

NOVAGOLD

20
22

SUSTAINABILITY REPORT





NOVAGOLD

NOVAGOLD is committed to responsible mining, protection of human life, encouragement of good health, good stewardship of the environment, and adding value to the local communities around our project sites. We are dedicated to building trust and transparency in, and continuous improvement and enhancements to, our sustainability initiatives and policies. We believe that mines can be developed in collaboration with people who have the local knowledge to help minimize environmental impacts while benefiting from economic activity. NOVAGOLD is committed to the principles of sustainable development, including the conservation and preservation of natural resources and of the environment.





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ESG HIGHLIGHTS 2022



DONLIN GOLD ENVIRONMENT

ZERO

hazardous material spills to water

ZERO

spills of 10 gallons or more to land

2,633 tonnes

CO₂ Eq (GHG) emissions

26

community partners helped remove 133k lbs of hazardous waste from local villages



DONLIN GOLD SOCIAL

HEALTH & SAFETY

ZERO

lost-time incidents or fatalities



COMMUNITY

6,370

engagements with communities and stakeholders

\$3.5 Million

in payments, sponsorships, and community initiatives

PEOPLE

82%

direct hires on the Donlin Gold drill program were Alaska Natives

24

villages that Donlin Gold employees call home



NOVAGOLD GOVERNANCE



30%

of our Board members are ETHNIC MINORITIES



30%

of our Board members are WOMEN



8%

of our employees are ETHNIC MINORITIES



46%

of our employees are WOMEN



PRESIDENT AND CEO MESSAGE

During 2022, our achievements included an **excellent health and safety record** (zero lost-time incidents in more than ten years), a project site workforce comprised of **82% Alaska Native employees**, and an **increase in community engagements and investments** throughout the Y-K region.



NOVAGOLD is pleased to release its annual sustainability report with a focus on our fiscal year 2022 performance in the areas of environmental stewardship, health and safety, social engagement, and corporate governance. I am especially proud of our work with Barrick Gold, 50/50 co-owner in Donlin Gold LLC at our primary asset in western Alaska, on the Donlin Gold project.

In the spirit of advancing the Donlin Gold project toward a construction decision and eventual operation, we continue to work in close coordination with our Alaska Native Corporation partners, Calista Corporation (“Calista”) and The Kuskokwim Corporation (TKC) to bring economic, social, and environmental benefits to the people of the Yukon-Kuskokwim (Y-K) region in ways that value and protect their lands, waters, and traditional ways of life. During 2022, our achievements included an excellent health and safety record (zero lost-time incidents in more than ten years), a project site workforce comprised of 82% Alaska Native employees, and an increase in community engagements and investments throughout the Y-K region.

In 2022, we developed formal, corporate climate change and biodiversity policies. In 2023, we will be implementing these policies within our field operations as they apply to the Donlin Gold project. Alaska is a part of the world where the effects of climate change are a pronounced concern and preservation of biodiversity is essential to the communities and their residents who rely on subsistence resources for their lifestyle.

More broadly, throughout 2023, we will continue to monitor, reflect on, and refine our environmental, social, and governance (ESG) performance including maintaining strong records of environmental and health and safety performance at the Donlin Gold project site, expanding our investments and partnerships with the people and communities of the Y-K region, and rigorously working to enhance our governance practices, including ensuring implementation of our updated human rights and new diversity, equity, and inclusion policies.

At NOVAGOLD, we are dedicated to building trust and transparency in, and continuous improvement and enhancements to, our sustainability initiatives

and policies. We believe that mines can be developed in collaboration with people who have the local knowledge to help minimize environmental impacts while benefiting from economic activity. NOVAGOLD is committed to the principles of sustainable development, including the conservation and preservation of natural resources and the environment. Our goal is to be first-in-class in the development and implementation of our ESG program and as always, we welcome input from our partners, shareholders, stakeholders and other interested parties.

Sincerely,

Gregory A. Lang
President and CEO

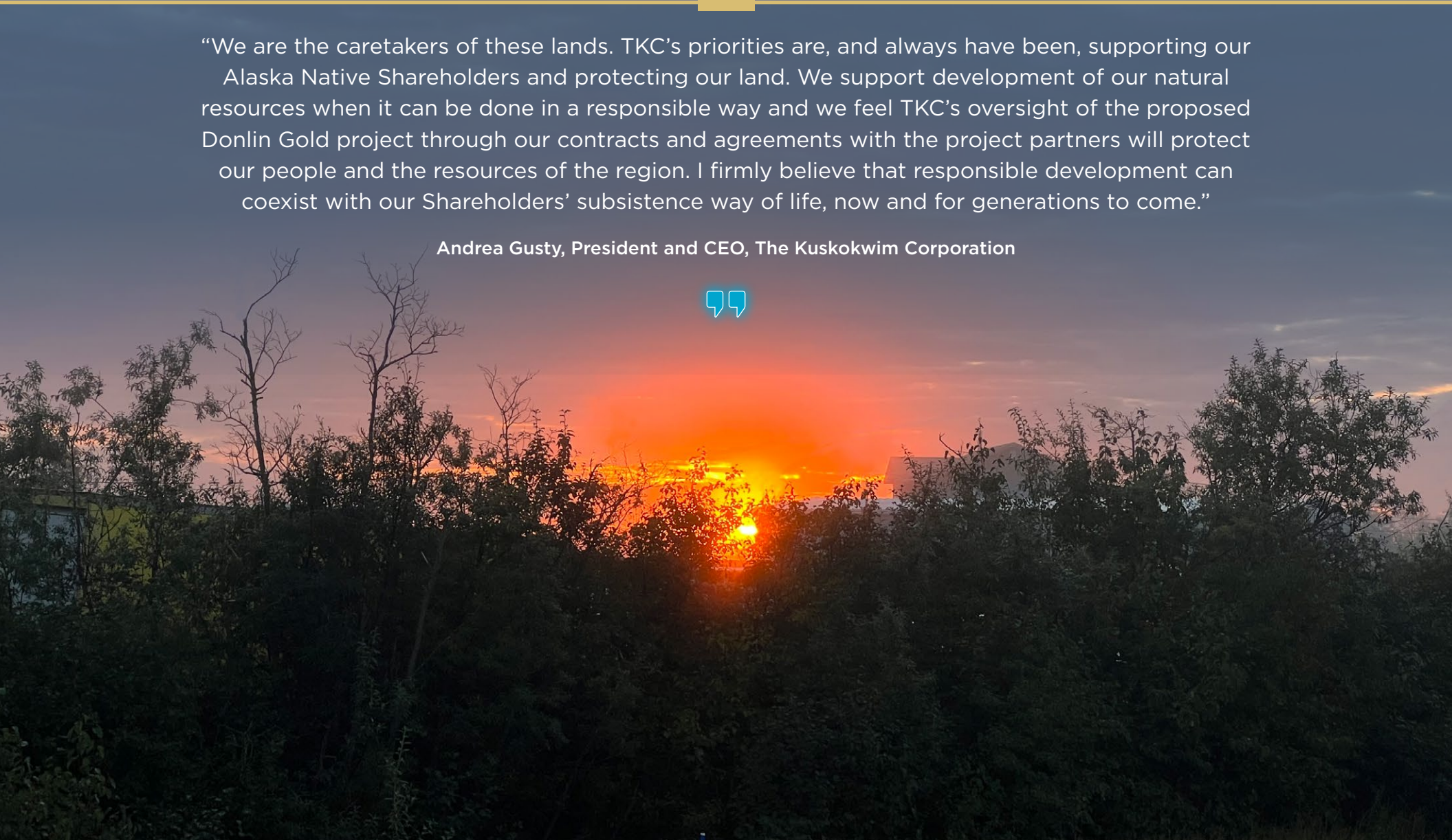
May 11, 2023



INTRODUCTION

“We are the caretakers of these lands. TKC’s priorities are, and always have been, supporting our Alaska Native Shareholders and protecting our land. We support development of our natural resources when it can be done in a responsible way and we feel TKC’s oversight of the proposed Donlin Gold project through our contracts and agreements with the project partners will protect our people and the resources of the region. I firmly believe that responsible development can coexist with our Shareholders’ subsistence way of life, now and for generations to come.”

Andrea Gusty, President and CEO, The Kuskokwim Corporation



ABOUT NOVAGOLD

NOVAGOLD is a well-financed precious metals company focused on the responsible and sustainable development of its 50 percent-owned Donlin Gold project in Alaska, one of the safest mining jurisdictions in the world. Donlin Gold LLC, the company tasked with the development and operation of the Donlin Gold project, is owned equally by NOVAGOLD and Barrick Gold Corporation. A distinguishing factor about the Donlin Gold project is that it's located on private land that was designated for mining activities five decades ago. Donlin Gold LLC has life-of-mine agreements with Calista, the regional Alaska Native Corporation which owns the subsurface mineral rights and some of the surface land rights, and TKC, a collection of 10 village corporations which owns most of the surface land rights. These rights were conveyed to both Calista and TKC by the United States Congress through the Alaska Native Claims Settlement Act (ANCSA). Donlin Gold LLC partners with and provides support to Alaska Native communities surrounding the project.

With approximately 39 million ounces of gold in the measured and indicated mineral resource categories, inclusive of proven and probable mineral reserves (541 million tonnes at an average grade of approximately 2.24 grams per tonne in the measured and indicated resource categories on a 100 percent basis*), Donlin Gold is considered one of the largest, highest-grade, and most prospective known open-pit gold deposits in the world. According to the 2021



Technical Report and the S-K 1300 Technical Report Summary, once in production Donlin Gold is expected to produce an average of more than one million ounces per year over a 27-year mine life on a 100 percent basis**. Current activities are focused on securing remaining state permits, updating the geological resource model, engineering trade-off studies, community outreach, government engagement and workforce development in preparation for the eventual construction and operation of the project.

One of NOVAGOLD's core values is to deliver long-term benefits to our shareholders and project stakeholders through responsible mining. The Donlin Gold project is being developed with input from our Alaska Native Corporation partners and local stakeholders who have knowledge of the region and understand the importance of a subsistence lifestyle, which helps us manage and minimize environmental impacts and assists us in setting and meeting high standards for ESG performance.

* Donlin Gold data as per the NI 43-101 Technical Report on the Donlin Gold Project, Alaska, USA with an effective date of June 1, 2021 (the "2021 Technical Report") and the S-K 1300 Technical Report Summary on the Donlin Gold Project, Alaska, USA dated November 30, 2021 (the "S-K 1300 Technical Report Summary"). Donlin Gold possesses Measured Resources of approximately 8 Mt grading 2.52 g/t and Indicated Resources of approximately 534 Mt grading 2.24 g/t, each on a 100% basis and inclusive of Mineral Reserves, of which approximately 4 Mt of Measured Resources

and approximately 267 Mt of Indicated Resources inclusive of Reserves is attributable to NOVAGOLD through its 50% ownership interest in Donlin Gold LLC. Exclusive of Mineral Reserves, Donlin Gold possesses Measured Resources of approximately 1 Mt grading 2.23 g/t and Indicated Resources of approximately 69 Mt grading 2.44 g/t, of which approximately 0.5 Mt of Measured Resources and approximately 35 Mt of Indicated Resources exclusive of Mineral Reserves is attributable to NOVAGOLD. Mineral resources have been estimated in accordance with NI 43-101 and S-K 1300.

** Donlin Gold data as per the 2021 Technical Report and the S-K 1300 Technical Report Summary. Donlin Gold possesses Proven Reserves of approximately 8 Mt grading 2.32 g/t and Probable Reserves of approximately 497 Mt grading 2.08 g/t, each on a 100% basis, of which approximately 4 Mt of Proven Reserves and approximately 249 Mt of Probable Reserves is attributable to NOVAGOLD. Mineral Reserves have been estimated in accordance with NI 43-101 and SK-1300.

ABOUT THIS REPORT

Last year, we released our second annual sustainability report that included NOVAGOLD's expanded ESG data, which allows us to monitor how our performance changes and improves over time. Now, in our third year of publishing an annual sustainability report, we're able to track ESG performance changes and see trends in the year-over-year.

As a development-stage mining company whose primary asset is its 50 percent interest in the Donlin Gold project, we have taken a long-term approach to developing, implementing, and reporting on our sustainability practices and measurements. Our focus has been on conveying information and data on our efforts working with our Alaska Native Corporation partners to protect the environment and invest in the indigenous communities and businesses of southwestern Alaska. Specifically, our commitment to the people of the Y-K region has been integral to our project development strategy going back more than two decades. Some of these commitments are reflected in the life-of-mine agreements we have with Calista and TKC. Under the provisions of ANCSA, which resolved land claims and allotted 44 million acres of land for use by Alaska Native Corporations, the benefits of the Donlin Gold project will be shared with all these corporations and their Alaska Native shareholders throughout the State of Alaska.

In 2022, NOVAGOLD continued its collection and reporting of ESG data. This data is included in tabular form at the end of this report.



One of NOVAGOLD's core values is to deliver long-term benefits to our shareholders and project stakeholders through **RESPONSIBLE MINING.**



Integrated Management for a Lasting Legacy

A fully integrated and dynamic approach to risk management considers input and output from all participants, including ESG, finance, technology, legal, and overall business risks. It's the foundation on which we're building — and ensuring — a lasting legacy.

MATERIALITY ASSESSMENT

Understanding perspectives through interviews and surveys, analysis, and interpretation.

INTEGRATED RISK MANAGEMENT

Proactive management of present and future potential threats and opportunities.

BUSINESS PLANNING STRATEGY & ACTION

The integration of risk and materiality knowledge into the business decisions.



