



BUILDING A LASTING LEGACY
2021 SUSTAINABILITY REPORT

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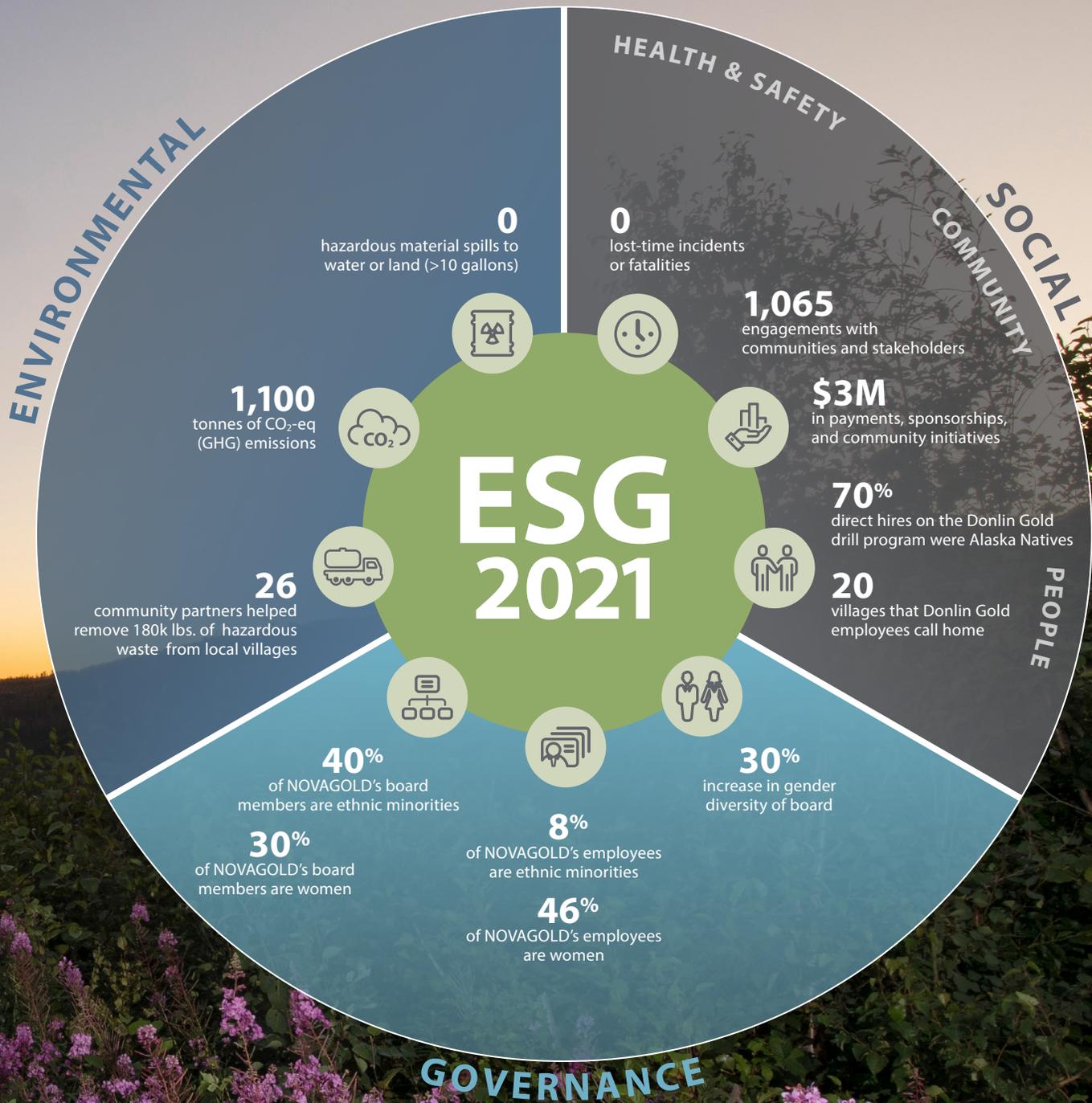
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**NOVAGOLD IS COMMITTED TO RESPONSIBLE
MINING, INCLUDING PROTECTION OF HUMAN LIFE,
ENCOURAGEMENT OF GOOD HEALTH, GOOD STEWARDSHIP
OF THE ENVIRONMENT, AND ADDING VALUE TO THE
LOCAL COMMUNITIES. WE ARE DEDICATED TO BUILDING
TRUST AND TRANSPARENCY IN — AND CONTINUOUS
IMPROVEMENT AND ENHANCEMENTS TO — OUR
SUSTAINABILITY INITIATIVES AND POLICIES.**





