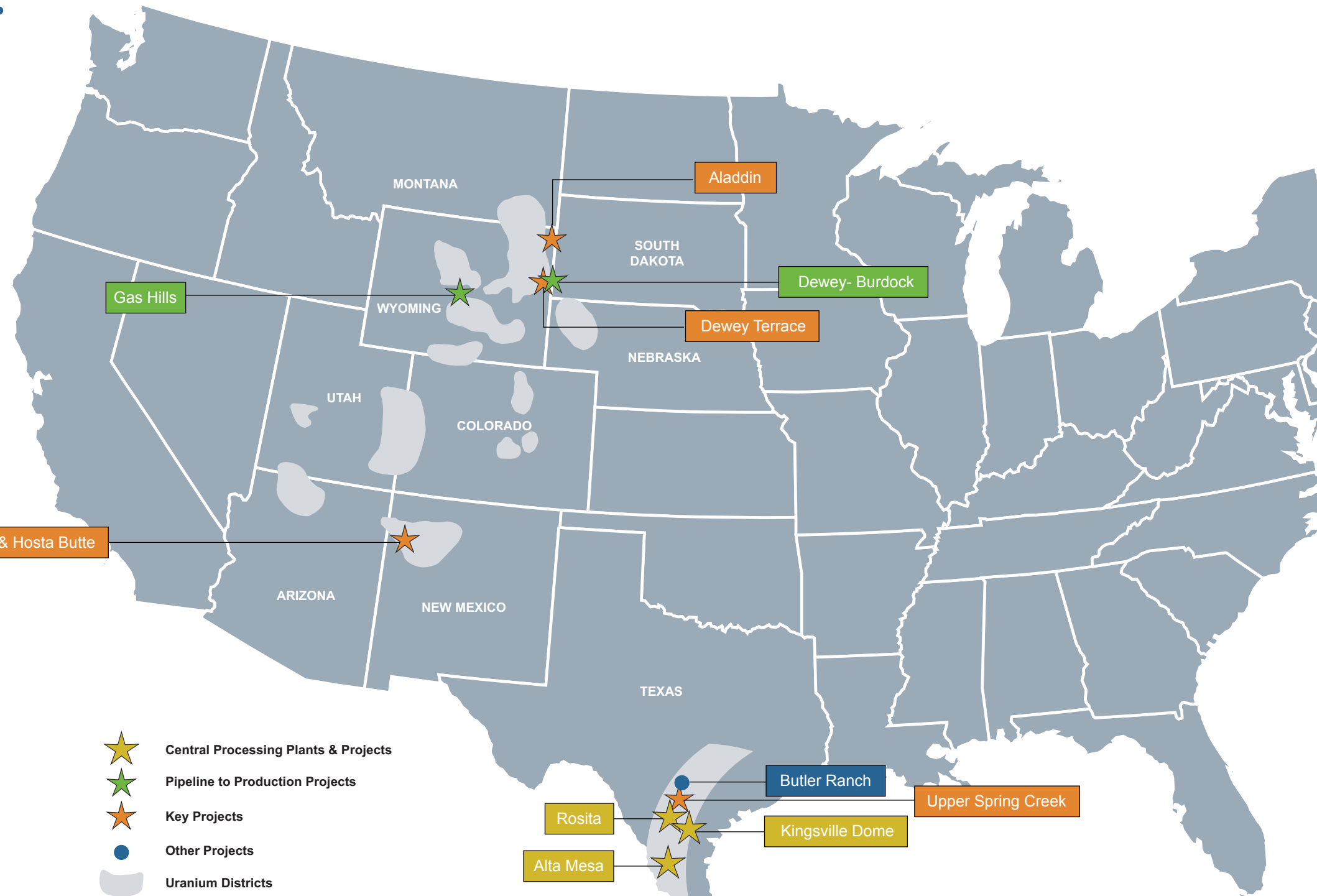
enCore is focused on producing domestic uranium in the United States. We only utilize the proven In-Situ Recovery technology (ISR) to provide necessary fuel for the generation of clean, reliable, and carbon-free nuclear energy. We commenced production at the Rosita Central Processing Plant in South Texas in 2023, becoming one of only three uranium producing operations in the United States and the first in Texas in ten years. In early 2024, we commenced production at the South Texas Alta Mesa Central Processing Plant. enCore's goal is to build production capacity to 3 million lbs U₃O₈ per year in three years and 5 million lbs U₃O₈ per year in five years.

Our Corporate Objectives

enCore's primary objective is to provide growth and value to shareholders. In the fourth quarter of 2023, we met our objective of production at our Rosita plant, a key strategic execution objective. In 2024, we have five main objectives, detailed below. Execution of these objectives will position enCore to quickly respond to ever-changing global factors, achieve strategic expansions, and build on its adaptability while strengthening the company's financial health.

Commence Production at the Alta Mesa Project

Utilizing production-ready ISR Central Processing Plants (CPP) in South Texas, we have implemented a strategy that will continue to build value and phased growth. Our strategy allows enCore to contribute to an ever-growing need for nuclear energy in the United States and the world. We achieved our objective to commence production at Alta Mesa in 2024, becoming one of only a handful of companies in the world with more than one operational uranium production plant. We are focused on a long-term strategy of being a supplier of choice for a nuclear industry that is experiencing growth for the first time in over 45 years.





Streamline Operations and Rationalize Asset Base

Successful execution is critical, especially in an industry where talent and timing are essential to our success. Adapting swiftly to favorable market conditions is a priority for enCore. Following the cash injection from our recent transaction with Boss Energy, we intend to advance the timeline on our production pipeline and expand drilling operations. Concurrently, we will continue to rationalize our asset base through the execution of our non-core asset divestment strategy to strengthen our financial position and increase financial resources in a non-dilutive way. We have demonstrated the ability to derive substantial value for enCore’s shareholders from our non-core assets by using different approaches to divestment. enCore currently holds several non-core conventional projects available for acquisition.

Mergers and Acquisitions

Since December 2020, management has demonstrated, through four significant transactions, its ability to drive growth and provide value for our shareholders through select, accretive merger and acquisition activity that complements its own organic growth.

Contract and Sales Strategy Formalization

We will continue to leverage our strong baseload contracting strategy and industry reputation as a reliable multi-facility domestic supplier to ensure that our operating assets are able to create revenue regardless of market conditions. As we increase production from our South Texas facilities, management expects to grow enCore’s contract portfolio through the addition of new contracts. We will continue to focus on adding new multi-year, hybrid, market-based contracts to maximize profits while protecting against price declines. This strategy should provide robust returns on production while ensuring a base level of income to support continued operations.

Fiscally Responsible Management and Strong Governance for the Benefit of Shareholders

The completion of our inaugural sustainability report is designed to meet the needs of institutional clients and utility customers. We will continue to strengthen and grow our management and operations teams by offering industry-leading employment opportunities and a competitive benefits package. We have established continuous improvement systems in our organization to assure proper governance of the company, our operations, and our employees. Finally, we work to ensure our costs are as low as practicable while maintaining its ability to leverage its assets to provide value to shareholders. We assess supply chain risks to ensure our ability to obtain critical components necessary to sustain our strategy.

Our Business: America's Clean Energy Company™

Uranium, used for nuclear energy, is an important green energy fuel source. Unlike most fossil fuels, the cost of nuclear fuel (uranium) constitutes only a small portion of total power generating costs. enCore owns three of the 11 licensed and constructed Central ISR Uranium Processing Plants (CPPs) in the United States. All of our existing facilities are located in the business-friendly, energy-centric State of Texas. Our plants are designed and permitted to process uranium from a mix of satellite plants and primary sources within South Texas. In addition, we have several key mineral resource projects in other jurisdictions within the United States.

Although the United States is the world's largest consumer of uranium and largest producer of nuclear energy, it remains dependent on imported uranium. Due to the current geopolitical environment, we expect increasing demand for domestically-produced uranium as US utilities prefer domestic over Russian suppliers. enCore's strategy is to leverage our uranium production to drive value for our shareholders and be a United States preferred supplier. With established and future sales contracts with nuclear utilities, enCore's product will fuel clean, reliable and carbon-free electricity generation.

enCore has a significant economic opportunity in the changing and growing uranium market and nuclear energy industry. Our strong technical team forms the basis for our strength with extensive expertise in ISR operations, reclamation, permitting and exploration. We have a broad set of uranium assets that provide a growing production pipeline that includes production and near-term production in Texas followed by pipeline projects in South Dakota and Wyoming with longer term production planned from our extensive resources in New Mexico. The team enjoys access to a large collection of proprietary databases of United States assets. This gives us access to exclusive benefits from historic exploration, development and production data generated over almost 100 years by several major companies including Union Carbide, W.R. Grace, UV Industries, Getty Oil, Uranium Resources Inc. and others.