HEALTH AND SAFETY

“Our team is very proud of the safety program in effect at the Donlin Gold site camp, which is well advanced for a project at this stage of exploration and development. In addition to having experienced safety coordinators on-site 24/7, we have established a culture of awareness and work as a team to look out for each other. In 2022, we again had zero lost-time incidents (LTIs), continuing our outstanding performance of having worked several million hours over more than a decade without an LTI.”

Dan Graham, General Manager, Donlin Gold LLC





NOVAGOLD, Donlin Gold and our partners are committed to providing an environment in which all our people make it home safely every day, and that commitment empowers individuals and communities to work together to ensure a bright future for everyone.

NOVAGOLD is dedicated to the safety, health, and welfare of its employees and families, Donlin Gold LLC's employees and their families, our contractors and visitors, and the many communities in which we work. NOVAGOLD's management is devoted to providing leadership in health and safety. All team members take accountability for their personal safety and that

of others working alongside them. NOVAGOLD also works with Donlin Gold LLC to maintain a culture that promotes safe work practices through individual and group employee motivation, safety achievement rewards, and safety performance recognition both in the workplace and in our local communities. Our practices reflect the objectives that are codified in

NOVAGOLD's Health and Safety Policy. NOVAGOLD, Donlin Gold LLC, and our partners are committed to providing an environment in which all our people make it home safely every day, and that commitment empowers individuals and communities to work together to ensure a bright future for everyone.

This means:

- ▲ Implementing high standards for the protection of employees and contractors
- ▲ Promoting safety programs at our worksites and throughout the Y-K region
- ▲ Developing the current and future workforce with training and educational activities and programs – available throughout the Y-K region’s communities – that encourage employees and contractors to live a safe and healthy lifestyle beyond the workplace

Donlin Gold LLC continued commendable health and safety performance with a zero LTI frequency rate in 2022. The total recordable incident frequency rate (TRIFR)* in 2022 was 1.42, which met our goal of 1.5 or lower. In 2022, Donlin Gold LLC employees and contractors received a total of 1,082 hours of health, safety, and emergency response training. Overall, Donlin Gold LLC employees and contractors have worked more than 2.9 million hours over more than a decade without a LTI or fatality. NOVAGOLD also had zero LTIs and no other reportable safety incidents among its employees in 2022.

Donlin Gold LLC invests in community safety programs in the Y-K region. For example, in 2022, Donlin Gold sponsored the Alaska Safe Riders project that promotes safe practices in snow machine use, which is an activity most residents of the Y-K region engage in during the winter months.

For 2023, our goals will continue to be zero LTIs and a TRIFR of 1.5 or lower. To accomplish that we will continue to work with Donlin Gold LLC to develop and implement



In 2022, Donlin Gold employees and contractors received a total of **1,082 HOURS** of health, safety, and emergency response training.

comprehensive health and safety training programs for all Donlin Gold LLC employees and contractors prior to field program start-ups, and we will continuously monitor and report on the effectiveness of these programs.

Donlin Gold Health and Safety Statistics

	2022	2021	2020
Lost-time incidents (LTIs) or fatalities (goal: 0)	None	None	None
Total recordable incident frequency rate (goal: <1.5)	1.42	1.16	1.20
Hours worked without a lost-time incident	274,968	171,310	166,739

* Total Recordable Incident Frequency Rate (TRIFR) is defined by the Occupational Safety and Health Administration (OSHA) as an incidence rate of lost-time injuries, fatalities, and medical incidents and is computed using the following formula: (number of injuries and illnesses X 200,000) / employee hours worked = TRIFR. Note: '200,000' represents the number of hours 100 employees work based on 40 hours per week, 50 weeks per year, and provides the standard base for calculating incidence rate for an entire year.



ENVIRONMENT

“Donlin Gold has had an extraordinary record of ensuring a high level of environmental protection at the project site for several decades. Donlin Gold’s experienced environmental team, including field staff comprised entirely of Alaska Native employees, ensures that all permit requirements are met, and procedures are followed. All project staff receive training to ensure that protection of water, land, and biological resources is the highest priority. In 2022, our Field Environmental Coordinator, Danny Twitchell, an Alaska Native from Bethel who has been with us for more than a decade, received state-wide recognition of his outstanding environmental work from the Alaska Miners Association.”

Ron Rimelman, Vice President, Environment, Health, Safety and Sustainability, NOVAGOLD



▲ ENVIRONMENTAL PRINCIPLES

NOVAGOLD recognizes environmental management as a corporate priority. Our Board of Directors ("Board") and our employees, as well as Donlin Gold LLC's employees and contractors, care about preserving the environment for future generations while also providing for safe, responsible, and profitable operations for the benefit of employees, shareholders, and local communities. We set and maintain standards of excellence for environmental performance at all our office and project locations. In this regard, our environmental policy sets out a statement of principles for all stages of projects.

NOVAGOLD's environmental performance measurement primarily relates to activities at the Donlin Gold project site in Alaska. Donlin Gold LLC has always had detailed procedures that guide its environmental management activities across all site operations, and this is reflected in the strong environmental compliance track record that the site has maintained. In 2022, Donlin Gold LLC implemented an Environmental Management System (EMS) which includes the necessary processes and tools to avoid and minimize environmental impacts while ensuring compliance with all regulatory and permitting requirements.

KEY COMPONENTS OF THE EMS INCLUDE:

- ▲ A centralized document repository known as the **Environmental Document Management System (EDMS)**, which holds all relevant environmental documents (e.g., permits, agency communication, reports, and plans).
- ▲ Permit requirements and other environmental obligations and incidents are recorded, cataloged, scheduled, assigned, and tracked using **Intelix, a proven environmental management software solution.**
- ▲ Documentation of all Standard Operational Procedures (SOPs) are **regularly updated** as needed.
- ▲ Experienced personnel from the environmental department team ensure that **the EMS is maintained, monitored, and managed accurately.**
- ▲ **Third-party audits** are completed on an annual basis for assurance that environmental standards have been met. As scheduled, a third-party audit was conducted in 2022 and **all recommendations were adopted** by the project team.



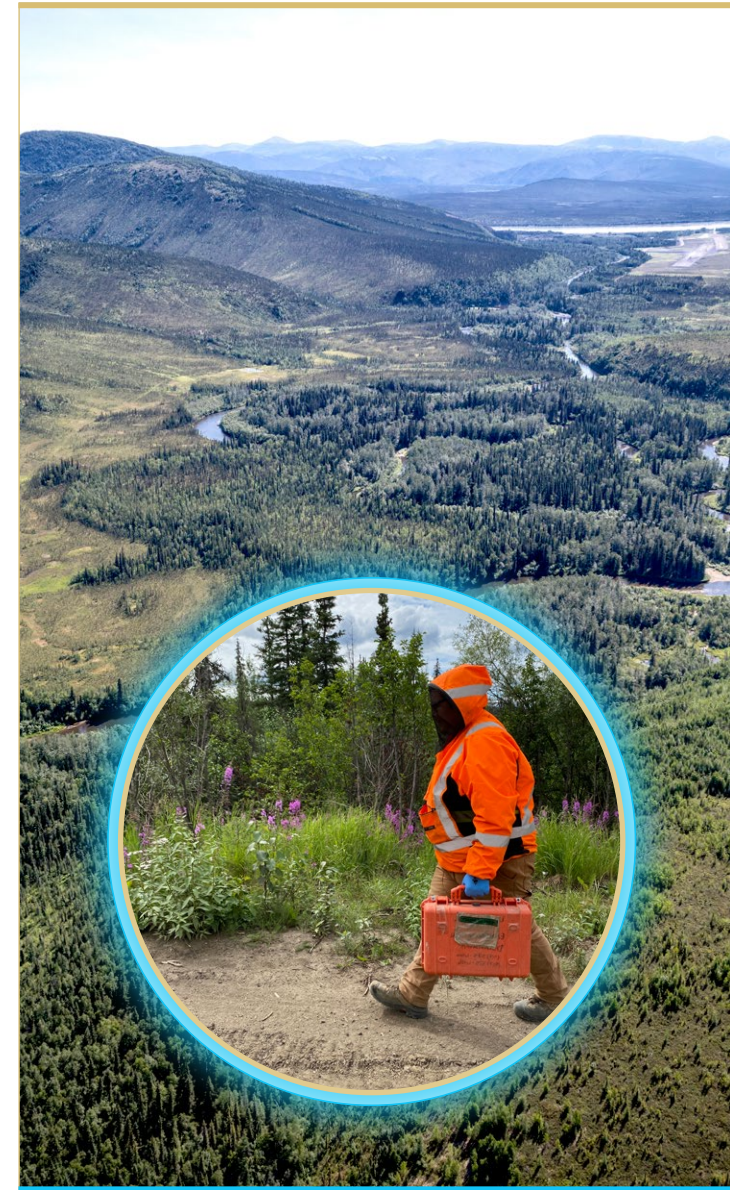
NOVAGOLD developed a corporate biodiversity policy in 2022. Protection of biodiversity is key to our ability to successfully develop our projects, including the Donlin Gold project in western Alaska, where fish and wildlife resources are integral to residents' lives.

In addition to minimizing environmental impacts, detailed operating and monitoring plans and policies have been established for and implemented at the Donlin Gold project site for ongoing activities that address safe drinking water and sanitary wastewater systems; stormwater management; spill prevention and control; fuel, oil, and hazardous materials management; wetlands protection; wildlife interactions; and many others. Donlin Gold LLC is specifically dedicated to protecting the subsistence culture that relies on the water and lands surrounding the project site, as well as honoring the traditions of Alaska Native culture practiced by our employees and neighbors.

Donlin Gold tracks and manages its annual energy use, greenhouse gas (GHG) emissions, and water use. As a non-producing mining company with very limited operations, however, these levels are minimal. Establishing targets related to the reduction of water use or carbon emissions is challenging and generally immaterial due to the project's stage of development. Exploration work at the project site varies from year to year; hence both power generation and other GHG emissions and water use vary on an annual basis.

In 2022, Donlin Gold LLC completed its largest drill program in 15 years. During the summer months, the camp was occupied by approximately 100 employees and contractors. This contrasts with the future mine construction stage, which will require approximately 2,000 year-round workers over a period of several years, and then production, which will demand fewer employees but will require year-round extraction and processing activities that are energy- and water-intensive.

All runoff from field activities, including drill sites, is managed to protect water quality under state permit requirements. The project's domestic water supply is provided by groundwater wells, while sanitary wastewater from the camp is treated in a leach field where it is recycled to the subsurface. In 2022, we commissioned a new leach field at the camp that should serve its needs for years to come. Current camp septic wastewater and waste management activities pose very low risk to the environment, given the site is not an operating mine and did not generate any industrial waste or wastewaters in 2022.





As a goal, we are committed to **no net loss of biodiversity values**, and wherever possible, enhancement of such values across the Y-K region.

CLIMATE AND BIODIVERSITY POLICIES

During 2022, NOVAGOLD developed a formal corporate climate change policy that addresses its operations. Beyond the aspirational goal of Net Zero by 2050, the policy lays out how we will address climate change in each aspect of our current operations, which are limited and, more significantly, those projects that we will operate in the future (e.g., through construction and operation of the Donlin Gold project). This includes our impacts on climate as well as how climate-related changes could impact our operations and ensure we will be resilient in the face of such changes. In 2023, we will focus on implementing the policy, including as appropriate with Donlin Gold LLC.

NOVAGOLD also developed a corporate biodiversity policy in 2022. Protection of biodiversity is key to our ability to successfully develop our projects, including the Donlin Gold project in western Alaska where fish and wildlife resources are integral to residents' lives. The policy expresses our dedication to defining key biological resources and ensuring that they will not be adversely affected by our operations. As a goal, we are committed to no net loss of biodiversity values, and wherever possible, enhancement of such values across the Y-K region. An important element involves soliciting input from and involvement of regional stakeholders. In 2023, we will begin to implement the biodiversity policy especially as it

applies to the Donlin Gold project. Important to this effort will be to start to develop a Biodiversity Action Plan that addresses species of concern, especially salmon, and how we will protect and monitor them.

In 2022, we completed full climate change and water security disclosures to the Carbon Disclosure Project and will do so again in 2023. These included detailed information regarding risks and opportunities associated with the Donlin Gold project in each of these areas. An example of an identified risk is the potential for climate-related changes in the flows and water levels of the Kuskokwim River that the project will depend on for transportation of most supplies during construction and operations. An example of an opportunity is the integration of climate resiliency into the project plan as well as Donlin Gold's surrounding community development initiatives.

ENVIRONMENTAL PROGRAMS

A wide-ranging environmental baseline-study program has been ongoing since 1996 to provide a foundation for permitting and responsible development. Resources and topics in the baseline-study program have included air quality, fish and other aquatic resources, geotechnical conditions, ground and surface water quality and quantity, land use, mercury, public health, socioeconomics, sediment quality, subsistence, vegetation, wetlands, and wildlife. Beyond collecting baseline scientific data, we have had extensive dialogue with local communities and our Alaska Native Corporation partners, who offer generations of traditional ecological knowledge (TEK) about the local environment. Donlin Gold LLC has used this information and the multiple years of environmental baseline data to locate and design the mine and associated infrastructure in a way that avoids or minimizes potential impacts to sensitive and culturally important habitats and locales.



This information was included in the Donlin Gold Final Environmental Impact Statement (FEIS), completed in 2018, and we continue to update our understanding of baseline conditions, including TEK, through our ongoing studies. It was also considered by the U.S. Army Corps of Engineers in the issuance of the Clean Water Act Section 404 permit, which determined that the project plan was the least environmentally damaging practicable alternative. NOVAGOLD supports a project development plan for Donlin Gold that considers risks and opportunities in all phases: exploration, development, operation, closure, and reclamation.