BUILDING A LASTING LEGACY

NOVAGOLD is pleased to release its annual sustainability report with a focus on our fiscal year 2021 performance in the areas of environmental stewardship, health and safety, social engagement, and corporate governance. This report builds upon our inaugural sustainability report that was integrated in our 2020 annual report. Our company has a deep commitment to environmental, social, and governance (ESG) principles that have been in practice for decades. This commitment extends to all levels of our company and the Donlin Gold project.

I am especially proud of our work with Donlin Gold LLC, and with our 50/50 co-owner in Donlin Gold LLC, Barrick Gold, at our primary asset, the Donlin Gold project in western Alaska. Over more than a decade, we have achieved high standards of ESG performance. In the spirit of advancing the Donlin Gold project toward a construction decision and eventual operation, we work in close coordination with our Alaska Native Corporation partners, Calista Corporation (Calista) and The Kuskokwim Corporation (TKC) to bring economic benefits to the people of the Yukon-Kuskokwim (Y-K) region in ways that also value and protect their lands, waters, and traditional way of life. Highlights of our 2021 accomplishments range from our strong health and safety record (where there have been no lost-time-incidents in more than ten years), to effective mitigation of our minimal impacts to the environment, to a project site workforce comprising of more than 70 percent Alaska Natives, to many meaningful investments in and partnerships with the peoples and communities of the Y-K region.

At NOVAGOLD, we strive to continually enhance our governance practices. For example, in 2021 we adopted a formal Diversity, Equity and Inclusion Statement applicable to all employees. Additionally, NOVAGOLD's board adopted its own Diversity, Equity and Inclusion Policy in January 2022. Ensuring successful implementation of the principles



embodied in these two documents is a high priority for our management team and board of directors.

In 2022, we will continue to reflect upon our ESG performance, assess risks as they evolve, and refine our efforts. I am excited for NOVAGOLD to be participating in the planned development of formal climate change and biodiversity policies for Donlin Gold LLC, and especially look forward to working with Donlin Gold LLC, Barrick Gold, Calista, and TKC to integrate these policies into our ongoing project activities as well as our continued planning for eventual construction and full-scale mining operations.

As always, we strive to be the best in class on ESG matters and welcome input from our shareholders, partners, and the many other interested parties involved in our work.

Sincerely,

Gregory A. Lang
President and CEO
NOVAGOLD RESOURCES INC.
April 28, 2022

▲ NOVAGOLD's Vice President Engineering and Development Richard Williams and Nick Lock, Donlin Gold's field geology coordinator.



Introduction

“The Kuskokwim Corporation has been involved every step of the way in not only inviting Donlin Gold LLC onto our land, but also in writing the permits, in environmental oversight, and really ensuring that this is the best possible project on our land to provide those opportunities for our shareholders. So we have been very focused on this partnership between Donlin Gold LLC and its partners, Barrick and NOVAGOLD, Calista Corporation and The Kuskokwim Corporation. We’re all working very closely hand-in-hand.”