Headquarters



Corpus Christi,
Texas

Number of Full-time Employees



(as of December 31, 2023)

Publicly Traded



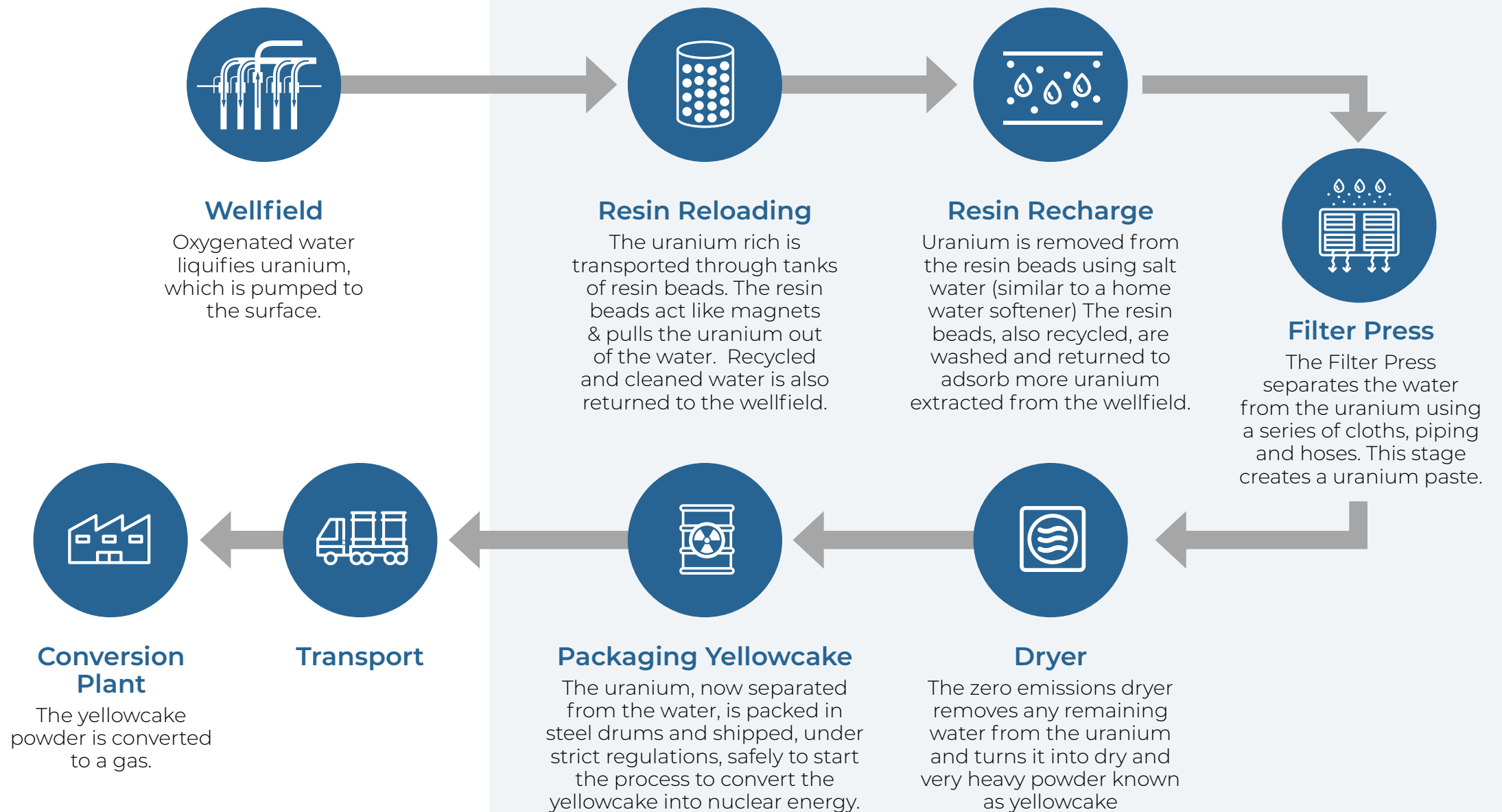
on the TSX/Ventures,
and Nasdaq Stock Market
exchanges (symbol: EU)



Our Extraction Technology: Environmentally Responsible In-Situ Recovery ("ISR")



In-Situ Recovery ("ISR") is a minimally invasive, environmentally friendly, and economically competitive way of extracting minerals from the ground. It has proven to be a successful method of extracting uranium, and due to its cost efficiency, it is economically viable to extract smaller and/or lower grade uranium deposits that might not justify the cost of conventional open pit or underground mining. In addition to significantly lower capital and operating costs, ISR operates without the open pits, waste dumps, or tailings associated with conventional mining and milling resulting in mining that is more environmentally responsible in a faster, more cost-efficient permitting, development and remediation process. ISR extracts uranium from the ground with minimal surface impact. When reclamation is completed, the surface is returned to its original state and use.





Sustainability at enCore

enCore believes in integrating growth, profitability, and sustainability into our core strategy. We pursue sustainable initiatives as part of our overarching corporate strategy alongside growth and profitability. We focus on innovative and sustainable solutions which drive value creation and ensure our profit margins are aligned with responsible operation. We believe the two are symbiotic, resulting in top-line growth to the company, a reduction of our overall costs, a minimization of regulatory and legal interventions, an overall increase in employee productivity, and the optimization of investment and capital expenditures.

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Highlights and Milestones



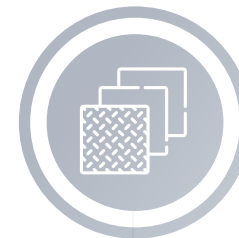
Sponsored several community events in 2023 including Christmas dinners for seniors in Edgemont, SD and Corpus Christi, TX

2023



Completed first materiality assessment in early

2024



Reported environmental, social, and governance performance across enCore's business

2024



Completed exploratory life cycle assessment of greenhouse gas emissions at the Rosita and Alta Mesa facilities to support environmental strategy development

2024



Grew from 3 employees in 2021 to 87 employees by end of

2023



Launched "Get the Edge from Education", enCore's Education Society in early

2024



Awarded 10 community scholarships and 5 team scholarships in June

2024



Established goals, targets, and next steps for priority sustainability topics

2024

Our Strategy

We understand that integrating sustainability across our business is critical to the long-term success of our company. Leading environmental, social and governance (ESG) performance is highly correlated to strong financial performance and creation of long-term value for our shareholders and other stakeholders. This includes striving to meet the highest standards, contributing toward sustainable development, and serving as responsible natural resource stewards to ensure we make positive and lasting impacts on the communities and nations where we operate. We are responsible to our shareholders, governments, and community stakeholders as we advance projects forward.

Materiality Assessment

As a leading ISR uranium producer, enCore has the potential to impact—and be impacted by—a range of sustainability topics. In early 2024, we conducted our first materiality assessment to better understand our impacts on people and the environment and the topics that matter most to our business and stakeholders. The results of this assessment will provide a roadmap for our sustainability strategy and reporting that is grounded in our impacts and stakeholder perspectives.

We sought to engage with key internal and external stakeholders for this inaugural materiality assessment, including internal management and Board members; investors; current and prospective utilities customers; and national and state mining associations. We did not receive responses from the industry groups we contacted and are exploring alternative engagement methods to gain their perspective(s) in the future. We are also considering appropriate methods to engage with or understand the perspectives of other important stakeholders, such as ranchers and community members in our areas of operation.

The materiality assessment was conducted via an online survey, which included opportunities for stakeholders to rate impacts, identify critical topics, and provide open comments. Topics included in the survey were determined based on industry and peer trends and frameworks and standards such as the Global Reporting Initiative (GRI), United Nations Sustainable Development Goals (UN SDGs), Sustainability Accounting Standards Board (SASB), S&P Global, and MSCI. Where possible, we reviewed standards for industries relevant to enCore's value chain, including both mining and energy sector standards. The assessment was developed and managed by a third party to ensure stakeholder anonymity and reduce potential bias in the outcomes.

Given the expected growth of enCore's business and potential for sustainability-related impacts to change over time, we asked stakeholders to identify both current and future (i.e., emerging) impacts. Stakeholders provided feedback on enCore's impacts, both positive and negative, on people and the environment, and the ESG topics that impact enCore's business.