- ▲ The Donlin Gold project has been designed for no uncontrolled discharge of mine-contacted water. Any water that contacts mine facilities would be used in the milling process to the maximum extent practicable or treated and discharged according to stringent permit standards.
- ▲ Many of the mine supplies will be transported up the Kuskokwim River by barge during the open-

water shipping season between June and October. A detailed barging plan has been developed with input from communities on the river which ensures protection of aquatic resources and limits impacts to subsistence fishing activities.

- ▲ Following completion of geotechnical and planning work, a comprehensive tailings management plan will be finalized. Donlin Gold LLC is committed to the design, construction, operation, and closure of a tailings storage facility that meets the requirements of the Global Industry Standard for Tailings Management (GISTM) as well as meeting or exceeding design specifications of the State of Alaska's Dam Safety Program. The Donlin Gold tailings storage facility will be fully lined, and the main dam will be constructed using the downstream method; globally considered to be the most stable and safe design for tailings storage*. Dry closure of the tailings storage facility will significantly reduce long-term water management requirements and greatly limit failure potential.



The potential environmental effects of the proposed mine project were detailed and evaluated as part of the National Environmental Policy Act (NEPA) process. The FEIS includes the potential effects of the project on climate change, and the potential effects of climate change on the project itself; these risks are considered and integrated in the project design. The effects of climate change, including the impacts of extreme weather conditions and melting permafrost, are incorporated into permitting submissions, as well as design engineering and operational and closure planning.

* See more information about the tailings storage facility design [here](#).

A reclamation and closure plan for the proposed mine has already been developed and approved by the State of Alaska to ensure that, when mining activity ceases, the mine is properly closed, and the land is reclaimed to a stable, healthy condition.

Further, the FEIS considered biodiversity by evaluating in detail the potential project effects on local, regional, and statewide flora and fauna populations, including important and sensitive species. The analysis specifically addressed how the ecosystem may change over time due to climate change. The project plan and permits include extensive biodiversity monitoring and mitigation requirements that will be fully implemented as the Donlin Gold project moves into construction and operation.

Finally, a reclamation and closure plan for the proposed mine has already been developed and approved by the State of Alaska to ensure that, when mining activity ceases, the mine is properly closed, and the land is reclaimed to a stable, healthy condition. The plan includes requirements to achieve specific levels of revegetation. It also strives to limit long-term water management requirements (e.g., by dry closure of the tailings storage facility). Where water management and treatment are required, the plan ensures compliance with all applicable water quality standards to protect



aquatic resources and human health. As required by state law and consistent with leading practices, this plan will be reviewed and updated in 2023 and periodically throughout operations (at a minimum, every five years).

One of the primary risks to the project related to environmental impacts involves changes to governmental policies, regulations, and permitting requirements. We would expect that the imposition of international treaties or U.S. federal, state, and/or local laws or regulations pertaining to mandatory reductions in energy consumption or GHG emissions could

increase the project development and operating costs, and even affect the overall feasibility of any mining project subject to the jurisdiction of such regulations.

As we move toward updating the feasibility study and ultimately project construction and operation, we will continue to monitor and, where possible, anticipate and plan for such developments, especially in evaluating energy generation and use, pipeline construction, and GHG emissions.



As a development stage company, NOVAGOLD did not have any operating mines or other industrial operations in 2022. Therefore, the company, including the Donlin Gold project, did not generate any tailings, waste rock, or any other processing waste or wastewater in 2022.

2022 ENVIRONMENTAL PERFORMANCE

Consistent with our permit requirements and the corporate policies of NOVAGOLD and Donlin Gold LLC, a high level of environmental performance continued to be maintained at the project site in 2022. The project environmental team conducted daily inspections of all ongoing site activities as well as monitoring for potential releases to land and water. These areas include water and wastewater management, air quality, hazardous and other solid waste management, fuel storage and use (and associated spill risk), and the protection of biological resources around the site. All this data is managed through the EMS, including tracking and ensuring completion of any action items.

Compliance, Spills, Waste Management, and Reclamation

In 2022, there were no instances of significant non-compliance with any permit requirements and Donlin Gold has never been cited or fined for any non-compliance with environmental regulations, standards, or permit requirements related to effects on the environment.

At the Donlin Gold project site in 2022, approximately 0.23 tonnes of hazardous waste were generated and sent to a permitted off-site disposal facility.

Approximately 576 tonnes of non-hazardous waste were produced, about 0.74 tonnes were recycled, 559 tonnes were disposed in a state-permitted on-site landfill and the remainder was disposed of in a state-permitted on-site incinerator. There was a significant increase in waste produced from 2021, in part due to the expanded 2022 drill program undertaken at the Donlin Gold project site. More significantly, over the preceding ten years, large volumes of excess materials had spoiled due to the passage of time, and had to be disposed of properly. Near the end of the 2021 field season, Donlin Gold LLC received permits for the new on-site landfill and a new, higher capacity incinerator. While initial disposal of excess site material began in 2021, these efforts accelerated significantly in 2022, facilitating a widespread, environmentally beneficial clean-up of the site. With the clean-up work complete and a reduced field program in 2023, much lower waste volumes are anticipated. In addition, in 2023, we will continue to look for ways to increase the level of recycling at the site.

As a development stage company, NOVAGOLD did not have any operating mines or other industrial operations in 2022. Therefore, the company, including the Donlin Gold project did not generate any tailings, waste rock, or any other processing waste or wastewater in 2022.

Per state permit requirements, Donlin Gold stabilized all the 2022 drill sites and associated drill access roads after work was completed in those areas. A total of 8.2 acres was reclaimed.

The Donlin Gold project uses diesel, Jet A aviation fuel, gasoline, and propane for camp operations and minimal quantities of hazardous chemicals. Strict protocols are in place for secure transportation and management of these substances. NOVAGOLD sets annual environmental targets relating to spills at project sites. In 2022, the company successfully achieved its goal of no spills to water and no spills of 10 gallons or more to land at any of its offices or projects. There were no spills that rose to the level of being immediately reportable to government agencies. Consistent with Donlin Gold LLC policies, all spills were fully remediated to leave no trace on or below the ground surface.

Power Generation and Emissions

Due to Donlin Gold's remote location, on-site diesel-fired power generation and heaters are used to support current project site activities. In 2022, Donlin Gold's Scope 1 GHG emissions totaled approximately 2,633 metric tonnes of CO₂ equivalent (CO₂-eq), an increase from approximately 1,084 metric tonnes of CO₂-eq produced in 2021. This is mainly the result of a much larger drill program completed during the 2022 field season. No Scope 2 emissions were recorded for Donlin Gold since the site is remote and not connected to the electrical grid. Annual changes are expected to continue to fluctuate based on the different levels of fieldwork and camp activities at the Donlin Gold project site, which vary depending on priorities established each year by the Donlin Gold LLC Board. With much less drilling and other activities planned to take place in 2023, it is expected that GHG emissions will

significantly decrease from those recorded in 2022. Overall, given the annual variability and consistently low emissions levels, it is neither appropriate nor material to set GHG emissions targets for Donlin Gold at this stage of the project. Even with the larger drill programs, the relatively low levels of site activity in 2022 – including power generation – yielded again virtually no emissions of other air pollutants, including sulfur oxides, nitrogen oxides, mercury, and total particulate matter of less than 10 micrograms diameter per cubic meter. The NOVAGOLD offices in Salt Lake City and Vancouver get all of their electricity from the grid system and, therefore, generate Scope 2 emissions. The combined Scope 2 emissions from these offices in 2022 were approximately 27 metric tonnes of CO₂-eq, compared to 34 metric tonnes of CO₂-eq in 2021.

Baseline Environment Conditions Studies and Mitigation

In 2022, Donlin Gold LLC continued its long-term aquatic monitoring program for the Crooked Creek watershed where the project site is located. This included characterizing baseline surface water quality, fish distribution and spawning, and estimation of fish, macroinvertebrates, and periphyton populations. In 2022, we also continued sampling of sediment and fish tissue quality to further define pre-mining conditions.

In the Crooked Creek watershed, Donlin Gold LLC began planning the initial work on a fish habitat restoration project in 2021. The project seeks to restore stream and pond habitat and fish populations in areas adversely affected by historic placer mining activities. Both resident fish and coho salmon habitat are being created and enhanced. In 2022, full scale restoration work was started, and the project is expected to be completed in 2023. Donlin Gold will then monitor





success, make further modifications as needed, and use the information to guide additional fish habitat restoration in other affected areas in the watershed. Initial observations suggest the project will be highly successful in creating important pond habitat, which is currently limited in the Crooked Creek watershed.

Also in 2022, Donlin Gold LLC continued studies in the Middle Kuskokwim River to further define potential future barging effects on rainbow smelt. Rainbow smelt are an important subsistence species

for some villages. Over the past decade, Donlin Gold defined the locations and timing of rainbow smelt spawning and migration. This was the first study of its kind in the Y-K region, and the work was supplemented further in 2022. Donlin Gold LLC also performed updated hydrodynamic surveys in the river to map shallow areas where rainbow smelt eggs could be disturbed by barging. This information will be used to refine the impact assessment and, in collaboration with local subsistence users, consider the need for mitigation, where appropriate.

During 2023, Donlin Gold LLC and NOVAGOLD will pursue new partnerships for additional off-site biodiversity enhancement and protection projects around the project site and throughout the Kuskokwim River watershed.

Water Use

Donlin Gold used approximately 550,000 gallons of ground water to support camp operations during 2022. This reflects the larger field programs in 2022 and reflected a slight increase compared to 2021 (approximately 445,000 gallons), but it is still very low for facilities associated with the mining industry. Like the low but variable GHG emissions, water use at the project site changes on an annual basis depending on camp needs such as domestic supply, core cutting, and washdowns. With decreased field activity in 2023 and a shorter field season compared to 2022, we expect that the camp water use volume could decrease and remain at relatively low volumes. The project site is in a remote part of western Alaska where water scarcity is not a concern. In addition, all water withdrawals and uses are authorized by the State of Alaska. The permitting process provides for protection of other local water uses, including ensuring no adverse impacts to streams and aquatic life. Finally, as noted previously, the plans for the full-scale mine operation maximize re-use to limit water supply needs.

NOVAGOLD's offices in Vancouver and Salt Lake City combined used approximately 100,000 gallons of water in 2022, all drawn from municipal water systems and largely recycled back to the environment (minus minimal losses for personal consumption). Between the Donlin Gold project and NOVAGOLD about 650,000 gallons of water were used in 2022, a slight increase from 2021. Essentially all water used was recycled to the environment.



Donlin Gold Environmental Statistics

	2022	2021	2020
Metric tonnes of CO ₂ in greenhouse gas emissions	2,633	1,084	1,565
Gallons of water used to support camp operations	550,000	445,000	184,000
Fines for environmental non-compliance	None	None	None
Hazardous material spills to water or >10 gallons to land	None	None	None
Pounds of household hazardous and electronic waste removed from Y-K villages	134,000	180,000	45,000

approximately 134,000 pounds of hazardous materials – such as fluorescent tubes, used oil, ethylene glycol, paint, household chemicals, lead acid batteries, and electronic waste – from 26 villages throughout the Y-K region. Over the last five years, nearly 425,000 pounds of waste has been removed that would otherwise end up in landfills, in waterways, or in other areas that could be harmful to local communities.

Donlin Gold LLC is also working with TKC, the State of Alaska, and the Alaska Native Tribal Health Consortium to upgrade water and sewer services in Middle Kuskokwim area communities. In addition, Donlin Gold LLC began working with AVCP to train local residents in conducting water quality testing throughout the Kuskokwim River watershed in 2022.

Each of these regional efforts will continue in 2023, including participation of additional villages and regional partners.

Regional Environmental Initiatives

Beyond our project site activities, we engage in regional efforts to improve environmental conditions. NOVAGOLD and Donlin Gold LLC supported the 2022 Clean-Up Green-Up program, which runs annually throughout the summer and aims to collect and dispose of trash from the tundra, roads, public areas and beaches in the Y-K region that accumulates during the winter months. This year, 54 Tribal community partners participated in the event.