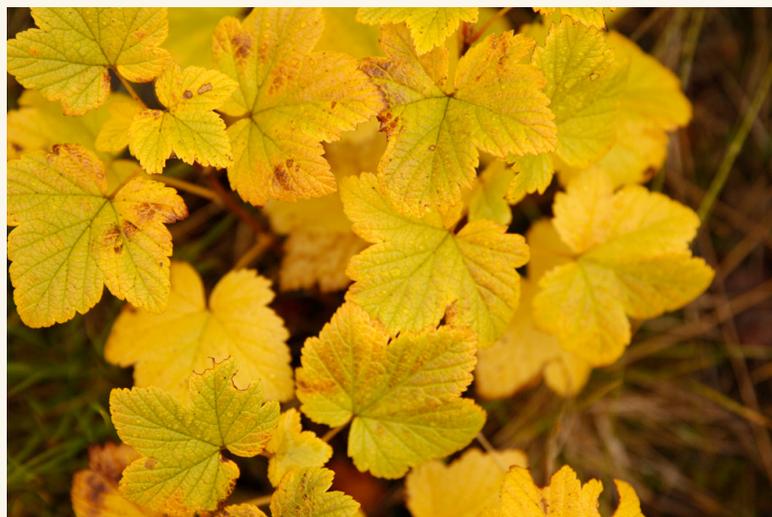
Andrea Gusty
President and CEO
The Kuskokwim Corporation

ABOUT NOVAGOLD

NOVAGOLD is a well-financed precious metals company focused on the 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 equally owned by NOVAGOLD and Barrick Gold Corporation. 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 Report,* 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. The Donlin Gold project also has substantial exploration potential beyond the designed footprint, which currently covers three kilometers of an approximately eight-kilometer-long gold-bearing trend. Current activities at Donlin Gold are focused on state permitting, optimization work, community outreach, and workforce development in preparation for the eventual construction and operation of this project. With a strong balance sheet, NOVAGOLD is well-positioned to fund its share of permitting and optimization efforts at the Donlin Gold project.

Donlin Gold LLC supports Alaska Native communities both surrounding the project and throughout the State of



Alaska. An important factor that distinguishes the Donlin Gold project from most other mining projects in Alaska is that it's located on private land that was designated for mining activities five decades ago. Donlin Gold LLC has entered into life-of-mine agreements with Calista Corporation, which owns the subsurface mineral rights and some of the surface land rights, and TKC, a collection of 10 village corporations, that owns most of the surface land rights; these were conveyed to both Calista and TKC by the United States Congress through the Alaska Native Claims Settlement Act (ANSCA).

A core value of NOVAGOLD 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 local stakeholders who have the knowledge of the region and understand the importance of a subsistence lifestyle, which helps us manage and minimize environmental impacts and assist us in setting and meeting high standards for ESG performance.

* Donlin Gold LLC 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 "Technical Report") and the S-K 1300 Technical Report Summary on the Donlin Gold Project, Alaska, USA, November 30, 2021 (the "S-K 1300 Technical Report Summary"). Donlin Gold proven and probable reserves of approximately 16.925Moz grading 2.09 g/t attributable to NOVAGOLD (33.849Moz on 100% basis) and measured and indicated resources, exclusive of reserves, of approximately 2.749Moz grading 2.43 g/t attributable to NOVAGOLD (5.497 Moz on 100% basis). 39Moz refers to mineral resources inclusive of reserves on a 100% basis. See "Cautionary Note Concerning Reserve & Resource Estimates" and "Mineral Reserves & Mineral Resources" table at www.novagold.com.