Materiality assessment: A multi-stakeholder assessment, where key internal (e.g., management, employees) and external (e.g., customers, communities) stakeholders/audiences assess the impact and/or importance of ESG topics.



Our Sustainability Priorities

Topics evaluated in the materiality assessment are outlined below. While we consider each of these topics to be critical to our business, the highlighted topics were identified as most material based on our current and future business; community and environmental impacts; and our stakeholders' priorities.

Occupational Health and Safety was not rated as one of our most material topics by stakeholders, which we expect was related to our more limited production and workforce at the time of the assessment. However, we have included it as a priority topic to align with our organization's values and industry best practices. We expect this topic to increase in importance as we start production at additional facilities and expand our workforce.

Building upon this assessment, we are prioritizing strategy development and target setting for material topics with a focus on our current impacts. We are closely monitoring topics that we expect to increase in importance as we continue expanding our operations and sites with active uranium production (i.e. Closure, Remediation, and Rehabilitation and Community Relations). We will continue to develop strategies across the evaluated topics and transparently report our progress.

Environment

<p>Biodiversity and Land Management</p>	<p>Climate Adaptation and Resilience</p>	<p>Closure, Remediation, and Rehabilitation</p>	<p>Energy Management</p>	<p>Greenhouse Gas (GHG) Emissions and Air Quality</p>	<p>Product Safety and Safe Transportation</p>	<p>Waste and Hazardous Materials Management</p>	<p>Water Management</p>
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Social

<p>Child Labor</p>	<p>Community Relations</p>	<p>Diversity, Equity, and Inclusion</p>	<p>Human Trafficking</p>	<p>Indigenous Peoples Relations</p>	<p>Labor Practices and Management</p>	<p>Economic Performance and Impacts</p>	<p>Occupational Health and Safety</p>
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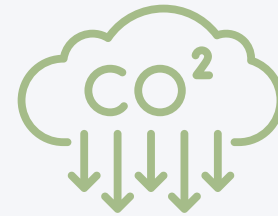
Governance

<p>Business Ethics and Transparency</p>	<p>Corporate Governance Structures and Mechanisms</p>	<p>Critical Incident and Risk Management</p>	<p>Data Privacy and Cybersecurity</p>	<p>Management of the Legal and Regulatory Environment</p>	<p>Supply Chain Management</p>	<p>Sustainability Oversight</p>
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Sustainability Goals

At enCore, we understand the importance of setting clear, actionable goals to drive our sustainability efforts. After conducting a materiality assessment and engaging with stakeholders, we identified priority topics for target setting and completed benchmarking against industry best practices and leading reporting frameworks, including GRI, SASB, and the UN SDGs. We established goals and performance targets for each priority topic and identified next steps toward their achievement.

Our overarching goals encompass ESG priorities to reduce environmental impact and enhance sustainability in operations; to promote a safe, inclusive, and supportive work environment and positively engage with local communities; and to enhance corporate governance practices to ensure transparency, accountability, and long-term sustainability, respectively.



GHG Emissions and Air Quality

Goals

- Understand the company's carbon footprint and implement reduction strategies.
- Maintain overall emissions of radionuclides to air from operations as low as reasonably achievable.

Targets

- By 2026, establish a baseline for GHG emissions including Scope 1, Scope 2, and Scope 3. Identify key areas where significant GHG reductions can be achieved.
- By 2027, establish a GHG emissions reduction goal for the company's direct operations.
- Review radionuclides emissions to air from operations semi-annually and identify strategies to reduce emissions to as low as reasonably achievable.

Next Steps

- Building on the exploratory life cycle assessment (LCA), conduct a GHG inventory for Scope 1, Scope 2, and Scope 3 to establish a baseline for GHG emissions and identify key areas for reduction.



Water Management

Goals

- Achieve zero harmful impacts on water resources and restore all groundwater impacted by operations.
- Transparently communicate water management practices and performance with local communities.

Targets

- By 2025, begin groundwater restoration at Rosita and Alta Mesa.
- By 2026, establish baseline groundwater usage for entire operations and develop goal to reduce overall groundwater usage over project lifespans.
- By 2026, establish a management and executive key performance indicator (KPI) for groundwater restoration progress.

Next Steps

- Measure volume of groundwater used (US gallons) and track progress in groundwater restoration (% of areas restored).
- Establish metrics for management and executive KPIs.



Occupational Health and Safety

Goals

- Foster a culture that prioritizes safety and keeps our employees injury-free.

Targets

- By 2025, establish baseline for Total Recordable Incident Rate (TRIR).
- By 2026, maintain TRIR below the industry average (based on Standard Industrial Classification Code 21229: Other Metal Ore Mining) while aiming for year-over-year reductions of 10%.

Next Steps

- Conduct a baseline TRIR assessment and establish targets for executives, senior management, and supervisors for reporting health and safety actions in subsequent years.
- Conduct a baseline review of job task training, pre-shift work area inspections, and pre-operational equipment checks for employees and contractors.



Labor Practices and Human Capital

Goals

- Achieve top-tier employee satisfaction and retention in the industry.

Targets

- By 2026, conduct a pay gap assessment and establish a baseline for employee satisfaction and retention rates.
- By 2026, identify programs (e.g., career development, benefits) to annually improve employee satisfaction and retention rates based on baseline employee assessment.

Next Steps

- Conduct a baseline assessment of employee satisfaction, retention rates, and pay equity metrics.
- Upon completion of this assessment, begin reporting to the Board on career development, employee retention, and competitive compensation and benefits.



Community Relations

Goals

- Become a leading contributor to community development and education.

Targets

- By 2026, conduct a community assessment to determine areas where enCore's Education Society can provide an impact for educational support for trade schools, college, and K-12 programs in the communities where the company operates.
- By 2026, develop formalized community relations policies to build trust and promote mutual benefit.

Next Steps

- Establish active partnerships with educational institutions and community organizations in all operational areas.
- Track number of community engagement activities and community investment metrics (e.g., dollars spent, hours of volunteering, number of students and institutions benefiting from support).
- Review existing practices for engaging indigenous and local communities to begin formalizing policies aligned with best practices.



Business Ethics and Transparency

Goals

- Uphold the highest levels of transparency and business ethics in our operations.

Targets

- By 2026, establish a companywide annual review of enCore's Business Conduct Policy and whistleblower contacts, and obtain documentation that all employees have reviewed these documents.
- By 2026, disclose annual ESG performance data aligned with international frameworks.

Next Steps

- Review current policies and procedures and create annual business conduct training workshop for all employees.
- Release first ESG report and establish processes for continued annual disclosures.
- Align ESG reporting with recognized frameworks such as the GRI, SASB, and the Task Force on Climate-related Financial Disclosures (TCFD).



Responsible Supply Chain Management

Goals

- Foster ethical and responsible sourcing throughout the supply chain.

Targets

- By 2026, map enCore's supply chain to identify and address any risks of human rights violations or compliance issues.
- By 2027, establish a responsible supply chain program to promote vendor compliance with the Corporate Vendor Code of Conduct.

Next Steps

- Compile a list of enCore's current suppliers, focusing on those providing critical materials and services.
- Identify top suppliers based on criteria such as spend volume, geographic location, and strategic importance.



Alta Mesa Project Groundwater Restoration Area (in blue)

Environment

Environmental stewardship and combating climate change are fundamental tenets of our business. As part of our corporate mission to support clean energy, we are committed to managing our own environmental impacts and being good stewards of natural resources.

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Climate Change and Emissions

By responsibly producing uranium to fuel zero emissions nuclear power, we are in a unique position to help combat climate change regionally, nationally, and globally. Our [Climate Change Policy](#) outlines our approach to environmental stewardship and climate action, guided by the following commitments:

- Producing uranium, the fuel for nuclear power, as the heart of our business;
- Conducting all operations and activities in compliance with applicable air and carbon dioxide (CO₂) emissions standards and requirements, while also seeking to achieve actual air emissions that are as low as reasonably achievable (ALARA) below those standards; and
- Operating in a manner that minimizes the use of resources, including the unnecessary use of energy resources, thereby minimizing air emissions at the company's facilities and air emissions elsewhere in the United States and world required to produce energy resources.



We incorporate these policies and commitments into everything we do and continually strive to be even better. The sections below outline the steps we have taken to monitor our emissions, which will be used to measure progress and identify opportunities for continued improvement as we grow our business.