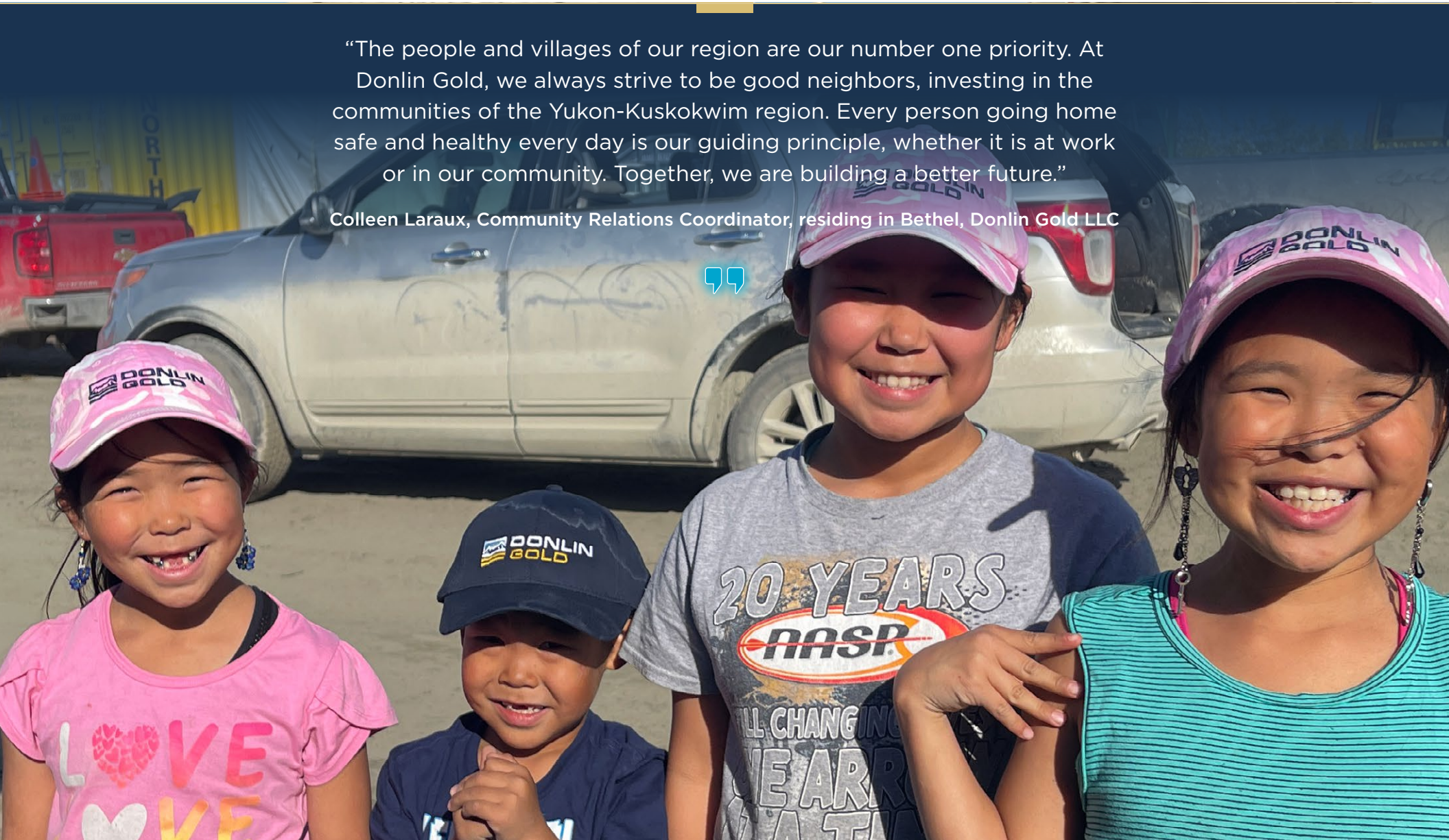
Hazardous waste management is a major community concern in the Y-K region because there are no safe, authorized sites for long-term management and disposal of these wastes generated in the communities. Donlin Gold LLC, along with the Association of Village Council Presidents (AVCP), the Native Village of Napaimute, and other community and Tribal partners, held the fifth successful “In It for the Long Haul” backhaul project in summer 2022, removing



COMMUNITIES

“The people and villages of our region are our number one priority. At Donlin Gold, we always strive to be good neighbors, investing in the communities of the Yukon-Kuskokwim region. Every person going home safe and healthy every day is our guiding principle, whether it is at work or in our community. Together, we are building a better future.”

Colleen Laroux, Community Relations Coordinator, residing in Bethel, Donlin Gold LLC



For NOVAGOLD, community and social responsibility is a wide-ranging, essential activity that is core to all that we do – whether in the boardroom, at the project site, or in communities – and has been practiced consistently for more than 20 years at the Donlin Gold project. Our social responsibility is expressed in the openness with which the project team approaches interactions with any stakeholder. The Donlin Gold LLC team, which is based in Anchorage and various villages in the Y-K region, works collaboratively with NOVAGOLD and Barrick Gold to support community and social responsibility efforts.

NOVAGOLD actively participates in the development and implementation of the Donlin Gold LLC Community Development and Strategic Plan, which includes guiding principles around establishing trust and key initiatives to educate and engage stakeholders, invest in communities, and monitor and evaluate the environment in the Y-K region in conjunction with Donlin Gold LLC's Native Corporation partners, Calista and TKC.

NOVAGOLD assists Donlin Gold LLC with their overall community outreach planning and execution. NOVAGOLD also provides support to Donlin Gold LLC in emphasizing local hiring of individuals and suppliers for the project in accordance with Donlin Gold LLC's agreements with and commitments to Calista and TKC. As landowners, Calista and TKC are dedicated to developing a mining operation consistent with the Elders' vision of responsible development that creates jobs and economic benefits for the communities while protecting the environment and local culture. This commitment is at the heart of both NOVAGOLD's and Donlin Gold LLC's philosophy on how the project should be developed. We aim to achieve mutually beneficial project goals through openness, transparency, and



constructive dialogue, and with respect for the values, the culture, and the language of the people of the Y-K region. We place great emphasis on ongoing engagement and consultation with stakeholders in partnership with Calista and TKC throughout the entire project development process.

ALASKA NATIVE AND TRIBAL MEMBER EMPLOYMENT

During the 2022 field season, 82% of Donlin Gold LLC's direct hires were Alaska Natives from 24 Y-K communities. Most are also members of their federally recognized Tribes. Many of our Alaska Native employees have worked at the project site for more than a decade in a region marked by high unemployment and fewer job options than in urban areas. The work experience and skills gained at Donlin Gold are particularly valuable to the local community members.

COMMUNITY SUPPORT

NOVAGOLD and its project partners are committed to preserving traditional lifestyles and providing economic opportunities to communities throughout the Y-K region, whose political and social structure is represented by a diverse group of social, business, and governmental entities. Calista, TKC, and a variety of other Alaska Native business entities and associations have a longstanding interest in the Donlin Gold project and its potential benefits for the region. Engaging with communities in an open, respectful, and culturally sensitive manner while developing long-term, mutually beneficial relationships has been our approach since the early days of exploration of the Donlin Gold project – and will continue throughout its life cycle.



DONLIN GOLD'S STRATEGIC INVESTMENT PRIORITIES IN THE Y-K REGION

1

Environmental
Stewardship

2

Community
and Economic
Development

3

Preservation
of Cultural
Traditions

4

Education and
Workforce
Development

5

Health, Safety,
and Wellness

6

Community
and Partner
Engagement



As part of ongoing community support efforts, we continue to make progress expanding relationships and finding common ground with Alaska Native villages through Shared Value Statements that build upon the long-term agreements with Calista and TKC that are already in place. These agreements include educational, environmental, and social initiatives that provide support for villages throughout the Y-K region. In 2022, Donlin Gold LLC signed an additional three Shared Value Statements with Alaska Native Villages bringing the total to 12. These statements and their implementation formalize current engagement with key local communities, deepen the long-term relationships

already established, and address specific community needs including: water, sewer, and solid waste projects; the ice road that connects remote villages in the Y-K region; salmon and other aquatic life studies; suicide prevention programs, and other health and public safety programs. It is noteworthy that Crooked Creek, the closest community to the project site and from which the project has had many employees, recently formally expressed their support for responsible development of the Donlin Gold project. It is our goal in 2023 to increase the number of communities with Shared Value Statements with Donlin Gold LLC and ensure that we are meeting the agreed upon commitments.



Community Investments: Education, Wellness, Cultural Preservation, and Environmental Stewardship

Our community investment programs take many forms, including educational programs, community wellness initiatives, cultural preservation, and environmental stewardship. Donlin Gold LLC supports a wide range of organizations and causes including youth sports, scholarships, and search and rescue among others.

In 2022, Donlin Gold LLC continued to work with its Tribal Transportation Partners: the Native Village of Napaimute, the Akiak Native Community and the Crooked Creek Traditional Council, to build and maintain an ice road on the Kuskokwim River for safe travel between remote Kuskokwim River communities during the winter months. On average, 300 miles of ice road are constructed annually. Having accessible and safe winter roads promotes community well-being and safety by increasing participation in regional events, cultural activities, sports, and facilitates emergency services access and law enforcement travel. Furthermore, road access increases the economic well-being of the communities by allowing the transportation of goods, services, and supplies.



In 2022, Donlin Gold continued to work with Alaska EXCEL, which is a 501(c)3 non-profit providing supplemental academic career and technical education initiatives for rural youth and young adults across Alaska. The 2022 Alaska EXCEL program covered five school districts and reached approximately 525 students from the Y-K region.



In 2022, Donlin Gold LLC also continued to work with Alaska EXCEL, which is a 501(c)3 non-profit providing supplemental academic career and technical education initiatives for rural youth and young adults across Alaska. Donlin Gold LLC has been supporting the Alaska EXCEL program since 2014. The program teaches real-life academic and career-oriented

experience allowing students to receive high school credit toward graduation and concurrent college credit in certain programs. Together with Alaska EXCEL and the people of the Y-K region, our goal is to help students make a successful transition into post-secondary training or the workforce as well as encouraging students to join the Donlin Gold team



through a variety of programs and workforce-oriented curriculums. To date 15 students have transitioned from Alaska EXCEL training to employment with Donlin Gold LLC. In 2022, the Alaska EXCEL program covered five school districts and reached approximately 525 students from the Y-K region.

The Donlin Gold LLC team has a long history of helping Y-K region communities respond to emergencies. These efforts have included rescuing village residents in Crooked Creek from massive river flooding in 2011 to providing water to Tuluksak when their water system failed in 2021. In September 2022, Typhoon Merbok struck western Alaska causing extraordinary damage to communities all along the Bering Sea coast. The Donlin Gold team responded immediately by helping to meet life and safety needs. In partnership with the Alaska Community Foundation and Bethel Community Services Foundation, Donlin Gold LLC specifically worked to send food, water, and health supplies to Y-K coastal communities, several of which were without power and water. In 2022, there was also a major wildfire near the village of St. Mary's along the Yukon River that destroyed the water supply treatment plant. Donlin Gold LLC partnered with Grant Aviation to ship needed potable water to the village.

Donlin Gold LLC, in partnership with TKC, is working with Crooked Creek in improving the village's infrastructure to include power, water, and wastewater systems. Additionally, Donlin Gold has been a partner with Covenant House Alaska and the Bethel Community Services Foundation in the development of an action plan to address the chronic and ongoing needs of Y-K region vulnerable youth.



NOVAGOLD Fundraising and Community Support

Along with supporting Donlin Gold LLC's initiatives in Alaska, NOVAGOLD recognizes the importance of supporting events in the areas where we operate.

In 2022, NOVAGOLD employees continued to participate in and contribute to the Lotus Light Food Recovery program, launched and led by NOVAGOLD Vancouver Office Manager Gia Tran. This program provides an average of 10,000 pounds of food each month donated from food warehouses, restaurants, bakeries, and grocery chains to benefit low-income meal programs and charity soup kitchens. Since the launch of the program in 2010, it has expanded to weekly donations from numerous well-known chain restaurants and grocery stores. The amount of food the program has been able to provide to multiple organizations since 2010 has also grown exponentially, and the positive impact now is more far reaching than ever before in Vancouver and the Tri-cities areas: Richmond, Surrey and Abbotsford. It includes helping migrant farm workers, low-income school programs, refugees and immigrant families, seniors, homeless shelter soup kitchens, multiple charities, and emergency food hubs. Furthermore, in late December 2022, in response to extreme cold weather conditions, NOVAGOLD in partnership with Lotus Light and the BC Ambulance Services local unit team supported the Lotus Light Emergency Weather Alert initiative, which distributed van loads of food, and over 100 new blankets and winter jackets to the unhoused population in Vancouver's downtown eastside.

The Lotus Light Food Recovery program provides an average of 10,000 pounds of food each month donated from food warehouses, restaurants, bakeries, and grocery chains to benefit low-income meal programs and charity soup kitchens.



Donlin Gold had 6,370 engagements with key individual stakeholders and community organizations across 56 communities in the Y-K region in 2022.

COMMUNITY ENGAGEMENT

Donlin Gold LLC has a strong and dedicated community relations team focused on intensive outreach to regional stakeholders. Establishing collaborative working relationships with Y-K communities that function over the long term is essential in order to develop a solid foundation based on respect for the values, the culture, and the language of the people in the region – and to successfully advance the project. Relationship-building is only possible when based on a sincere approach of openness, constructive dialogue, and mutual respect.

Donlin Gold LLC had 6,370 engagements with key individual stakeholders and community organizations across 56 communities in the Y-K region in 2022, many more than the last year's total of 1,065. This was in part due to the post-pandemic opportunities for increased in-person events and communication. In 2022, we were thrilled to return to more in-person engagement and interaction, which gave us the ability to renew the reach of our direct communication



channels with stakeholders of the Y-K region. All this communication is led by the project's community relations team who are all Alaska Native and Tribal Members, and is done in a manner that is respectful of community traditions and designed not only to inform but solicit feedback on ongoing and future project activities. Much of the engagement is conducted in Yup'ik, which is the primary language for many Elders and villages.

As an example of our outreach approach, Donlin Gold LLC continues to discuss options to mitigate or modify any project activities that could negatively affect stakeholders.

Ongoing feedback on project activities is coordinated through the Donlin Advisory Technical Review and Oversight Committee (DATROC), which is comprised of senior leadership from Calista and TKC, who advise Donlin Gold LLC on issues of specific interest to the communities. During 2022, we continued to work to form DATROC's Subsistence Sub-Committee that is comprised of community members and will advise Donlin Gold LLC on promoting and protecting subsistence activities as the project moves forward. In 2023, the Sub-Committee plans to have regular meetings to discuss subsistence issues; this is especially important as the region faces continuing challenges associated with salmon declines and fishing restrictions.



All communication is led by the project's community relations team who are all Native Alaskans and is done in a manner that is respectful of community traditions and designed not only to inform but solicit feedback on ongoing and future project activities.