ABOUT THIS REPORT

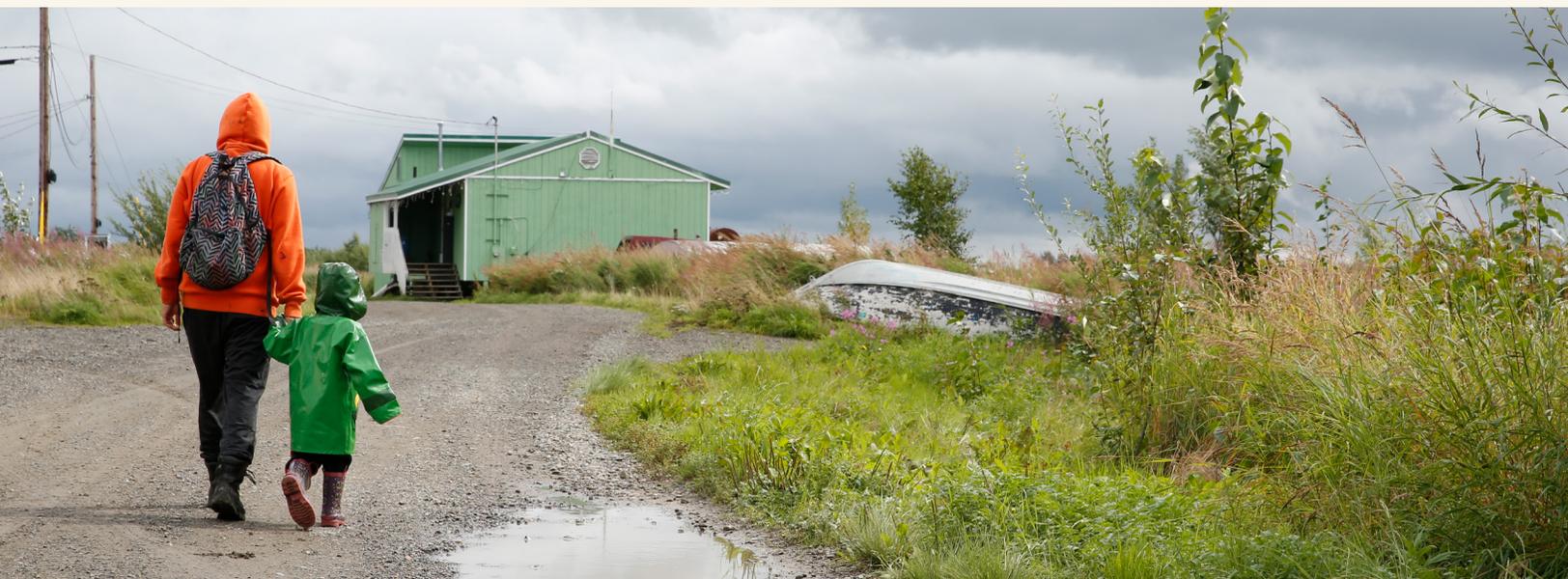
Last year, NOVAGOLD released a summary of sustainability performance as a section of our 2020 annual report. For 2021, we have released our first stand-alone sustainability report that builds upon last year's disclosures and allows us to begin to show how our performance changes and improves over time. This will provide an opportunity to see trends and establish near- and long-term goals specific to ESG performance areas.

As a development-stage mining company whose primary asset is its 50 percent interest in the Donlin Gold project in southwestern Alaska, 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 western Alaska. Specifically, our commitment to the peoples of the Y-K region has been integral to the Donlin Gold project plans going back more than two decades. 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 building the Donlin Gold project will be shared with all of them and their shareholders throughout the State of Alaska.

In 2021, NOVAGOLD continued and expanded upon its ESG data collection. This data is included at the end of this report.

During 2021, NOVAGOLD also solicited feedback from outside parties and others to formally assess ESG performance and reporting. We specifically conducted a materiality and risk assessment with the assistance of a global ESG consulting firm who surveyed opinions and suggestions from internal and external stakeholders regarding sustainability practices at the Donlin Gold project. This information, which has been provided to the NOVAGOLD board of directors, is being analyzed and used to make enhancements to our ESG strategy in areas that include climate change, biodiversity, diversity, and vendor relationships, among others. This information has also provided valuable input for our current and future Donlin Gold project development activities.



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.



- ◀ Danny Twitchell, environmental coordinator at the Donlin Gold project.
- ▶ Donlin Gold LLC's Natasha Brown leads a safety meeting at the Donlin Gold project site camp.



Health & Safety

“The expanded 2021 drill program was a success because of the incredible work by the Donlin Gold LLC team, Calista and TKC, and our collective dedication to the highest standards of safety, social responsibility, and environmental stewardship. We are grateful that, even while expanding the 2021 drill program mid-summer, COVID-19 cases at site were minimal and there were no lost-time incidents. Once built, the Donlin Gold project is expected to provide significant benefits for the Y-K region and the State of Alaska for generations to come.”

Dan Graham
General Manager
Donlin Gold LLC



NOVAGOLD is dedicated to the safety, health, and welfare of our and Donlin Gold LLC’s employees and their families, our contractors and visitors, and the multiple 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 around them. NOVAGOLD specifically 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 empowers individuals and communities to work together to ensure a bright future for everyone. This means:

- ▶ implementing high standards for the protection of our workforce
- ▶ promoting safety programs throughout the Y-K region
- ▶ developing our 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 executed the 2021 work program with minimal COVID-19 cases at the project site. During our 2021 field season at the Donlin Gold project site, out of approximately 171,310 hours worked, we recorded only four cases of COVID-19. The affected individuals fully recovered and ultimately returned to work.