Greenhouse Gas (GHG) Emissions – Life Cycle Assessment

In 2023, we conducted an exploratory Life Cycle Assessment (LCA) on our production of natural uranium concentrate at our two fully licensed Texas In-Situ Recovery Uranium Processing Plants: Rosita and Alta Mesa, underscoring our commitment to environmental stewardship and sustainability. Using pre-operational data based on projections and historical operations, we were able to estimate the potential annual climate change impact of activities at both plants.



We found that our material and energy sourcing practices could have a significant influence on the overall climate change impact of producing natural uranium concentrate.

Building upon this proactive assessment, we will conduct a GHG inventory for Scope 1, Scope 2, and Scope 3 to establish a baseline for GHG emissions and identify key areas for reduction. This will allow us to evaluate our emissions and refine strategies to minimize our climate change impacts in alignment with our sustainability goals and performance targets.

Greenhouse Gas (GHG) Emissions:

Scope 1: direct emissions from sources that are controlled or owned by an organization. For example, Scope 1 emissions include emissions associated with fuel combustion in boilers, furnaces, and company vehicles.

Scope 2: indirect emissions associated with the purchase of electricity, steam, heat, or cooling.

Air Emissions

In accordance with permitting and license compliance, our targets set by the Texas Commission on Environmental Quality (TCEQ) for radon and particulate matter emissions are at or below background air concentrations. Environmental radon and gamma radiation monitoring is conducted on a continuous basis in air upwind and downwind from plants and from the nearest resident or occupied structure within 10 kilometers of operations. Radionuclide monitoring is also carried out quarterly in process fluids, groundwater, surface water, and sediment from each surface water impoundment, and semiannually or annually in sediment and vegetation. We measure these areas a part of our normal quarterly and annual reporting required under our existing licenses and permits, and the results are publicly available through the relevant regulatory agencies. For our South Texas operations, these reports are available through TCEQ.

Our goal is to maintain overall emissions of radionuclides to the environment from operations in line with the ALARA principle. We will continue to review radionuclide emissions to the environment from operations semi-annually and identify emissions reduction strategies to achieve this goal.

Key Findings

- **Alta Mesa:** Electricity use at different stages in the production process would contribute the most to climate change impact, mainly due to electricity use at the wells.
- **Rosita:** Consumption of propane gas represented the largest expected contribution to GHG emissions.

Identified Strategies to Reduce Climate Impacts

- Increase energy efficiencies within plant processes through technical approaches.
- Explore use of on-site and off-site renewables to power our operations and replace propane with natural gas where practical.
 - ▶ Decarbonized electricity is expected to be more effective at Alta Mesa, while natural gas substitution would have a greater impact at Rosita.



Scope 3: indirect emissions associated with assets not directly owned or controlled by the organization, but that are part of the organization's value chain (both upstream and downstream activities). For example, Scope 3 emissions include but are not limited to emissions associated with employee commuting, purchased goods and services, and business travel (upstream) and transportation and distribution, processing of sold products, and use of sold products (downstream).

Environmental Stewardship

enCore is committed to producing uranium in a manner that minimizes environmental impacts and serves to return the environment to conditions that existed prior to production.

Limiting Environmental Impacts through Use of ISR Technology

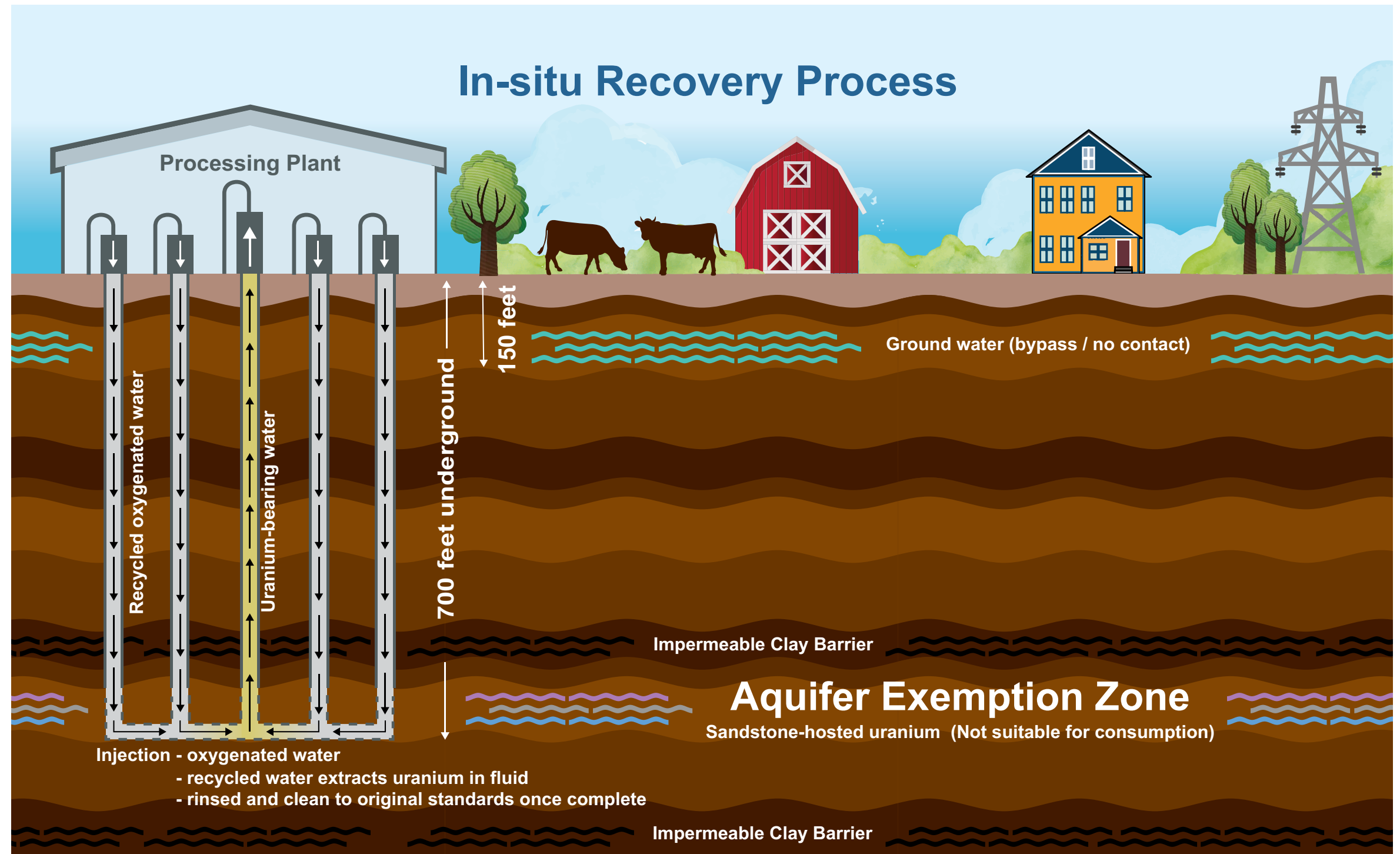
We produce uranium exclusively through ISR, a mineral extraction method that operates without the open pits, waste dumps, or tailings associated with conventional mining and milling.

- Using ISR technology, uranium is extracted with minimal disturbance to existing environmental conditions, leaving the surface intact and host rocks 'in place'.
- enCore solely uses a benign lixiviant comprised of oxygen and sodium bicarbonate, commonly known as baking soda, to extract uranium from native groundwater, with meaningfully less environmental impacts than other methods using harsh chemicals to remove uranium from the ore body.
- In contrast to more invasive technologies with significant dust emissions, surface water discharges, waste rock dumps, and high fossil fuel demands associated with blasting, excavating, and hauling ore, the production facilities operated by enCore incorporate leading technologies for reducing and eliminating releases to the environment.