Typical stakeholder engagement has generally involved regular in-person meetings with key community leaders, community group update presentations, program development consultation, and responding to environmental issues, as well as education and assistance with health and safety matters. Over the years, we have specifically participated in hundreds of in-village visits in the Y-K region. In 2022, Donlin Gold LLC strove to further enhance the frequency and effectiveness of community engagement through new Community Liaisons who have been Donlin Gold project site employees living in the Y-K villages of Marshall, Tuluksak, Nikolai, Napaskiak, and Pilot Station.

A detailed stakeholder engagement plan, which is updated annually in collaboration with Calista and TKC, guides outreach activity at the project level and considers each local stakeholder's level of responsibility, proximity, dependence, and representation in the project region.



SPONSORSHIPS

Donlin Gold LLC's multi-decade collaboration on community development programs with our Alaska Native Corporation partners is one aspect of the stakeholder outreach program. Another is the sponsorship of local initiatives, events, and stakeholders.

For over a decade, Donlin Gold LLC has been a primary sponsor of the Iditarod, which is the pre-eminent sled dog race in North America and is of incredible cultural and historical significance to the State of Alaska and local communities. Donlin Gold continues to sponsor Pete Kaiser, a leading Iditarod musher from Bethel who is the first Yup'ik musher and fifth Alaska Native to win an Iditarod championship. Donlin Gold LLC is also proud to sponsor Mike Williams Jr. of Aniak and Isaac Underwood from Aniak, who are mushers in the extremely popular Kuskokwim 300 dog sled race, one of the premier mid-distance dog sled races in the world, stretching from Bethel across the tundra and the Kuskokwim River to Aniak and back. Donlin Gold LLC is further a principal sponsor of the Iron Dog snowmobile race which passes through local communities in the Y-K region and promotes safety and outdoor education. The Iron Dog racecourse distance is more than 2,500 miles covering some of Alaska's most remote and rugged terrain in harsh winter conditions. As part of the Iron Dog race, and as mentioned previously, Donlin Gold LLC is a sponsor of the Alaska Safe Riders program, which promotes the safe operation of snowmachines, all-terrain vehicles (ATVs), and recreational off-road vehicles (ROVs) through nationally certified educational programs. Alaska Safe Riders is dedicated to working with communities to reduce deaths and injuries from accidents. The program teaches a variety of classes and seminars including both community and backcountry snowmachine classes as well as providing helmets to those in need.

Overall, Donlin Gold provided approximately \$3.5 million in sponsorships, direct payments to communities, and other community investments in 2022.



In 2022, Donlin Gold LLC continued its sponsorship agreement with the Alaska School Activities Association to underwrite statewide sports, music programs, and other activities in the Y-K region and across Alaska.

Overall, Donlin Gold LLC provided approximately \$3.5 million in sponsorships, direct payments to communities, and other community investments in 2022, an increase from \$3 million in 2021.

Advancing education opportunities in Alaska has been an important initiative for NOVAGOLD. In 2022, the company established the NOVAGOLD Mining and Geological Engineering Scholarship at the University of Alaska to provide financial assistance to undergraduate students pursuing a bachelor's degree in mining or geological engineering, with preference given to underrepresented students. The first annual scholarship of \$5,000 was awarded by the University of Alaska selection committee to a young woman working toward such a degree at the University of Alaska Fairbanks.



In 2022, the company established the **NOVAGOLD MINING AND GEOLOGICAL ENGINEERING SCHOLARSHIP AT THE UNIVERSITY OF ALASKA** to provide financial assistance to undergraduate students pursuing a bachelor's degree in mining or geological engineering.

Donlin Gold Community Statistics

	2022	2021	2020
Direct payments, sponsorships and community initiatives	\$3.5M	\$3M	\$3M
Engagements with more than 56 Y-K communities and stakeholders	6,370	1,065	320
Purchases from 1,378 Alaska-based suppliers	\$15.2M	\$9.8M	\$8.0M
Native villages that Donlin Gold LLC employees call home	24	20	18



PEOPLE

Donlin Gold understands the importance local hire plays in the project and looks forward to continuing to provide well-paying jobs in the region that offer training opportunities and the potential for upward mobility. The types of positions we offer support the traditional lifestyles that many of our employees live, which helps strengthen our ties to the people in the region. We strive to be a good partner in all aspects of the project and plan to provide these opportunities for the life of Donlin Gold”

Shaun Tygart, Human Resources Manager, Donlin Gold LLC



Empowering every employee to be their best, affording every employee the opportunity to make a difference, and giving every employee a chance to be heard are core NOVAGOLD values.

 **NOVAGOLD**

Empowering every employee to be their best, affording every employee the opportunity to make a difference, and giving every employee a chance to be heard are core NOVAGOLD values. Selection of individuals for executive and other positions within the company is guided by NOVAGOLD's Diversity, Equity and Inclusion (DEI) Statement, and the company's Code of Business Conduct and Ethics, which prohibits discrimination and harassment in any aspect of employment based on race, color, religion, ancestry, national origin, ethnicity, age, gender, pregnancy, genetic information (including of a family member), marital status, parenthood, disability, veteran status, sexual orientation, gender identity, gender expression, or other protected status. NOVAGOLD's Board and management acknowledge the importance of all aspects of diversity including gender, race, ethnic origin, business skills, and experience, because it is good for our business. When considering candidates for executive positions, the Board's evaluation considers the broadest possible assessment of each candidate's skills and background. Our overriding objective is to ensure that we have the appropriate balance of skills, experience, and capacity that the company needs to be successful.



In January 2022, NOVAGOLD's Board adopted a DEI Policy to formalize a framework for inclusion and to promote diversity on the Board. The DEI Policy states that diversity, for purposes of Board composition, includes, but is not limited to, business and industry skills and experience, gender, ethnicity, and age. The DEI Policy also sets out the Board's DEI principles and a process to achieve the Board's diversity aspirations.

IN NOVEMBER 2022, NOVAGOLD'S BOARD ADOPTED REVISIONS TO THE COMPANY'S HUMAN RIGHTS POLICY TO:

- 1** Ensure that the human rights of all stakeholders, regardless of gender, race, religion, language, or ethnicity, are protected
- 2** Embrace NOVAGOLD's duty to respect human rights as defined in the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights
- 3** Pay a fair and living wage to all its employees and ensure this occurs for employees and contractors at all our projects.



At the Donlin Gold project level, our human rights values are defined through ongoing engagement with key regional stakeholders, including through community meetings, surveys, subsistence and socio-economic advisory committees, and regular dialogue with our employees, Alaska Native Corporation partners, contractors, and suppliers. For both NOVAGOLD and Donlin Gold, informal dialogue with stakeholders on human rights performance occurs on a regular basis.

Selection of individuals for all positions with NOVAGOLD is also guided by our Code of Business Conduct and Ethics, a policy that prohibits discrimination in any aspect of employment based on race, color, or religion, including those hired through contractors. Our relationships and support of each

other are key in all our activities. Empowerment of all employees to be their best enables each of us to make a difference and gives everyone a chance to be heard. These values extend to the communities in which we work; our employees are encouraged and supported to give back to their communities when volunteering locally, either with their professional organizations or through non-profit community organizations.

NOVAGOLD also supports applicable principles and commitments in the International Council on Mining & Metals' (ICMM) Position Statement on Mining and Indigenous Peoples, which promotes constructive relationships between the mining and metals industry and local Indigenous peoples based on respect, meaningful engagement, and mutual benefit.



DONLIN GOLD LLC

Donlin Gold LLC supports local Alaska Native communities through hiring preferences and employment opportunities, business enterprise support, economic diversification, maintenance of subsistence lifestyles, and preferential contract consideration for Native-owned suppliers. As noted above, these are consistent with the specific Alaska Native employment and contracting requirements included in the life-of-mine agreements with Calista and TKC. As the project progresses, we will continue to focus on developing programs that benefit local communities, including improved infrastructure, support for education and health services, cultural heritage preservation, employment and business opportunities, income from lease agreements with Calista and TKC, and environmental restoration and protection.

As indicated previously, for the 2022 mine site work program, 82% of Donlin Gold LLC's direct hires were Alaska Natives from 24 villages in the Y-K region. This compares to 70% of the direct hires being Alaska Natives from 20 villages in the Y-K region during 2021. This is a continuation of the success of Donlin Gold LLC's local hiring program initiated more than two decades ago.

Access to training and education are two of the important areas where we collaborate with our Alaska Native Corporation partners. For example, scholarships are awarded to students selected by Calista and TKC and funded by Donlin Gold LLC. In 2022, Donlin Gold LLC provided \$75,000 in scholarships to students. Overall,

under this program, Calista has awarded over \$360,000 in scholarships to approximately 400 students, most of which attended, or are attending, Alaska post-secondary institutions. There are 45 Y-K region villages represented among the scholarship recipients, with chosen majors including business, education, engineering, health, humanities, and Indigenous studies.

In 2022, Donlin Gold LLC was again the primary sponsor of the Lower Kuskokwim School District's annual college and career fair, which was held virtually for the third consecutive year. Moving the event to a virtual platform in 2020 came with its challenges, but ultimately it has allowed the event audience to increase and become more engaged for those who otherwise would not be able to attend this event due to travelling from a remote location. Since moving to a virtual platform, the average number of students who participate annually has increased to approximately 100. With an extensive list of presenters from colleges, trade schools, employers, financial aid providers and the U.S. Armed Forces, the students have had the opportunity to gain exposure to and learn about a variety of avenues to pursue their goals. Donlin Gold LLC also sponsored the annual Best in the West competition at the Kuskokwim campus of the University of Alaska to encourage and support the business leaders and entrepreneurs of tomorrow. A Donlin Gold LLC workforce training and development plan will be implemented prior to construction and production activities.

In addition, Donlin Gold LLC will continue to foster a work environment that recognizes the unique nature of the region's Alaska Native culture. Essential items that will be considered in the development of the project include the importance of subsistence harvesting activities, cross-cultural training for employees and supervisors, family relationships, and providing local employment.



People Statistics

	2022	2021	2020
Direct hires for Donlin Gold's drill program were Alaska Natives	82%	70%	80%
Donlin Gold LLC employees are Alaska Natives and Tribal members	47%	50%	50%
NOVAGOLD's employees are women	46%	46%	46%
NOVAGOLD's employees are ethnic minorities	8%	8%	8%
NOVAGOLD's Board members are women	30%	30%	30%
NOVAGOLD's Board members are ethnic minorities	30%	40%	40%

Donlin Gold | Our People

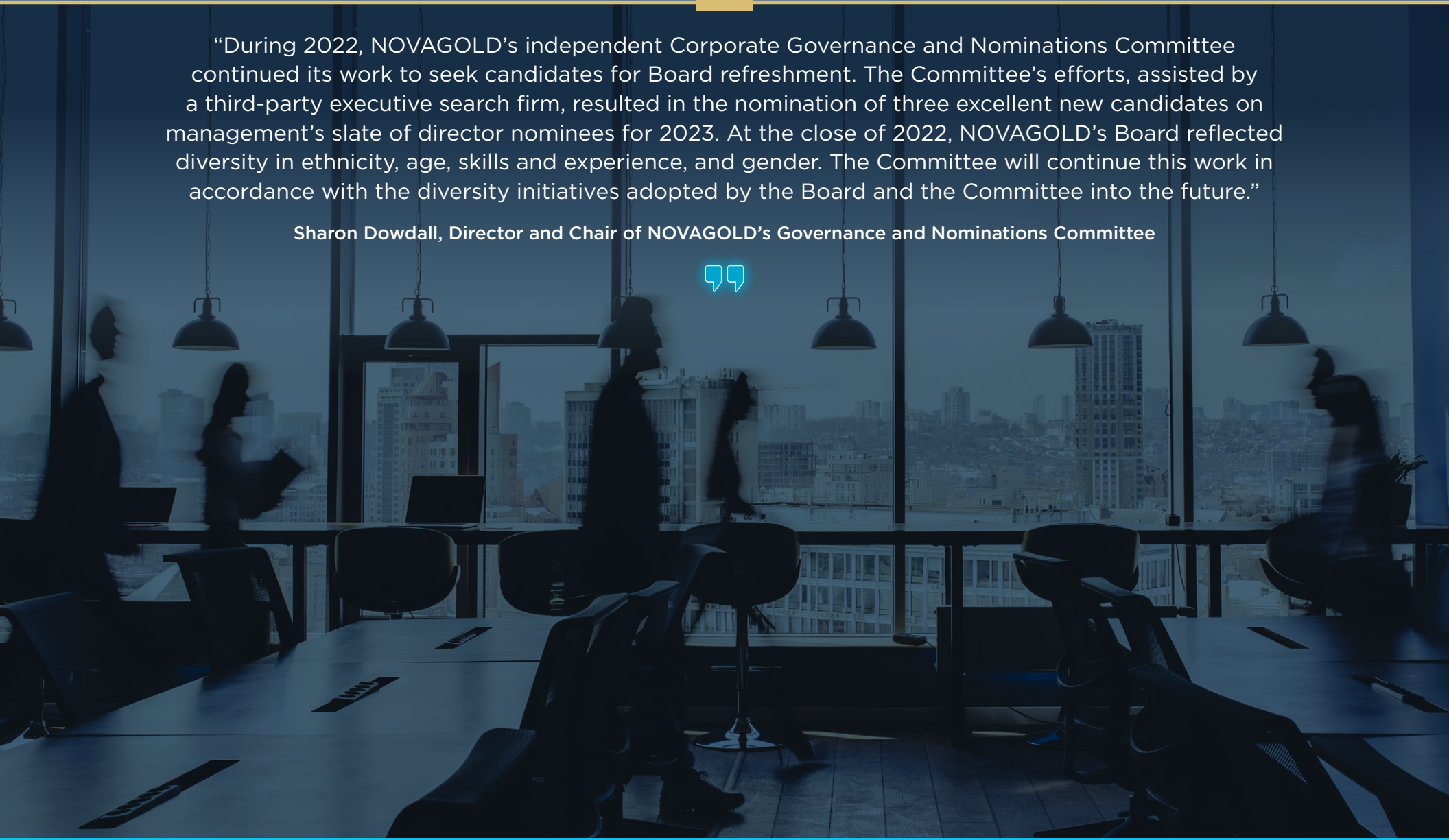




GOVERNANCE

“During 2022, NOVAGOLD’s independent Corporate Governance and Nominations Committee continued its work to seek candidates for Board refreshment. The Committee’s efforts, assisted by a third-party executive search firm, resulted in the nomination of three excellent new candidates on management’s slate of director nominees for 2023. At the close of 2022, NOVAGOLD’s Board reflected diversity in ethnicity, age, skills and experience, and gender. The Committee will continue this work in accordance with the diversity initiatives adopted by the Board and the Committee into the future.”