Donlin Gold LLC continued high health and safety performance with a zero lost-time incident frequency rate in 2021. The total recordable incident frequency rate (TRIFR)* in 2021 was 1.16, which was an improvement over 2020 and met our goal of 1.5 or lower. In 2021, Donlin Gold LLC employees and contractors received a total of 338 hours of health, safety, and emergency response training. Overall, Donlin Gold LLC employees and contractors have worked more than 2.7 million hours over more than a decade without a lost-time incident or fatality. In a number of years, Donlin Gold LLC has been honored with the Barrick Gold Merit of Safety Award, a distinction that has recognized 365 consecutive days of zero lost-time incidents. Winning this award is an example of Donlin Gold LLC’s commitment to providing a safe and healthy workplace for all employees and contractors.

Beyond the health and safety focus at the project site, we also sponsor and invest in a range of initiatives in the Y-K region that foster community health and safety. These initiatives are highlighted in the “Communities” section of this report.

HEALTH & SAFETY STATS	2021	2020
lost-time incidents (LTIs) or fatalities (goal: 0)	0	0
total recordable incident frequency rate (goal: < 1.5)	1.16	1.2
consecutive hours over more than 10 years without a lost-time incident	2.7M	2.7M

* Total Recordable Incident Frequency Rate (TRIFR) is defined by 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

“For more than two decades, the Donlin Gold LLC team has been conducting a wide range of environmental studies to evaluate the possible impacts of the activities required to construct and operate the mine. Much of this data collection has been undertaken by Alaska Native Corporation shareholders and Alaska Tribal members from the Y-K region employed by Donlin Gold LLC. Data from these ongoing scientific studies is being used in the project design process to establish high-quality environmental practices before a construction decision is made. Careful, thoughtful, inclusive planning will provide for the protection of the natural, cultural, and subsistence resources.”

Ron Rimelman

*Vice President of Environment,
Health, Safety, and Sustainability
NOVAGOLD RESOURCES INC.*

ENVIRONMENTAL PRINCIPLES AND POLICIES

NOVAGOLD recognizes environmental management as a corporate priority. Our 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 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 a project.

NOVAGOLD's environmental performance measurement primarily relates to activities at the Donlin Gold project site in Alaska. 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 dedicated to protecting the subsistence culture that relies on the water and lands surrounding the project, 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 very small. 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 water use vary on an annual basis. In 2021, there was a seasonal drill program; for much of the summer months, the camp was occupied by approximately 100 employees and contractors. In the winter months, the camp is typically closed and all activity ceases. This contrasts with the future mine construction stage, which will require approximately 2,000 workers over a period of several years, and then production, which will require fewer employees but will necessitate year-round large-scale extraction and processing activity that is energy- and water-intensive. During 2022, in collaboration with Donlin Gold LLC and Barrick Gold, NOVAGOLD plans to develop a detailed climate change policy that will be focused on addressing climate change in all aspects of the Donlin Gold project design, including consideration of emissions goals and targets. In the policy, NOVAGOLD will include an impact scenario that refers to 1.5–2°C limits in its project's climate change disclosure. NOVAGOLD's GHG emissions targets will be clearly aligned with this principle.

As reported in NOVAGOLD's climate change submission to the Carbon Disclosure Project (CDP) in July 2021, the company's climate change disclosure presents and describes multiple scenarios for the potential impact of climate-related risks and opportunities on its business. These will be refined





and addressed in 2022 as part of developing our climate change policy.

The Donlin Gold project's water use from 2020 was provided in NOVAGOLD's inaugural CDP Water Security filing in July 2021 and this information will be provided in 2022. During peak summer months in 2021, the camp had a workforce of 100 to support the drill program and conduct other site activities. 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. Current water and waste management activities pose very low risk to the environment.