ISR uranium extraction is heavily regulated in the U.S. and has a documented strong environmental record. Based on a 2008 assessment of routine groundwater monitoring programs, the U.S. Nuclear Regulatory Commission (NRC) found "no impacts attributable to an ISR facility" and was unaware of any situations indicating negative effects on water supplies from ISR facilities.^{4,5}

4. U.S. NRC: [Staff Assessment of Groundwater Impacts from Previously Licensed In-Situ Uranium Recovery Facilities](#).

5. U.S. NRC: [Data on Groundwater Impacts at the Existing ISR Facilities](#)

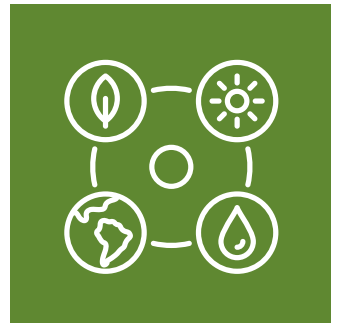




Key Actions

Prior to Operations

Before operations begin, an Environmental Assessment is performed on each site to understand baseline conditions including water quality and land utilization and to create an operations plan detailing how the site will be restored post-operations. Operations plans must be approved by state regulatory agencies prior to the start of production on each site. Production Area Authorizations (PAAs) ensure that our production fluids remain within the approved perimeter using monitoring wells placed along the perimeter horizontally and both above and below the production zone vertically. Pre-mining groundwater samples are used to create groundwater restoration standards for twenty-six constituents.



We also consider potential biodiversity impacts at each of our sites before beginning operations. An Environmental Assessment is conducted as part of the licensing and permitting process, including a study on current wildlife inhabitants and native plant species at each new site before any site activity commences. We use this information to create an operations plan which ensures that site conditions are restored to baseline when operations conclude. As of this report, we have not identified threatened or endangered species at any of our properties or project areas. If endangered species are observed, the proposed site operations would be evaluated and adjusted, if needed, to minimize potential impacts to the species.

Site Closure, Remediation, and Reclamation

Once production has concluded, reclamation programs begin as soon as practicable, and groundwater and surface conditions are restored to background conditions. Production and injection wells are restored by circulating all the water in the ore body through a reverse osmosis system before injection back into the aquifer and recycling several times. Constituents captured through reverse osmosis are injected into a regulated non-hazardous Class I disposal well deep underground away from natural drinking water zones. Groundwater is then sampled periodically for at least one year to ensure that the restored groundwater has stabilized prior to approval by regulatory agencies. Once regulatory agencies have verified that groundwater restoration is completed and stable, wells are then plugged and cut off below the surface. Soils are scanned and any radiological contamination is removed. We seed soils with native vegetation so that sites appear as though we have never been there. Our site reclamation activities are then reviewed and approved by regulatory agencies prior to release for unrestricted use.





Operations and Resource Management

Resource management is critical to our environmental stewardship efforts. Our materiality assessment demonstrated that in particular, waste and water management are material to our business and important to our stakeholders.

The sections below provide an overview of our current resource management approaches and compliance programs. Since we began uranium production in November 2023 and June 2024, we have not comprehensively evaluated resource use across our operations. We are considering the best approaches to monitor and evaluate our energy use, water impacts, and waste as we continue production and obtain actual consumption data.

Energy Usage

The majority of our equipment and processes are electricity driven, and we have chosen energy providers with a mix of carbon-free and low-carbon energy sources. Although our process is a 24/7 operation and we are unable to limit electrical usage during peak demand periods and load shed events, we operate our facilities in a generally stable demand state to mitigate excess power demand. To monitor, manage and reduce electricity usage, we have implemented variable frequency drives, soft starts, and systems telemetry into our operations.

Outside of electricity usage, we use a liquid propane gas thermal fluid heater at our facilities to heat the zero emission rotary vacuum dryers for the final phase of yellowcake production.



Waste

The Atomic Energy Act of 1954 (AEA) regulates all solid and liquid byproducts from ISR uranium production. Byproduct material is strictly monitored and managed in accordance with our licenses and permits, and we take all efforts to minimize liquid and solid waste from our operations. All solid waste from our facility that is not classified as byproduct material is surveyed for radiological contamination, and materials that fall below unconditional release standards are sorted and disposed of at a properly licensed municipal waste facility. Any solid materials that exceed radiological standards for unconditional release are considered byproduct material, and are packaged, weighed, inventoried and shipped to a licensed facility for byproduct material disposal.



During our uranium recovery process, groundwater is extracted, recycled multiple times, treated and restored to baseline quality, then returned to the aquifer it came from with very little water waste. Some water is extracted with the constituents that are removed during the treatment process and is subsequently disposed of via a permitted Class I non-hazardous disposal well.

By-product material produced from our process is disposed of at a licensed disposal facility utilizing qualified transport services. Both our byproduct waste and our uranium shipments are placarded as Class 7 low activity radioactive materials.

Water

Water management is one of our top priorities. We aim to achieve zero harmful impacts on water resources and restore all groundwater impacted by our operations to levels established within permits/licenses. To achieve these goals, we set targets to resume groundwater restoration at our Rosita and Alta Mesa facilities by 2025, to establish baseline groundwater usage for our entire operations and develop a plan to reduce overall groundwater usage over the lifespans of our product by 2026, and to establish a management and executive KPI for groundwater restoration progress by 2026.



Using the ISR process, a limited amount of groundwater is consumed during uranium recovery. Most water is recycled once treated to remove uranium and is injected back into the uranium bearing formation. Approximately 1% of the total water produced during uranium production is consumed for process solution make-up, washdown water, general plant operations and/or managed via permitted wastewater disposal wells. During the restoration phase when returning groundwater to background conditions, reverse osmosis is employed to reduce concentrations of elevated salts remaining in the depleted ore body from uranium production. Reverse osmosis effectively scrubs the groundwater, returning a clean product for reinjection into the depleted wellfield, and approximately 25% of the total produced water is disposed as a brine with elevated salts into permitted Class I non-hazardous byproduct disposal wells.

Overall, combining uranium production and groundwater restoration, approximately 3 to 5% of the total produced groundwater is consumed. Our ISR operations are designed to have no unpermitted discharges to surface water. Facilities are constructed so that all vessels have secondary containment, processing areas have sump systems, and there is continuous monitoring of all pipelines to minimize the potential for any surface spills. Excess wastewater is managed via solar evaporation and/or permitted wastewater disposal wells.

enCore aims to engage with communities on the ISR process to promote transparency and address any concerns about water impacts. In South Texas, our Chief Executive Officer (CEO) serves as a Board member of the Brush Country Groundwater Conservation District, allowing for direct engagement with community members and involvement with the management and protection of local groundwater resources. We will continue to identify methods to transparently communicate our water management practices and performance to communities.

Product Safety and Safe Transportation

Site management works proactively with all suppliers and vendors early in the procurement process to ensure safe delivery of products used in our process to our sites. Delivery personnel are required to complete hazard awareness training prior to site access.

Solid by-product material produced from our process is disposed of at a licensed disposal facility utilizing qualified transport services. Both our byproduct waste and our uranium concentrate, or yellowcake, shipments are placarded as Class 7 low specific activity radioactive materials. We utilize specialty transportation services to safely transport byproduct materials to licensed disposal facilities and transport uranium shipments to converters.

In 2023, measures taken to ensure safe product delivery included improving cattle guard placement and enhancing site security through the installation of keypad entry-controlled access gates. In 2024, we plan to add video surveillance of the primary plant access point to further improve security. While we have not had transportation incidents or spills to date for any of the operating sites owned by enCore, we have processes in place to investigate incidents based on incident potential and actual severity. We also contract with a service specializing in emergency response and recovery that manages Class 7 placarded materials and will respond in the case of transportation incidents. Under our incident response plan, the oversight of incident management rests with our Radiation Safety Officers, Chief Operating Officer, and CEO.



2023 Transportation Performance – Incidents and Spills

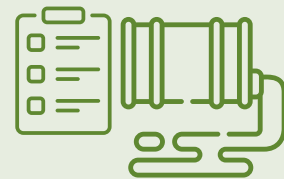
0

Product transportation incidents



0

Reportable spills



0

Non-reportable spills





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Our Communities

Establishing and maintaining strong relationships with indigenous and local communities is critical to the long-term success of our business. We aim to become a leading contributor to community development and education in the areas surrounding our operations.

Local Economic Development

At all times, we seek to create benefits for the communities in which we operate and support their economic development. Our operations are located in rural, underserved communities where community support and employment opportunities can make a large impact. We are proud to provide employment opportunities, payroll taxes, royalties, and charitable contributions for the local communities where our employees live and work.

To realize community development opportunities, we work hard to build and strengthen relationships with local partners and suppliers. In 2023, 100% of our procurement spend was with local Texan suppliers and we added 44 jobs in Texas, doubling our headcount. Once we are fully operational, we are expected to be one of the largest employers in the rural counties where we are located.



Indigenous and Community Relations

enCore respects the local and indigenous communities near areas where we operate and maintains strong relationships and communication with those communities throughout our projects. We have ongoing projects located relatively near indigenous communities, such as the Oglala Sioux Nation in South Dakota.