Sharon Dowdall, Director and Chair of NOVAGOLD’s Governance and Nominations Committee



Strong corporate governance helps us achieve our goals and maintain the trust and confidence of our investors, employees, regulatory agencies, and other stakeholders.

NOVAGOLD approaches the disclosure of our ESG and sustainability performance pragmatically, disclosing benchmarks that we believe are the most relevant measurements of our performance. We are committed to maintaining robust corporate governance practices that enable us to achieve our company goals and maintain the trust and confidence of our shareholders, employees, regulatory agencies, market participants and other stakeholders. We recognize the importance of consistent, transparent, and proactive communication, and feel that facilitating our stakeholders' opportunities to share their perspectives with us help deepen our understanding of their interests, concerns, and priorities. NOVAGOLD establishes rigorous annual goals and discloses details of those goals for the upcoming year, as well as levels of achievement for the goals of the previous year, in its management information circular. The executive team and the Board work together to set long-term strategic company goals and short-term annual goals. The assessment of performance against these goals is monitored regularly during the year by the Board. At the end of each year, the Board's Compensation Committee leads the annual review of company goal setting and

performance and executive performance evaluations and makes recommendations to the Board regarding the executive and director compensation programs.

In August 2022, the Board adopted an Integrated Risk Management Policy as part of its continuing efforts to proactively acknowledge, understand, prioritize, and manage risks and opportunities across all company activities. This ensures the company will continue to adjust and respond to our rapidly changing world and to best serve the company's stakeholders. Understanding the relationship between risk tolerance and control strategies results in optimized business planning and identification of areas needing further challenge and scrutiny. The executive team and the Board are committed to sound corporate governance practices, which are in the interest of shareholders and contribute to effective and efficient decision-making. As part of the company's commitment to effective corporate governance, the Board, with the assistance of the Audit, Compensation and Corporate Governance and Nominations Committees, monitors changes in regulatory requirements and best practices. Strong corporate governance helps us achieve our goals and maintain the trust and confidence of our investors, employees, regulatory agencies, and other stakeholders.

In May 2022, our Board dissolved the Environment, Health, Safety, Sustainability and Technical Committee (EHSS), dividing its responsibilities among two new standing Committees to ensure that appropriate time and attention is given to their areas of focus. The two new standing Committees are:

1. the Engineering and Technical Committee, and
2. the Sustainability Committee.



The Sustainability Committee is comprised of directors with knowledge and experience in the areas of environmental stewardship, permitting and compliance, social license, climate change, biodiversity, and worker health and safety. While the Board is ultimately responsible for oversight of the company's ESG performance, the Sustainability Committee reviews the company's environmental direction with management on these matters. The Sustainability Committee meets at least quarterly and provides a report at each regular Board meeting. The Engineering and Technical Committee is comprised of directors with technical expertise in the planning, development, and safe operation of large mines.



2022 Corporate Governance

DIRECTOR INDEPENDENCE

- △ Nine of our eleven nominees are independent
- △ All of our key Board Committees (Audit, Compensation, and Corporate Governance and Nominations) are composed exclusively of independent directors
- △ Our CEO is the only executive director

BOARD LEADERSHIP

- △ The positions of chairman and CEO are separate
- △ Our Board has appointed an independent lead director

ACCOUNTABILITY AND SHAREHOLDER RIGHTS

- △ Extensive proxy season shareholder engagement involved reaching out to holders of approximately 86% of our issued and outstanding common shares in 2022
- △ Proactive shareholder engagement is a year-round activity, not limited to proxy season
- △ All directors stand for election annually
- △ In uncontested elections, directors must be elected by a majority of votes cast
- △ Eligible shareholders may nominate directors and submit other proposals for consideration at annual meetings. See "Shareholder Proposals" on pages 111-112 of our proxy circular dated March 24, 2023 [here](#) for details on timing and other requirements for submitting shareholder proposals

BOARD PRACTICES AND GOVERNANCE

- △ Our Board regularly reviews its practices and their effectiveness
- △ In May 2022 the Board dissolved the EHSS and Technical Committee and created two new Committees in its place: 1) the Sustainability Committee to provide strategic guidance on environmental and social matters to management and the Board, and 2) the Engineering and Technical Committee to oversee the engineering and technical aspects of the Company's policies, project site operations, and capital project plans

- △ In January 2022 the Board adopted a Diversity, Equity and Inclusion Policy
- △ In 2021 the Board adopted a written Board Charter to formalize its practices and responsibilities
- △ The independent directors meet in executive session without the presence of management or the non-independent directors immediately following each Board meeting

SHARE OWNERSHIP

- △ Our directors must hold at least \$128,400 (3 times their annual retainer) worth of NOVAGOLD common stock within five years of joining the Board (increased from C\$50,000)
- △ Our CEO must, within five years of commencement of employment, hold NOVAGOLD common stock valued in an amount at least equal to five times their annual base pay (increased from three times annual base pay)
- △ Our CFO must, within five years of commencement of employment, hold NOVAGOLD common stock valued at an amount at least equal to two times his annual base pay
- △ Hedging or pledging of NOVAGOLD stock is prohibited for directors as well as employees

BOARD OVERSIGHT OF RISK MANAGEMENT

- △ Our Board reviews NOVAGOLD's systematic approach to identifying and assessing risks faced by NOVAGOLD and its projects
- △ During 2022 the Company implemented a more holistic approach to enterprise risk management which is reflected in the NOVAGOLD Integrated Risk Management Policy adopted in August 2022
- △ In January 2023 the Company adopted a Climate Change Policy and a Biodiversity Policy to set out the approach NOVAGOLD takes to address its contributions to and impacts of climate change and biodiversity with reference to its operations
- △ See the following page for a description of the Board's allocation of risk assessment oversight



Board Oversight of Risk Management



BOARD OF DIRECTORS

- ▲ Oversight of environmental, social, and governance (ESG) matters and the risk management process
- ▲ Development of business strategy and major resource allocation
- ▲ Leadership of management succession planning
- ▲ Business conduct and compliance oversight
- ▲ Review of reports from Board Committees with specific risk oversight responsibilities



AUDIT COMMITTEE

- ▲ Oversight of enterprise risk management activities of NOVAGOLD, including cybersecurity
- ▲ Oversight of the staffing and performance of NOVAGOLD's internal audit function
- ▲ Oversight of integrity of NOVAGOLD's financial statements and internal control over financial reporting
- ▲ Responsible for the appointment, compensation, and oversight of NOVAGOLD's independent registered public accounting firm
- ▲ Oversight of NOVAGOLD's finance requirements, plans, and strategies
- ▲ Reports to the Board following each regular Committee meeting



COMPENSATION COMMITTEE

- ▲ Oversight of compensation-related risks and overall executive compensation philosophy as further described under "Risk Assessment of Compensation Policies and Practices" in our Compensation Discussion and Analysis
- ▲ Responsible for executive succession planning recommendations to the Board
- ▲ Reports to the Board following each regular Committee meeting



CORPORATE GOVERNANCE & NOMINATIONS COMMITTEE

- ▲ Overall corporate governance leadership
- ▲ Provides recommendations regarding Board and Committee composition and performance in accordance with the Board charter, Board service policy, Board diversity, equity, and inclusion policy, and the Committee charter
- ▲ Oversight of regulatory compliance and corporate initiatives
- ▲ Reports to the Board following each regular Committee meeting



ENGINEERING AND TECHNICAL COMMITTEE

- ▲ Advise Board on engineering and technical aspects of project site operations and capital projects, including oversight of the development, implementation and monitoring of the Company's policies, project site operations, and capital project plans
- ▲ Reports to the Board following each regular Committee meeting



SUSTAINABILITY COMMITTEE

- ▲ Oversight of both development and implementation of NOVAGOLD's health, safety, environment, and sustainability policies, including climate change and biodiversity
- ▲ Provides strategic direction to management regarding community relations and government affairs matters
- ▲ Review NOVAGOLD's disclosures containing environmental, health, safety, and sustainability information
- ▲ Reports to the Board following each regular Committee meeting



2022 SUSTAINABILITY REPORT DATA SHEET

NOVAGOLD is a precious metals company focused on the advancement of its Donlin Gold project in Alaska, owned in equal partnership with Barrick Gold Corporation. The project is federally permitted and is at the development stage. Donlin Gold LLC is a committed partner with the Alaska Native Corporations who own the mineral and surface rights on which the project is located, as well as the Native communities surrounding the project site and throughout the state. An important factor that distinguishes the Donlin Gold project from most other mining assets in Alaska is

that the project is located on Alaska Native-owned, private land that was designated for mining activities over fifty years ago. The commitments that we have made to our Alaska Native Corporation partners to protect the lands and peoples of the Y-K region are at the heart of all our sustainability planning, implementation, performance assessment, and reporting efforts. In 2022, we continued our long-standing record of mitigating impacts to the environment, ensuring the health and safety of our employees, and investing in the communities and people of the places we work.

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2022 ENVIRONMENTAL PERFORMANCE

The results below are reported separately for Donlin Gold LLC and NOVAGOLD. Additional details on environmental practices can be found on the Donlin Gold LLC website: www.donlingold.com.

Item	DONLIN GOLD LLC		NOVAGOLD	
	Value	Comments	Value	Comments
▲ PRODUCTION STATISTICS				
Ounces of Gold Produced (Poured Ounces)	0	Not applicable – All of these are not applicable because the Donlin Gold project is not yet in operation.	0	Not applicable – NOVAGOLD has no operating projects.
Ore Mined – Open Pit	0	Not applicable	0	Not applicable
Waste Rock Mined – Open Pit	0	Not applicable	0	Not applicable
Total Ore Processed	0	Not applicable	0	Not applicable
Cyanide Used	0	Not applicable	0	Not applicable
Waste Rock Backfilled – Surface	0	Not applicable	0	Not applicable
Tailings Produced	0	Not applicable	0	Not applicable
Waste That is Geochemically Reactive	0	Not applicable	0	Not applicable
▲ ENVIRONMENTAL INCIDENTS				
Class I – High	0	Immediately reportable to government agencies or impacts beyond site boundary or to surface or ground water, or wildlife mortality of a protected species.	0	Immediately reportable to government agencies or impacts beyond site boundary or to surface or ground water, or wildlife mortality of a protected species.
Class II – Medium	0	Reportable within 48 hours to government agencies, within site boundary, no impacts to surface or ground water; or multiple wildlife mortalities of non-protected species.	0	Reportable within 48 hours to government agencies, within site boundary, no impacts to surface or ground water; or multiple wildlife mortalities of non-protected species.
Class III – Low	4	Reportable monthly, but not immediately, to government agencies, minimal impact within site boundary, and no more than one wildlife mortality.	0	Reportable monthly, but not immediately, to government agencies, minimal impact within site boundary, and no more than one wildlife mortality.
How Many Environmental Incidents were Reported to the Authority?	4		0	



Item	DONLIN GOLD LLC		NOVAGOLD	
	Value	Comments	Value	Comments
▲ NON-COMPLIANCES				
Air	0		0	
Water	0		0	
Waste	0		0	
Land	0		0	
Wildlife	0		0	
Other	0		0	
▲ ENVIRONMENTAL RELATED FINES				
Number of Fines Levied	0		0	
Value of Environmental – Related Fines	0		0	
▲ SPILLS				
Number of Spills	4	None immediately reportable to agencies, none to water, all less than 10 gallons to land.	0	
Volume of Oil Spills – Liters	5.7	None immediately reportable to agencies, none to water, all less than 10 gallons to land.	0	
Volume of Fuel Spills – Liters	11.4	None immediately reportable to agencies, none to water, all less than 10 gallons to land.	0	
Volume of Waste Spills – Liters	0		0	
Volume of Chemical Spills – Liters	9.5	None to water, all less than 10 gallons to land.	0	
Volume of Other Spills – Liters	0		0	
▲ CLOSURE AND REHABILITATION				
Total Land Disturbed and Not Yet Rehabilitated at Start of Reporting Period – Hectares	8.7	All land disturbance is associated with limited exploration level activities, no on-site mine waste or water management facilities.	0	
Total Amount of Land Newly Disturbed within Reporting Period – Hectares	15.7	All land disturbance is associated with limited exploration level activities, no on-site mine waste or water management facilities.	0	
Total Amount of Land Newly Rehabilitated within Reporting Period – Hectares	8.2	All land disturbance is associated with limited exploration level activities, no on-site mine waste or water management facilities.	0	
Total Rehab Planned for the Year (Hectares)	8.2	All land disturbance is associated with limited exploration level activities, no on-site mine waste or water management facilities.	0	