A wide-ranging environmental baseline-study program has been ongoing since 1996 to provide a foundation for 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 conducting 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 issuance of the Clean Water Act Section 404 permit, for which it determined that the project plan was the least environmentally damaging practicable alternative.

- ◀ Donlin Gold LLC employee Colleen Laroux and smoked salmon from her subsistence harvest.
- ▶ Administrative assistant Ellie Wright at the Donlin Gold project site office.

As examples of scientific work, aquatic resource background data has consistently been collected over the years to better understand how to protect fish and water.

- ▶ The Donlin Gold project has been designed for no uncontrolled discharge of mine-contacted water. Any water that comes in contact with 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 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 will meet the requirements of the Global Industry Standard for Tailings Management (GISTM) as well as meet or exceed 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 safest design for tailings storage.



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. 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 to project 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, natural

* See more information about different tailings storage facility designs at <https://donlingold.com/environment/tailings-management-plan/>.

condition. The plan includes requirements to achieve specific levels of revegetation. It also strives to limit long-term water management requirements, e.g. 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 periodically throughout operations (at a minimum, every five years).

One of the primary risks to the project related to environmental impacts involves 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 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, 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.

2021 ENVIRONMENTAL PERFORMANCE

Consistent with our permit requirements and the corporate policies of NOVAGOLD and Donlin Gold LLC, a very high level of environmental performance has been maintained at the project site. This continued throughout 2021.

When the project site was active in 2021, the 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.

COMPLIANCE, SPILLS, WASTE MANAGEMENT, AND RECLAMATION

In 2021, Donlin Gold LLC received three notices from the State of Alaska for non-compliance incidents in 2018 and 2019. These were associated with the administrative requirements of its storm water management permit. They were not considered significant. Two of the notices involved not completing, and reporting on, an annual storm water inspection in 2019; daily and weekly inspections were performed as required throughout the operating season. The other notice involved not providing required training for all key staff in 2018 when there were no camp operations. None of these involved any improper discharges or effects on water



quality. There were no instances of non-compliance with any permit requirements for 2021 activities 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.

In 2021, no hazardous waste was generated at the project site. Twenty-seven tons of non-hazardous waste was generated at Donlin Gold during 2021, 21 tons of which were disposed of in a state-permitted off-site landfill and the remaining six burned in a state-permitted on-site incinerator. Per state permit requirements, Donlin Gold also stabilized and reclaimed all of the 2021 drill sites and associated drill access roads after work was completed in those areas.

The Donlin Gold project uses diesel, Jet A aviation fuel, gasoline, and propane for camp operations and minimal quantities of other hazardous chemicals. Strict protocols are in place for secure management of these substances. NOVAGOLD sets annual environmental targets relating to spills at the project site. In 2021, the company successfully achieved its goal of no spills to water and no more than one spill of 10 gallons or more to land. There were no spills that rose to the level of being reportable to government agencies. Consistent with Donlin Gold LLC policies, all non-reportable 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 2021, Donlin Gold's Scope 1 GHG emissions totaled 1,084 metric tonnes of CO₂ equivalent (CO₂-eq), a reduction from 1,500 metric tonnes of CO₂-eq produced in 2020. No Scope 2 emissions were recorded due to the stage of development. This decrease in annual emissions is noteworthy. Annual changes fluctuate, however, based on the different levels of field work and camp activities at the Donlin Gold project site, which vary depending on priorities established each year by the Donlin Gold LLC board. With an approximately 40 percent larger drilling program planned for 2022 compared to 2021, it is expected that GHG emissions could exceed those recorded in 2021; however, we expect these emissions will still be minimal. 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. Also, with the low levels of site activity – including power generation in 2021 – there were virtually no emissions of other pollutants, including sulfur oxides, nitrogen oxides, mercury, and total particulate matter of less than 10 micrograms diameter per cubic meter.