When engaging with communities for applicable permitting and regulatory requirements, we seek to create meaningful relationships and pathways for continued communication. We are strong advocates for engaging with the community, governments, and indigenous communities in proactive and innovative manners – early and often.

enCore's indigenous and community relations processes are driven by our [Environment, Social, and Governance Principles](#) and the [Health, Safety, environmental and Sustainability Policy](#). In each region where we operate, we develop community and indigenous relations programs specific to the local priorities and our activity in the region. Programs and actions are identified based on input from local managers and through community engagement as part of our annual budget process.



We understand that communities may have questions or concerns related to our mining operations. Our goal is to proactively engage with community members to understand any concerns, and to provide education on the ISR process and enCore's approach to responsible uranium production. For example, we developed a communications plan related to the Dewey-Burdock Project Start Up in South Dakota with goals:

- To ensure all engagements with stakeholders and target audiences are on message, appropriate, and meaningful;
- To ensure relations with indigenous governments, and in particular the Oglala Sioux Nation in South Dakota, are respectful and honor the concept of appropriate engagement; and
- To ensure enCore's values with regards to sustainability, social responsibility, and indigenous and community relations are communicated, including environmental practices, community relations activities, sponsorship activities and hiring/human resources (HR) practices.

As we prepare for additional production and expansion, we will formalize policies and strategies for community engagement to build trust and promote mutual benefit. We plan to review our existing practices for engaging indigenous and local communities and develop formalized community relations policies by 2026 in alignment with best practices.



Spotlight:

Engagement with Local Government

enCore's leadership regularly interacts with local government as a pathway to community feedback and engagement.

In Brooks County, the location of our Alta Mesa project, our CEO met with the County Judge prior to capital construction to discuss local hiring and economic benefits to the community.

Our CEO also serves as a Board member of the Brush Country Groundwater Conservation District in Texas, allowing for direct interface with community members at public meetings.



Spotlight:

2023 Community Impact

enCore supports several organizations that benefit our local communities and our industry through donations and volunteer engagement. In 2023, we spent over \$50,000 in community engagement and charitable donations in the Wyoming, South Dakota, and South Texas communities in which we operate. In the coming years, we will begin to track the number of community engagement activities and community investment metrics to better understand our impacts.



- **Support for Local Seniors:** Our team sponsored Christmas dinners for seniors in Edgemont, South Dakota and Corpus Christi, Texas. We also made a \$2,000 donation to the Corpus Christi Mirador Retirement Community's Covenant Fund which helps seniors pay for care and addresses financial issues related to seniors outliving their income.



- **Community Event Sponsorship:** enCore provided sponsorship for the 2023 Fall River County Fair Demolition Derby, the Edgemont Fishing Derby, Edgemont Kid's Movie Night, and Christmas goodie bags for children in Edgemont, South Dakota.



- **Giving Back to Industry Education Organizations:** In 2023, we made a voluntary donation to the Foundation for Nuclear Studies and were a sponsor of the International Uranium Fuel Seminar. We also participated in the Texas Mining & Reclamation Association's (TMRA) Sponsor-A-Teacher program for a teacher to attend the 2023 TMRA Uranium Workshop.



enCore Energy Education Society

Launched in early 2024, enCore's *Get the Edge from Education Society* provides financial support and education to students and young professionals in our local communities, particularly in rural areas where job opportunities are scarce. With an impressive amount of talent and experience in the uranium sector, our team is looking forward to sharing their knowledge and expertise to provide the next generation with the skills they need to succeed in their career.

By 2026, we plan to conduct a community assessment to determine areas where the Education Society can impact educational support for trade schools, college, and K-12 programs in nearby communities.



Scholarship Program:

Our scholarship program provides financial support to talented high school, university, and college students who have demonstrated high academic achievements, leadership potential, and a commitment to making a positive impact in their communities. Scholarships, which are available to students in communities near our projects and family members of employees, are awarded annually through a criteria-based selection program across several disciplines. The scholarship program is managed by the society's Board of Directors and will undergo annual audits. In 2024, we will award 10 community scholarships and 5 team scholarships of \$2,000 each.



Internship Program:

enCore's Get the Edge from Education Society includes a paid internship program for co-op students, summer student interns, and new graduate interns with a focus on trades and professions needed for the ISR process. Our internship program provides learning experiences and professional growth and development opportunities focused on uranium production that are highly transferable across various sectors.



Mentorship Program:

Our mentorship program focuses on the growth and development of mid-level management and aims to guide future leaders, transfer technical expertise to ensure organizational continuity, and to foster a culture of continuous learning and development within the uranium production industry. Mentees showing potential for advancement both internal and external to enCore are identified through a selection process. Members of our senior executive team serve as mentors and are matched with mentees based on career goals, areas of development, and technical specialization.



Our People

Health & Safety



At enCore, we have created a strong, united workforce with a commitment to safety as a way of life. Safety is our first value and leading measure of excellence, and our governing Safety Principles apply to our employees, contractors, visitors, and vendors at our sites and any location where our employees are engaged in work activities. We approach safety with both vigilance and humility, understanding that incident-free workplaces can be achieved only by accountability and continuous improvement at all levels of our organization.

The Health, Safety and Environment (HSE) committee oversees management's establishment and administration of health, safety, and environmental policies, programs, procedures and initiatives. Given our ongoing workforce expansion, we continuously evaluate our policies and procedures to maintain strong and effective safety measures.

Safety Performance and Recordable Incidents

Our detailed incident reporting system and response plan includes investigation of all health and safety incidents and post-incident analyses to recommend future corrective actions. We have appointed Safety Officers to oversee our safety policies and procedures and respond to incidents. We also track near misses to help identify risks and opportunities for program improvement.

To further evaluate our safety performance, we will establish a baseline for Total Recordable Incident Rate (TRIR) for our workforce by 2025. We aim to maintain a TRIR below the industry average by 2026 while targeting year-over-year reductions of 10%. Based on our baseline TRIR assessment, we will establish targets for executives, senior management, and supervisors for reporting health and safety actions in the coming years. We will also conduct a baseline review of job task training, pre-shift work area inspections, and pre-operational equipment checks for employees and contractors to inform future performance monitoring and actions.

In 2023, we experienced **zero fatalities or lost time injuries** among enCore employees and contractors. There were two recordable injuries, one of which resulted in restricted duty due to a hand injury. After investigating the incident, we conducted a safety stand-down with employees to underscore the importance of conducting job safety analyses prior to a job. We will seek opportunities for safety improvement and preventative actions as we conduct baseline assessments of our performance and procedures in the coming years.

2023 Health and Safety Performance	Recordable Injuries	2
	Restricted Duty Injuries	1
	Lost Time Injuries	0
	Fatalities	0





Future Health and Safety Initiatives

Our ongoing commitment to health and safety includes several key initiatives aimed at enhancing our safety culture and performance:

- **Hiring Additional Specialists:** We plan to hire more health and safety specialists to bolster our safety programs and promote comprehensive oversight across our sites.
- **Establishing a Corporate HSE Coordinator:** This new role will be crucial in developing HSE activities.
- **Developing Behavior-Based Safety Processes:** By focusing on behavior-based safety processes, we aim to proactively address potential safety issues before they result in incidents.
- **Performing Risk Assessments:** We will conduct thorough risk assessments for critical and key risk areas to identify and mitigate potential hazards.
- **Establishing KPIs for Senior Personnel:** To promote accountability, we are integrating HSE performance measures into the KPIs for our senior personnel.
- **Updating Industrial Safety Manual:** In 2024, we plan to update and consolidate our Industrial Safety Manual. This policy will define health and safety management and oversight, contractor policies, training requirements, and updates to all safety procedures.

Policies, Training, and Compliance

Our commitment to health and safety is guided by the following policies:

- [Health, Safety and Environment Policy](#)
- [Charter of the Health, Safety and Environment Committee](#)

All employees are provided with mandatory safety training during our onboarding process. We conduct annual training refresher courses with training regiments throughout the year to ensure that safety is at top of mind. Our annual refreshers include training on our Emergency Action Plan, fire safety, first aid, electrical safety, personal protective equipment, hazard identification, vehicle and equipment safety, radiation safety, noise safety, and hazard communication.

We are committed to keeping radiation health and safety hazards as low as reasonably achievable (within the ALARA guiding principles of radiation safety), and we prioritize monitoring occupational exposure to radiation to ensure compliance with occupational dose limits. All personnel with access to our projects are monitored quarterly using personal dosimeters. We maintain cumulative dosimetry analysis records for all employees and provide them with a copy of their lifetime dosimetry upon leaving the company. Additionally, we hired radiation safety officers who perform site inspections, conduct personnel training, and ensure permit compliance.