Item	DONLIN GOLD LLC		NOVAGOLD	
	Value	Comments	Value	Comments
▲ WASTE				
Hazardous Waste Produced – Tonnes	0.23		0	
Non-hazardous Waste Produced – Tonnes	576		0	
Hazardous Waste Recycled – Tonnes	0		0	
Non-Hazardous Waste Recycled – Tonnes	0.74		0	
Total Reused – Tonnes	0.74		0	
Total Waste to Landfill – Tonnes	559		0	
Total Waste Incinerated – Tonnes	64		0	
Mercury produced as a By-Product/ Co-Product – Tonnes	0	No production or processing at Donlin Gold.	0	
▲ EMISSIONS				
NO _x – Stationary Sources – Tonnes	0	De minimis, small camp with no production at the Donlin Gold project.	0	
Number of Regulatory Exceedances	0	De minimis, small camp with no production at the Donlin Gold project.	0	
SO _x – Stationary Sources – Tonnes	0	De minimis, small camp with no production at the Donlin Gold project.	0	
Number of Regulatory Exceedances	0	De minimis, small camp with no production at the Donlin Gold project.	0	
Particulate Matter – PM10 – µg/m ³	0	De minimis, small camp with no production at the Donlin Gold project.	0	
Mercury Air Emissions – Tonnes	0	No production or processing at Donlin Gold.	0	
Number of Regulatory Exceedances	0		0	
Other Air Emissions as Regulated (Tonnes)	0		0	
▲ WATER USE				
Surface Water – Cubic Meters	0		379	Includes Salt Lake City and Vancouver offices.
Groundwater – Cubic Meters	2,080	All returned to ground after treatment.	0	
Total Withdrawals – Cubic Meters	2,080	All returned to ground after treatment.	379	
▲ BIODIVERSITY				
Biodiversity Policy				Biodiversity Policy.pdf



Item	DONLIN GOLD LLC		NOVAGOLD	
	Value	Comments	Value	Comments
▲ CLIMATE CHANGE				
Climate Change Policy				Climate Change Policy.pdf
▲ ENERGY INPUTS / GHG EMISSIONS				
Electricity – from Outside Sources – Kwh	0	All on-site power generation.	54,270	All NOVAGOLD power from outside sources.
Electricity – Self-generated – Kwh	1,198,433		0	
Diesel used for Power Generation – Liters	227,161		0	
HFO used for Power Generation – Liters	0		0	
Electricity Produced by Renewable Sources - Kwh	0		0	
Natural Gas – MMBTU	0		0	
Diesel used (Less Consumption for Power Generation) – Liters	719,159		0	
Propane used – Liters	3,305		0	
Petrol / Gasoline used – Liters	24,594		0	
Aviation Fuel used	170,990		0	
Total Scope 1 GHG Emissions – Tonnes of CO ₂	2,633		0	
Scope 1 GHG Emissions from Diesel – Stationary	610		0	
Scope 1 GHG Emissions from Diesel – Mobile	1,928		0	
Total Scope 2 GHG Emissions	0		34	



2022 SOCIAL PERFORMANCE

The results below are reported separately for Donlin Gold LLC and NOVAGOLD, where applicable. Donlin Gold LLC information is reported on a 100 percent basis. For additional details on NOVAGOLD's community and social development practices, please refer to NOVAGOLD's most recent Form 10-K, Form 10-Q, and management information circular dated March 24, 2023, available at www.sec.gov, www.SEDAR.com or on NOVAGOLD's website [here](http://www.novagold.com). Additional details on social practices can also be found on the Donlin Gold LLC website: www.donlingold.com.

Item	DONLIN GOLD LLC		NOVAGOLD	Comments
	Total OR			
	Low (if applicable)	High (if applicable)		
▲ EMPLOYMENT				
Male Employees	31	90	7	High ranges of Donlin Gold LLC employees in all rows reflect the seasonal nature of work at the project site.
Female Employees	13	24	6	
Male Contractors	2	2	0	
Female Contractors	0	0	0	
Local Employees	34	94	Not applicable	"Local" is defined as Alaska.
Regional Employees	17	53	Not applicable	"Regional" is defined as Yukon-Kuskokwim region.
Shareholder Employees	16	72	Not applicable	"Shareholder" refers to having a relationship with Calista or TKC*.
National Employees	45	112	13	"National" for Donlin Gold LLC refers to the USA; For NOVAGOLD, to USA and Canada.
Foreign National Employees	0	0	0	
Local Senior Managers	5	6	Not applicable	
Regional Senior Managers	0	0	Not applicable	
National Senior Managers	7	8	Not applicable	
Foreign National Senior Managers	0	0	Not applicable	All employees / contractors are U.S. or Canadian citizens.
Number of Non-Management Employees who are Female	10	22	5	"Non-Management" for NOVAGOLD means non-executive.

* Calista Corporation (Calista), which owns the mineral resources at the Donlin Gold project, and the The Kuskokwim Corporation (TKC), which owns much of the surface land, are the Alaska Native Corporations that are our partners on the Donlin Gold project.



Item	DONLIN GOLD LLC		NOVAGOLD	Comments
	Total OR			
	Low (if applicable)	High (if applicable)		
Number of Management-level Employees who are Female	2	3	1	"Management" for NOVAGOLD means executive.
Local Contractors	2	2		
Regional Contractors	0	0	Not tracked	
National Contractors	0	0	Not tracked	
Foreign National Contractors	0	0	Not applicable	All employees / contractors are U.S. or Canadian citizens.
Number of Suppliers with Clauses in Contracts Related to Local Employment	0	0	Not applicable	
▲ TURN OVER				
Total Number of Employees Who Left the Organization Voluntarily	22		2	Donlin Gold field season ended, Camp closure.
Total Number of Employees Who Left the Organization Due to Dismissal	6		0	
Total Number of New Employee Hires	71		1	
Percentage of Open Positions Filled by Internal Candidates	0		0	
▲ LABOR UNIONS				
Number of Employees Covered by Collective Bargaining Agreements	0		0	There are no unionized employees at either NOVAGOLD or Donlin Gold LLC.
Days Lost to Strike Action	0		0	
▲ TRAINING				
Total Hours of Training for Employees	1,082			
Hours of Environmental Training for Employees and Contractors	314			
Hours of Health, Safety, and Emergency Response Training for Employees	95			
Hours of Health, Safety, and Emergency Response Training for Contractors	88			
▲ LOCAL EMPLOYMENT PLAN				
Is a Local Employment Plan in Place?	Yes		Not applicable	For Donlin Gold LLC, this relates to local Land Agreement/ Shareholder hire agreements with Calista and TKC.



Item	DONLIN GOLD LLC		NOVAGOLD	Comments
	Total OR			
	Low (if applicable)	High (if applicable)		
▲ HEALTH AND SAFETY				
Near Misses	7		0	
First Aid / Minor Injury	5		0	
Medical – Days of Restriction	10		0	
Hours Worked – Employees and Contractors	274,968		0	
LTIFR	0		0	Lost Time Incident Frequency Rate is defined using the calculation of number of lost-time injuries per one million employee hours worked.
TRIFR	1.42		0	Total Recordable Incident Frequency Rate is defined as an incidence rate of lost-time injuries, fatalities, and medical incidents and is computed using the formula: (number of injuries and illnesses X 200,000) / employee hours worked = medical incidence rate. Note: '200,000' represents the number of hours 100 employees work based on 40 hours per week, 50 weeks per year, and provides the standard base for calculating the incidence rate for an entire year.
▲ HUMAN RIGHTS				
Number of Employees Trained on Human Rights	75		13	
Number of Human Rights Grievances Escalated to Human Resources	0		0	
▲ BUSINESS ETHICS				
Number of Reportable Code of Conduct Breaches Reported in the Fiscal Year	0		0	
Number of Hours of Training on Anti-Corruption Received in the Fiscal Year	75		Not tracked	
▲ PURCHASES				
Purchases from Regional Suppliers – \$USD	\$ 2,099,139		Not tracked	Goods / Services from Y-K region
Purchases from Local Suppliers – \$USD	\$ 13,058,945		Not tracked	Regional and Local (Alaska)
Purchases from National Suppliers – \$USD	\$ 9,538,019		Not tracked	Regional, Local, and National (US)
Purchases from International Suppliers – \$USD	\$ 17,526,163		Not tracked	International only



Item	DONLIN GOLD LLC		NOVAGOLD	Comments
	Total OR			
	Low (if applicable)	High (if applicable)		
▲ SUPPLIERS				
Number of Regional Suppliers	540		Not tracked	"Regional" is defined as Yukon-Kuskokwim region
Number of Local Suppliers	838		Not tracked	"Local" is defined as Alaska
Number of National Suppliers	488		Not tracked	Regional, Local, and National (US)
Number of International Suppliers	187		Not tracked	International only
Local Procurement Plan in Place	0		Not applicable	
▲ GRIEVANCES RECEIVED				
Human Rights (Automatically Escalated)	0		0	
Unmet Obligation	0		0	
Resettlement / Relocation	0		0	
Land Compensation	0		0	
Land Encroachment	0		0	
Land Access	0		0	
Property Damage	0		0	
Road Quality	0		0	
Driving / Speeding	0		0	
Security Behavior	0		0	
Employee Behavior	0		0	
Contractor Behavior	0		0	
Contractor Payment Problems	0		0	
Local Procurement / Contracting	0		0	
Local Employment	0		0	
Spills	0		0	
Water	0		0	
Dust	0		0	
Emissions	0		0	
Noise / Light	0		0	



Item	DONLIN GOLD LLC		NOVAGOLD	Comments
	Total OR			
	Low (if applicable)	High (if applicable)		
Vibrations	0		0	
Other	0		0	
▲ GRIEVANCES RESOLUTIONS				
Total Number of Grievances Remaining from the Previous Period	0		0	
Total Number of Grievances Received	0		0	
▲ COMMUNITY ENGAGEMENT				
Number of Engagements with Local Community Members	6,370		Not applicable	For Donlin Gold LLC, this is tracked across more than 56 communities in the Yukon-Kuskokwim region.
▲ COMMUNITY INVESTMENT - DONLIN GOLD PROJECT ONLY				
Health – \$USD	\$ 464,150		Not applicable	All NOVAGOLD investments are made through Donlin Gold LLC under the 50/50 partnership with Barrick. Therefore, NOVAGOLD provides 50 percent of the funds for the Donlin Gold LLC investments.
Education – \$USD	\$ 299,650		Not applicable	
Arts, Culture & Sports – \$USD	\$ 710,000		Not applicable	
Environment – \$USD	\$ 51,799		Not applicable	
Economic Development – \$USD	\$ 33,176		Not applicable	
Infrastructure – \$USD	\$ 30,000		Not applicable	
Water Infrastructure – \$USD	\$ 0		Not applicable	
Community Engagement – \$USD	\$ 0		Not applicable	
Other – \$USD	\$ 0		Not applicable	
Scholarships Provided – Quantity	\$ 75,000		\$ 5,000	
Compensation Payments – \$USD	\$ 0		Not applicable	



2021 CORPORATE GOVERNANCE PERFORMANCE

For additional details on NOVAGOLD's corporate governance practices, please see the most recent management information circular dated March 24, 2023 and posted to www.sec.gov, www.SEDAR.com or the NOVAGOLD website [here](#).

Governance Item	Value	Additional Comments
▲ GENERAL		
Location of Corporate Office	Vancouver, B.C., Canada; Salt Lake City, UT, USA	
Description of Services / Products	Gold mine developer	
Location of Projects	Alaska	
Status of Operations	Development stage	
Ownership	Publicly traded corporation organized under the laws of British Columbia, Canada, and trading on the NYSE American and TSX stock exchanges under the symbol NG.	
Does the Company have an Enterprise Level Environmental Policy?	Yes. Applicable policy: Environmental Policy.pdf	
Global Compact Signatory	No	
Memberships in Associations	Alaska Miners Association, Council of Alaska Producers, National Mining Association, Resource Development Council (Alaska), and American Exploration and Mining Association (national)	
Statement from Senior Decision Maker	Annual messages from Chairman and CEO are contained in the company's annual report available on the website here	
Values, Principles, Standards, and Norms of Behavior	See Code of Business Conduct and Ethics.pdf and Code of Business Conduct	
Does the Company have a Publicly Disclosed Code of Conduct?	Yes. Applicable policy: Code of Business Conduct and Ethics.pdf	
Mechanisms for Advice and Concerns about Ethics	Yes. Applicable policy: Code of Business Conduct and Ethics.pdf	
Whistleblower Policy or Programs, Including Confidential Hotline and Stated Protection of Whistleblowers	Yes. Applicable policy: Code of Business Conduct and Ethics.pdf	
Process for Delegating Authority for Economic, Environmental, and Social Topics from the Highest Governance Body to Senior Executives and Other Employees	Yes. Applicable policy: See pages 95-111 of Management Proxy Circular dated March 24, 2023	