BASELINE ENVIRONMENTAL CONDITIONS STUDIES

In 2021, Donlin Gold LLC continued a long-term aquatic monitoring program for the Crooked Creek watershed, including surface water quality, fish distribution and spawning, and estimation of fish, macroinvertebrates, and periphyton populations. Baseline sediment and fish tissue sampling was added for the 2021 program. Also in 2021, Donlin Gold LLC continued fish studies in the Middle Kuskokwim River, including our multi-year program to characterize rainbow smelt spawning locations and migration timing. Potential barging impacts on rainbow smelt and associated subsistence harvests have been identified by communities as a key concern for the project and were addressed in the FEIS. New for the 2021 program was a study to understand the timing of rainbow smelt egg hatching and larvae travel through the river system. In this effort, Donlin Gold LLC continued to partner with local residents to collect the rainbow smelt data. The information will ultimately be used to further refine the barging plan, including any necessary mitigation measures.

MERCURY

Potential project-related effects from mercury emissions have also been a significant community and government agency concern. This is in part because mercury levels in water and fish are already elevated within the Y-K region, and mercury can affect aquatic life and human health through subsistence uses. Substantial analysis was done for the FEIS to characterize existing mercury levels, determine how they could be affected by deposition from the project, and define potential impacts on the environment and local stakeholders. In 2021, the project conducted additional intensive sampling of water quality and sediments throughout the Crooked

Creek drainage to better define how much of the existing mercury is from natural sources (e.g. erosion) versus atmospheric deposition.

FISH HABITAT RESTORATION

In 2021 Donlin Gold LLC began aquatic habitat restoration work in areas of the Crooked Creek watershed, near the project site, that had been degraded by historic placer mining activities conducted by other parties. This effort will continue in 2022 with the goal of restoring, enhancing, and creating new aquatic habitats that can support salmon and resident fish populations. During 2022, Donlin Gold LLC and NOVAGOLD will further pursue partnerships for additional off-site biodiversity enhancement and protection projects in the Kuskokwim River watershed.

WATER USE

Donlin Gold used approximately 444,866 gallons of ground water to support camp operations during 2021. This volume increased substantially from 2020 (184,000 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 increased field activity in 2022 and a longer field season compared to 2021, we expect that the camp water use volume could increase further, but should remain at relatively low volumes. The project site is in a remote part of

western Alaska where water scarcity has not been 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.

REGIONAL ENVIRONMENTAL INITIATIVES

Beyond our project site activities, we engage in regional efforts to improve environmental conditions. NOVAGOLD and Donlin Gold LLC supported the 2021 Clean-Up Green-Up program, which ran throughout the summer and reached a record 50-plus Tribes and municipalities who 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 community and Tribal partners, held the fourth and most successful “In It for the Long Haul” backhaul project in summer 2021, removing approximately 180,000 pounds of hazardous materials – such as fluorescent tubes, lead acid batteries, and electronic waste – from 26 villages throughout the Y-K region. This is compared to approximately 45,000 pounds of waste collected in 2020. Over the last five years, nearly 400,000 pounds of waste was 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 health and safety standards of water and sewer services in Middle Kuskokwim area communities. Additionally, Donlin Gold LLC has begun working with the Association of Village Council Presidents in the region to train local residents in conducting water quality testing throughout the Kuskokwim River watershed.

► In August 2021, Donlin Gold LLC partnered with the Delta Backhaul Company, the Association of Village Council Presidents (AVCP), and other regional partners on the fourth “In It for the Long Haul” backhaul project to collect, remove, and safely dispose of approximately 180,000 pounds of household hazardous and electronic waste from 26 Y-K villages.

ENVIRONMENTAL STATS	2021	2020
metric tonnes of CO ₂ in greenhouse gas emissions	1.1k	1.5k
gallons of water used to support camp operations	445k	184k
finest for environmental non-compliance	0	0
hazardous material spills to water or >10 gallons to land	0	0
pounds of household hazardous and electronic waste removed from Y-K villages	180k	45k





◀ Donlin Gold LLC employee Colleen Laroux drying salmon from her subsistence harvest.



Communities

“Supporting family and community is very important to us. Every year, we all take part in subsistence activities like salmon fishing, gathering berries, and hunting that sustain our lives throughout the year. Our knowledge and resources are shared amongst our families and extended community and traditions passed down from generation to generation.”

Colleen Laroux
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 corporate 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, who 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. Our purpose in making community investments is to be mutually beneficial in achieving the communities’ broader goals while also aligning with our investment pillars. Key areas that are addressed under this approach are Alaska Native and Tribal member employment; stakeholder, society, and community commitments and responsibilities; the health and safety of employees and contractors; human rights; labor rights; education and training; and diversity.