Safety is integral to our operations and culture at enCore. Through vigilant monitoring, continuous improvement, and a proactive approach to risk management, we strive to maintain an incident-free workplace. Our comprehensive safety initiatives and policies reflect our unwavering commitment to the health and safety of our workforce, contractors, and communities.

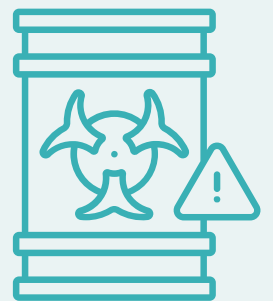
Safety Spotlight:

Hazardous Substances Handling & Disposal

We have operating procedures to protect our employees against the chemicals and substances at our facilities:

- All personnel are trained in safe material handling procedures, in addition to job-specific training when necessary.
- We monitor employees for potential uptake of radiological material through workplace air monitoring, bioassays, personnel and area contamination surveys, and personal dosimeter information.
- We maintain a robust fitness for work and respiratory protection program for all workers for confined space work and where there is risk of exposure to airborne hazards.

Our records of exposure show excellent results for our personnel and demonstrate a safe working environment.



Human Capital Management



At enCore, we are committed to delivering strong operational and financial results. We strive to accomplish this in a safe, environmentally sound and socially responsible way, thanks to our most important asset – our people. To that end, enCore has been very intentional about building a people-focused culture and recognizes the importance of attracting, retaining, and developing the best talent in the industry so our employees can grow in their careers while successfully executing enCore's goals and initiatives.

We aim to achieve top-tier employee satisfaction and retention in our industry. To work toward this goal, we will conduct a pay gap assessment and establish a baseline for employee satisfaction and retention rates by 2026. We will also identify programs such to annually improve employee satisfaction and retention based on our baseline assessment by 2026. Upon completion of this assessment, we will begin reporting to the Board on career development, employee retention, and competitive compensation and benefits.

Employee Health and Wellbeing



We prioritize the wellbeing of our employees throughout our policies and business activities. For example, our employees and their families are offered health and welfare benefits at a low cost as part of their compensation package.

Creating a Safe and Inclusive Workplace



enCore prohibits discrimination in any aspect of employment based on race, color, appearance, religion, sex, gender, sexual orientation, gender identity or gender expression, national origin, ethnicity, disability or age. Our code of conduct expressly prohibits abusive behavior, harassment, and other conduct that could make employees uncomfortable in their job. Employees are encouraged to report any misconduct or concerns to the Human Resources department or our anonymous ethics hotline.

Reflecting Our Community

We are proud that our company reflects the local community where our operations are located, with Black and Hispanic employees and contractors representing 87% of our workforce.



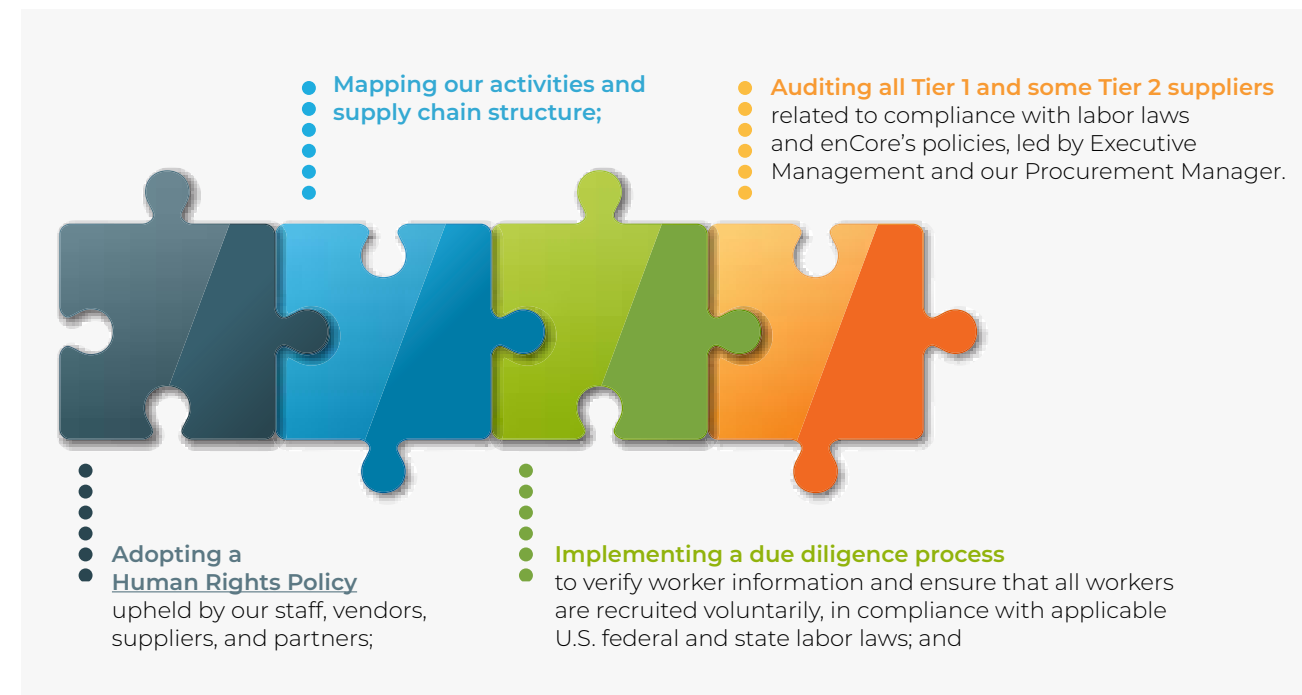


Human Rights

Respect for human rights is fundamentally important to our business, and we strictly prohibit the use of child labor or forced labor across our operations and supply chain.

Our operations are located in the U.S., a low-risk jurisdiction for forced labor and child labor based on the Responsible Mineral Initiative Conflict-Affected and High-Risk (CAHRA) tool. We exclusively use ISR technology, which reduces human rights risks inherent to mining as personnel remain in line-sight throughout the process. However, we understand the need to remain vigilant, particularly in areas such as South Texas where migrants arriving from the southern U.S. border may be at a higher risk of labor exploitation.

We have taken the following actions to reduce human rights risks in our operations and supply chain:



As outlined in our Human Rights Policy, we encourage anyone involved in enCore's operations to report human rights complaints or concerns by contacting our Chief Legal Officer. Complaints can also be submitted anonymously through our whistleblower hotline and email, which are managed by a third party.

We assess the effectiveness of our human rights risk management processes by conducting regular internal audits of operations, external annual sustainability assurance, and internal mid-year effectiveness checks.

To date, we have not identified instances or circumstances giving rise to forced labor or child labor risks in our operations or supply chain. Should we become aware of circumstances resulting in potential risks of forced labor or child labor, we will take all steps available to us under law and policy to eliminate these circumstances and cooperate with their remediation. Our staff, vendors, suppliers, and partners are expected to comply with and uphold our Human Rights Policy, and any violations will not be tolerated. For more information about our processes to manage human rights risks, see our [2023 Report](#) under Canada's Fighting Against Forced Labor and Child Labor in Supply Chains Act.



Human Rights – Oversight and Management

enCore's oversight committees, executive management, and director leaders manage implementation of our codes of ethical conduct, human rights policies, and serve as touchpoints for inquiries from other departments on issues related to human rights, including forced labor and child labor.

Our Chief Legal Officer oversees our grievance mechanism including the whistleblower hotline and, together with enCore's Board of Directors, is responsible for managing risks associated with human rights and considers human rights impacts and any risks associated with on-going company activities.

Our Human Rights Policy is managed by our Board of Directors in coordination with our CEO and is required to be reviewed annually.



Governance and Business Resilience

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Business Resilience and Profitability

The resilience of our business is critical to our ability to provide clean, reliable, and affordable fuel for nuclear energy. Our contract and sales strategy focuses on long-term resilience and profitability, with pricing that reflects market conditions at the time of execution with floors and ceilings adjusted annually for inflation.

Our current contracts include:

4.2 million pounds U₃O₈
in firm deliveries from 2023 to 2033.

Additional **1.6 million pounds U₃O₈**
in optional deliveries from 2026 to 2032.

6 sales agreements
with five U.S. nuclear utilities, including three large multi-reactor operators and one legacy contract with a trading firm.