Governance Item	Value	Additional Comments
Board Member or Board Committee Responsible for ESG Issues	Applicable resources: Corporate Governance & Nominations Committee Charter.pdf , Engineering & Technical Committee Charter.pdf , and Sustainability Committee Charter.pdf	
Composition of the Highest Governance Body and its Committees	The Board of Directors is the highest governing body, consisting of 11 director seats (includes one vacancy as of June 2022). Eight of the 10 current directors are independent. There are five standing committees: Audit; Compensation; Engineering & Technical; Corporate Governance and Nominations; and Sustainability. Read more here .	
How many Women / What Proportion of Women are on the Board	3 of 10, or 30%	
How many Directors Serve on the Board	11 seats, 10 current directors and one vacancy	
Board Diversity and Board Independence	Yes. See page 95-98 of Management Information Circular dated March 24, 2023 regarding Board independence and pages 102-106 regarding Board diversity	
Diversity Programs	See pages 102-106 of Management Information Circular dated March 24, 2023	
Chair of the Highest Governance Body	Thomas Kaplan, Chairman of the Board	
The Classification of the Board Chair	Non-independent	
Does the Board have an Independent Lead Director?	Yes. Anthony Walsh serves as the Board's independent Lead Director	
Conflicts of Interest	See pages 95-101 of Management Information Circular dated March 24, 2023 and the Code of Business Conduct and Ethics.pdf	
Role of the Highest Governance Body in Setting Purpose, Values, and Strategy	See pages 95-111 of the Management Information Circular dated March 24, 2023	
Collective Knowledge of Highest Governance Body	Board of Directors is highest governance body; see biographies of Directors here and additional Director background in the Management Information Circular dated March 24, 2023	
Evaluation of the Highest Governance Body's Performance	See page 110 of the Management Information Circular dated March 24, 2023	
Remuneration Policies	See the Compensation Discussion & Analysis section beginning on page 45 of the Management Information Circular dated March 24, 2023	
Responsibility for Board and Executive Compensation	See pages 45-92 of Management Information Circular dated March 24, 2023 and the Compensation Committee Charter.pdf and the Board Charter.pdf	



Governance Item	Value	Additional Comments
Process for Determining Remuneration	See Compensation Discussion and Analysis and Non-Executive Director Compensation on pages 45 through 92 in the Management Information Circular dated March 24, 2023	
Has the Company Adopted an Advisory Executive Compensation "Say on Pay" Vote?	Yes, vote held annually	In 2022 shareholders cast 95.3% of votes in favor of "Say on Pay"
Approach to Shareholder Engagement	Maintaining an active shareholder engagement program is a high priority for the Company and is an integral part of our corporate governance practices. The Board Chair, CEO, and Vice President of Corporate Communications meet regularly with large shareholders, and the Company's Corporate Communications team is very responsive to shareholder inquiries regardless of ownership level. In 2022, NOVAGOLD placed calls to or met in person with all of its shareholders owning 40,000 shares or more; in other words, NOVAGOLD contracted or attempted to contact its owners holding approximately 86% of the Company's issued and outstanding Common Shares entitled to vote at NOVAGOLD's 2022 annual meeting of shareholders. We plan to continue to regularly engage with our shareholders.	
Date of Most Recent Annual Financial Report	Annual Report on Form 10-K filed January 25, 2023	
Financial Reporting Cycle	2022 annual financial results reported January 25, 2023. Q1 2023 financial report on Form 10-Q filed April 4, 2023; additional Form 10-Q filings planned in June 2023 and October 2023.	
Sustainability Reporting Cycle	Sustainability Report issued annually	
Contact Point for Questions Regarding ESG Disclosure	Vice President, Corporate Communications or Manager, Investor Relations: info@novagold.com or Telephone: 604-669-6227; Toll-free: 1-866-669-6227	
▲ HUMAN RIGHTS		
Human Rights Policy and Scope	See Human Rights Policy.pdf	
Does the Company's Human Rights or Other Formal Policy Cover Community Consultations and Indigenous Rights?	Yes	
Number of Grievances about Human Rights Filed, Addressed, and Resolved through Formal Grievance Mechanisms	0	
Incidents of Discrimination and Corrective Actions Taken	0	
Anti-Discrimination Policy	See page 100-106 in the Management Information Circular dated March 24, 2023 and the Code of Business Conduct and Ethics.pdf	



Governance Item	Value	Additional Comments
Operations and Suppliers at Significant Risk for Incidents of Child Labor	No. All operations and suppliers are located in and operated under U.S. or Canadian regulations and labor standards	
Does the Company's Code of Vendor Conduct Address Child Labor?	No. We do not have a Code of Vendor Conduct; see Human Rights Policy	
Operations and Suppliers at Significant Risk for Incidents of Forced or Compulsory Labor	No. All operations and suppliers are located in and operated under U.S. or Canadian regulations and labor standards	
Does the Company's Code of Vendor Conduct Address Forced Labor?	No. We do not have a Code of Vendor Conduct; see Human Rights Policy	
Incidents of Violations Involving Rights of Indigenous Peoples	0	
Operations that have been Subject to Human Rights Reviews or Impact Assessments	0	At Donlin Gold LLC, 85 employees have been trained in human rights. No grievances at either NOVAGOLD or Donlin Gold LLC were escalated to legal in 2022.
Employee Training on Human Rights Policies and Procedures	All NOVAGOLD employees affirm their commitment to the Code of Business Conduct and Ethics annually	
▲ ANTI-BRIBERY AND ANTI-CORRUPTION		
Anti-Bribery and Anti-Corruption Policy	Anti Corruption Anti Bribery Anti Fraud Policy.pdf	
Highest Level of Executive Oversight for the Company's Anti-Bribery or Anti-Corruption Program	Company Ethics Officer (Vice President & CFO)	
Number of Grievances about Anti-Corruption and Anti-Bribery, Addressed and Resolved through Formal Grievance Mechanisms	0	
Operations Assessed for Risks Related to Corruption	Not applicable	
Does the Company Provide Anti-Corruption Training to all Employees, Including Management?	All NOVAGOLD employees affirm their commitment to the Code of Business Conduct and Ethics annually	
Confirmed Incidents of Corruption and Actions Taken	0	
Payments to Governments	NG_ESTMA-Report-FY-2022.pdf	



CAUTIONARY STATEMENTS

▲ FORWARD-LOOKING STATEMENTS

This report includes certain “forward-looking information” and “forward-looking statements” (collectively “forward-looking statements”) within the meaning of applicable securities legislation, including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein, including, without limitation, statements regarding the permitting, potential development, exploration, construction and operation of Donlin Gold and statements relating to NOVAGOLD’s future operating and financial performance and production estimates are forward-looking statements. Forward-looking statements are frequently, but not always, identified by words such as “expects”, “anticipates”, “believes”, “intends”, “estimates”, “potential”, “possible”, “poised”, and similar expressions, or statements that events, conditions, or results “will”, “may”, “could”, “would” or “should” occur or be achieved. These forward-looking statements may also include statements regarding the exploration potential of Donlin Gold; NOVAGOLD’s sustainability commitments; anticipated Donlin Gold mine life; perceived merit of properties; anticipated permitting timeframes; commencement of updated feasibility study; anticipated 2023 activities at Donlin Gold; exploration and drilling results and budgets; mineral reserve and resource estimates; work programs; capital expenditures; timelines; strategic plans; benefits of the project; market prices for precious metals, including the potential performance of the price of gold; the potential of gold equities to outperform broader equities during current inflationary environment; whether the final \$75 million promissory note from the sale of Galore Creek will mature and be payable; potential shareholder returns; statements regarding the work program; anticipated benefits from the 2022 drill programs; or other statements that are not statements of fact. Forward-looking statements involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from NOVAGOLD’s expectations include the uncertainties involving unexpected cost increases, which could include significant increases in estimated capital and operating costs; the need for additional financing to explore and develop properties and availability of financing in the debt and capital markets; risks related to the coronavirus global pandemic (COVID-19); uncertainties involved in the interpretation of drilling results and geological tests and the estimation of reserves and resources; the need for continued cooperation with Barrick Gold Corporation for the continued exploration and development of the Donlin Gold property; the need for cooperation of government agencies and native groups in the development and operation of properties; risks of construction and mining projects such as accidents, equipment breakdowns, bad weather, non-compliance with environmental and permit requirements; unanticipated variation in geological structures, ore grades or recovery rates; the need to obtain permits and governmental approvals; fluctuations in metal prices and currency exchange rates; whether a positive construction decision will be made regarding Donlin Gold or Galore Creek; the timing and outcome of any decisions to reconsider any permit under appeal; and other risks and uncertainties disclosed in NOVAGOLD’s annual report filed on Form 10-K for the year-ended November 30, 2022, and subsequently in NOVAGOLD’s quarterly reports filed on Form 10-Q, with the United States Securities and Exchange Commission (SEC), Canadian securities regulators, and in other NOVAGOLD reports and documents filed with applicable securities regulatory authorities from time to time. Copies of these filings may be obtained at no charge by visiting our Investor Relations website at www.novagold.com or the SEC’s website at www.sec.gov or at www.sedar.com. NOVAGOLD’s forward-looking statements reflect the beliefs, opinions and projections of management on the date the statements are made. NOVAGOLD assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

Forward-looking statements are based on a number of material assumptions, including but not limited to the following, which could prove to be significantly incorrect: our ability to achieve production at any of our mineral exploration and development properties; estimated capital costs, operating costs, production and economic returns; estimated metal pricing, metallurgy, mineability, marketability and operating and capital costs, together with other assumptions underlying our resource and reserve estimates; our expected ability to develop adequate infrastructure and that the cost of doing so will be reasonable; assumptions that all necessary permits and governmental approvals will be obtained and the timing of such approvals; assumptions made in the interpretation of drill results, the geology, grade and continuity of our mineral deposits; our expectations regarding demand for equipment, skilled labor and services needed for exploration and development of mineral properties; and that our activities will not be adversely disrupted or impeded by development, operating or regulatory risks.

▲ CAUTIONARY NOTE CONCERNING RESERVE & RESOURCE ESTIMATES

This report uses the terms “mineral resources”, “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources”. Mineral resources that are not mineral reserves do not have demonstrated economic viability. You should not assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. Further, inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. On October 31, 2018, the SEC adopted new mining disclosure rules (“S-K 1300”) that are more closely aligned with current industry and global regulatory practices and standards, including National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). NOVAGOLD has elected to comply with S-K 1300 beginning with its fiscal year ended November 30, 2021.

While S-K 1300 is more closely aligned with NI 43-101 than the prior SEC mining disclosure rules, there are some differences. Notably, unlike NI 43-101, S-K 1300 requires that resources be disclosed exclusive of mineral reserves, and that mineral resources and reserves be disclosed on the basis of our interest in them. NI 43-101 is a rule developed by the Canadian Securities Administrators, which established standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all resource estimates contained in this report have been prepared in accordance with NI 43-101 and the CIM Definition Standards, as well as S-K 1300.

Project	Qualified Person(s)	Most Recent Disclosure
Donlin Gold	Kirk Hanson, MBA, P.E. Michael Woloschuk, P.Eng. Henry Kim, P.Geo. Wood Canada Limited	“NI 43-101 Technical Report on the Donlin Gold Project, Alaska, USA” (“2021 Technical Report”) prepared by Wood Canada Limited (“Wood”), effective June 1, 2021. “S-K 1300 Technical Report Summary on the Donlin Gold project, Alaska USA” (“S-K 1300 Technical Report Summary”) prepared by Wood, dated November 30, 2021.

Paul Chilson, P.E., who is the Manager, Mine Engineering for NOVAGOLD and a “qualified person” under NI 43-101 and S-K 1300, has approved the scientific and technical information contained in this report.



CORPORATE INFORMATION

MANAGEMENT TEAM

Gregory Lang

President and Chief Executive Officer

David Ottewell

Vice President and Chief Financial Officer

Mélanie Hennessey

Vice President,
Corporate Communications

Ron Rimelman

Vice President, Environment,
Health, Safety, and Sustainability

Richard Williams

Vice President, Engineering
and Development

BOARD OF DIRECTORS

Dr. Thomas Kaplan

Chairman, NOVAGOLD RESOURCES INC.;
Chairman and CEO, The Electrum Group

Elaine Dorward-King ^(2, 4)

Corporate Director

Sharon Dowdall ^(2, 5)

Corporate Director

Diane Garrett ^(3, 5)

President, CEO, and Director of
Hycroft Mining Holding Corporation

Gregory Lang ^(3, 4)

President and CEO,
NOVAGOLD RESOURCES INC.

Kalidas Madhavpeddi ^(2, 4)

Corporate Director

Kevin McArthur ^(3, 5)

Corporate Director

Clynton Nauman ^(1, 3)

Corporate Director

Ethan Schutt ^(1, 4, 5)

Executive Vice President and General
Counsel, Bristol Bay Native Corporation

Anthony Walsh ^(1, 2)

Corporate Director
Independent Lead Director,
NOVAGOLD RESOURCES INC.

Member of:

1. Audit Committee
2. Compensation Committee
3. Corporate Governance and Nominations Committee
4. Engineering and Technical Committee
5. Sustainability Committee

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AGM Shareholders Meeting

Thursday, May 18, 2023 at 1:00 pm PT

Live Webcast at:
[virtualshareholdermeeting.com/
NG2023](https://virtualshareholdermeeting.com/NG2023)

INVESTOR INQUIRIES

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 [linkedin.com/company/novagold](https://www.linkedin.com/company/novagold)

 twitter.com/novagold

 [facebook.com/novagold](https://www.facebook.com/novagold)

TRANSFER AGENT

For information on share transfers,
lost certificates, or a change of address:

Computershare

TF 1.800.564.6253 (Canada and the U.S.)

T 1.514.982.7555 (international)

computershare.com

AUDITORS

PricewaterhouseCoopers LLP

SHARE LISTINGS

TSX, NYSE American: NG

Issued and Outstanding at January 17, 2023:
333.9 Million

2022 FINANCIAL REPORT

From NOVAGOLD's Annual Report
on Form 10-K for the fiscal year ended
November 30, 2022.

For full Annual Report on Form 10-K,
please visit one of the following websites:

novagold.com
[sec.gov](https://www.sec.gov)
[sedar.com](https://www.sedar.com)

or call Investor Relations
at 1.866.669.6227

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novagold.com