Current contracts represent less than 30% of our planned production through 2032. We are reviewing additional contracting opportunities from 2028 through 2034.



Corporate Structure

Our governance approach is grounded in the National Association of Corporate Directors guidance. We have a skilled Board of Directors and an experienced management team with strong corporate governance values.

[The Board of Directors' Mandate](#) details the duties and responsibilities of the Board to oversee strategic planning, risk management and capital management, and corporate governance. The Mandate outlines procedures and organization regarding Board composition and qualifications, meetings, and independence.

enCore has a Governance and Nominating Committee responsible for assisting the Board in developing our approach to corporate governance, recommending nominees for election or appointment as directors, assessing directors on an ongoing basis, and developing education programming for new and existing directors. Directors are nominated annually.

Executive compensation is managed by an independent compensation committee with pay structures designed to reflect industry standards.free workplace. Our comprehensive safety initiatives and policies reflect our unwavering commitment to the health and safety of our workforce, contractors, and communities.



Board of Directors:

William M. Sheriff, MSc – Founder & Executive Chairman

Paul Goranson, MSc, PE – Director & Chief Executive Officer

Dr. Dennis Stover, PhD – Director

Richard M. Cherry, MSc, PE – Director*

Mark Pelizza, MSc, CPG – Lead Director*

William B. Harris, MBA – Director & Audit Chair*

Susan Hoxie-Key, MSc, PE – Director*

**Indicates independent Board member*

Corporate Management Team:

Paul Goranson, MSc, PE – Chief Executive Officer

Peter Luthiger – Chief Operating Officer

Shona Wilson – Chief Financial Officer

Robert Willette, J.D., M.B.A – Chief Legal Officer

Janet Lee-Sheriff – Chief Communications Officer

Sustainability Management and Oversight



enCore's ESG principles are reinforced by our standards of business and ethical conduct; vendor code of conduct; health, safety, environment and sustainability; human rights; and whistleblower policies.

Our sustainability progress and reporting efforts are currently managed by a working group including Janet Lee-Sheriff (Chief Communications Officer), James Israel (Sr. Director, Business Development and Fuel Marketing), and Dain McCoig (Director of Technical Services). Oversight is provided by our Corporate Disclosure Committee. We aim to establish a Board Sustainability Committee by 2024, which will be responsible for overseeing and monitoring enCore's sustainability-related risks, performance, and disclosures.

As part of our corporate risk management process, enCore has identified 51 separate risk items associated with the overall business, including but not limited to, resource estimates, land title, permitting and licensing, government policy, financial, markets, cybersecurity, public company, and climate change. These risks are evaluated annually for material impact and likelihood, and where available, controls and mitigation measures are identified. enCore's management updates the risk scenarios, adds new identified risks, and removes risks determined to no longer be material to the company. Risks and mitigation measures are then reviewed annually by enCore's Board of Directors.

Management of the Regulatory Environment



Our legal team, management team, board, and board committees work together to ensure compliance with all applicable local, state, and federal regulations and requirements. We also monitor for emerging climate-related regulations such as the U.S. Securities and Exchange Commission (SEC) climate rule and seek to proactively prepare for potential requirements. For example, we have taken steps to evaluate our GHG emissions and track climate-related metrics and targets in preparation for the SEC climate rule and are continuing to discuss additional actions needed for compliance.





Business Ethics

At enCore, we aim to uphold the highest level of transparency and business ethics in our operations. We have set targets to establish a company-wide annual review of our Business Conduct Policy and whistleblower contacts, and document that all employees have reviewed these policies by 2026. To work toward this target, we will begin by reviewing our policies and procedures and creating an annual business conduct training workshop for all employees. We also set a target to disclose annual ESG performance data aligned with international frameworks such as GRI, SASB, and TCFD by 2026. Building upon the release of our first sustainability report, we will establish a process for continued annual disclosure of our ESG performance.



enCore is committed to conducting our business in accordance with all applicable laws and regulations and the highest ethical standards. Our Code of Business Conduct and Ethics is grounded in the following core principles:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely and understandable disclosure in enCore's public and regulatory reporting;
- Compliance with applicable laws, rules and regulations;
- Prompt internal reporting of Code of Conduct violations; and
- Accountability for adherence to the Code of Conduct.

The Code is circulated to all directors, officers, and employees annually or whenever changes are made. All directors, officers, and employees are required to review and provide written acknowledgement of their agreement to abide by the Code of Business Conduct and Ethics on an annual basis.

Vendors are expected to maintain enCore's business ethics standards in accordance with our [Vendor Code of Conduct](#). To support compliance, we encourage vendors to consult with our Chief Legal Officer to discuss questions related to the Code of Conduct and opportunities for improvement.

Corporate Policies

enCore has corporate policies in place to promote accountability with our Code of Conduct and Ethics and support the management of ESG issues. Relevant policies have been updated to align with the standards required by the U.S. SEC.

Our corporate policies are reviewed by the Board annually and are available on our [website](#):

			
Environmental, Social and Governance Principles	Corporate Disclosure Policy	Insider Trading Policy	Climate Change Policy
			
Disclosure Controls and Procedures	Diversity Policy	Health, Safety, Environmental, and Sustainability Policy	Human Rights Policy
			
Policy for Hiring Members (or Former Members) of Independent Public Auditors	Policy Regarding Loans to Directors and Officers	Procedures for Hiring Outside Counsel or Consultants	Vendor Code of Conduct
			
Whistleblower Policy	Code of Business Conduct and Ethics	Incentive Compensation Recovery Policy	



As described above, enCore has also established several Board committees to support strong governance. Committee charters are reviewed by the Board annually and include the following:

- ▶ Audit Committee
- ▶ Compensation Committee
- ▶ Governance and Nominating Committee
- ▶ Health, Safety and Environmental Committee
- ▶ Corporate Disclosure Committee
- ▶ Investment Management Committee



Supply Chain Management

Responsible supply chain management is a top priority, and we aim to foster ethical and responsible sourcing throughout our supply chain. We have set targets to map our entire supply chain to identify and address any risks of human rights violations or compliance issues by 2026 and establish a responsible supply chain program to promote vendor compliance with the [Vendor Code of Conduct](#) by 2027. To work toward these targets, in the short term, we plan to map our supply chain by compiling a list of enCore's current suppliers, focusing on those providing critical materials and services and identifying top suppliers based on criteria such as spend volume, geographic location, and strategic importance.



Targets	
<h1>2026</h1> <p>identify and address any risks of human rights violations or compliance issues</p>	<h1>2027</h1> <p>establish a responsible supply chain program to promote vendor compliance with the Vendor Code of Conduct</p>

Managing potential supply chain risks is necessary to maintain business continuity and achieve our production targets. As part of the management team and Board's annual risk review, we assess the potential impacts of risks such as supply chain disruptions that could affect our business. Where possible, our purchasing process includes multiple sources of equipment and vendors to promote supply chain resilience. When there are limited sources available, we identify and procure critical spare products and equipment to ensure continuity for uranium production.

About This Report

The information presented in this Report covers the period from January 1, 2023, through December 31, 2023, unless otherwise noted (i.e., key 2024 accomplishments prior to report publication).

This Sustainability Report contains certain statements that, to the extent that they are not historical fact, may be deemed "forward-looking statements" or "forward-looking information" as those terms are used under applicable Canadian and United States securities legislation, respectively (herein "forward-looking statements"). Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business, financial, and operational performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. Statements herein, other than statements of historical fact, including, without limitation statements regarding timing and results of existing or planned production at the Company's plants; the ability to economically extract and process uranium from mineral resources on Company mining properties; the prospects for the uranium extraction industry in general; the results of joint ventures, and other statements regarding our prospects and operations may constitute forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: risks identified in the management discussion and analysis section of the Company's interim and most recent annual information form or other reports and filings with applicable Canadian securities regulators. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the respective companies undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.

The information provided in the Sustainability Report is provided solely for general knowledge purposes. This Sustainability Report is not intended to be a comprehensive review of all matters and developments concerning the Company and the Company assumes no responsibility for its completeness, accuracy and currency. Although information used in this presentation is believed to be accurate as at the date hereof, it may not be accurate when read. The Company does not undertake to update any of the information provided in this Sustainability Report.

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Contact Information



We welcome your feedback. Comments and questions regarding this report or its contents can be submitted via email to info@encoreuranium.com.

More information can also be found on our website at <https://encoreuranium.com/>.





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2023

SUSTAINABILITY REPORT

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