As discussed previously, NOVAGOLD and Barrick Gold are equal owners of Donlin Gold LLC. Donlin Gold LLC is partnered with Calista and TKC, the private land and mineral owners who invited NOVAGOLD and Barrick Gold (previously Placer Dome) to explore the mineral potential of the property decades ago. As landowners, Calista and TKC are committed 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 through the entire development process.

ALASKA NATIVE AND TRIBAL MEMBER EMPLOYMENT

During the 2021 field season, 70 percent of Donlin Gold LLC direct hires were Alaska Natives from 20 Y-K communities. Many, if not all, are also members of their federally recognized Tribe. 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. Relationships between these entities are often complex and influenced by competing political and economic interests. Calista, TKC, and a variety of other Alaska Native business entities and associations have an 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 exploration of the Donlin Gold project – and will continue throughout its life cycle.

COMMUNITY SHARED VALUE STATEMENTS

As part of ongoing community support efforts, we continue to make progress in formalizing these 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. At the end of 2021, Donlin Gold LLC had entered into Shared Value Statements with eight villages from the Y-K region (Akiak, Sleetmute, Napaimute, Crooked Creek, Napaskiak, Nikolai, Tuluksak, and Upper Kalskag). These agreements include educational, environmental, and social initiatives that provide support for these villages. Our goals for 2022 include entering into Shared Value Statements with additional villages.

COMMUNITY INVESTMENTS: EDUCATION, WELLNESS, CULTURAL PRESERVATION, AND ENVIRONMENTAL STEWARDSHIP

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

In mid-January 2021, at the height of the COVID-19 pandemic, the water supply plant in the Middle Kuskokwim village of Tuluksak was destroyed by fire, creating a health and safety crisis for the entire community. Donlin Gold LLC worked with the Tuluksak Tribal administrator and Tribal council to assess how they could best help coordinate support for immediate needs and sustainable long-term solutions. In the days following, Donlin Gold LLC – together with the State of Alaska, several other community organizations, companies, and individuals – stepped in to provide drinking water, buckets for carrying and storing water, sanitary wipes, diapers, and other health supplies. Donlin Gold LLC team members traveled to Tuluksak via the ice road and delivered 100 five-gallon reusable containers of water to be distributed to each household in the community. Shortly after the fire, Donlin Gold LLC worked with Alaska Commercial Company and Fox Air in Bethel to deliver 120 cases of water, along with basic needs items like paper towels, baby wipes, hand sanitizer, and bar soap. Donlin Gold LLC also arranged for Desert Air to donate a DC-3 flight directly from Anchorage to Tuluksak to bring a second delivery of water tanks, containers, pumps (including hose assemblies), totes for washing and bathing, scrub brushes for cleaning, 50 more cases of water, and other supplies.

▲ Donlin Gold LLC delivers health and safety supplies to villages in the Yukon-Kuskokwim region.

In March 2021, the Thomas Lodge in Crooked Creek – the only lodging facility in the village – also suffered substantial fire damage. Donlin Gold LLC aided with labor and materials to get the building back in order and operating by May, in time for the busy summer season. Donlin Gold LLC is also working with Crooked Creek in improving the village’s water and wastewater systems; similar support is being provided to the village of Sleetmute.

In September 2021, Donlin Gold LLC worked with the State of Alaska and Calista to send fish from Bristol Bay to the Yukon villages affected by the closure of the salmon fishery to commercial and subsistence fishing. Donlin Gold LLC assisted with distribution and logistics to deliver fish to more communities on the Yukon River who had been devastated by the dismal numbers of returning salmon to their river. Food security is an ongoing issue in rural Alaska communities, particularly cultural foods like salmon. Donlin Gold LLC has committed to supporting additional food security programs in the Y-K region.

Donlin Gold LLC sponsored the Calricaraq (“to practice good health”) team from the Yukon-Kuskokwim Health Corporation to travel to area villages to support residents and families who have lost loved ones to suicide – a heightened challenge in remote villages, especially during the COVID-19

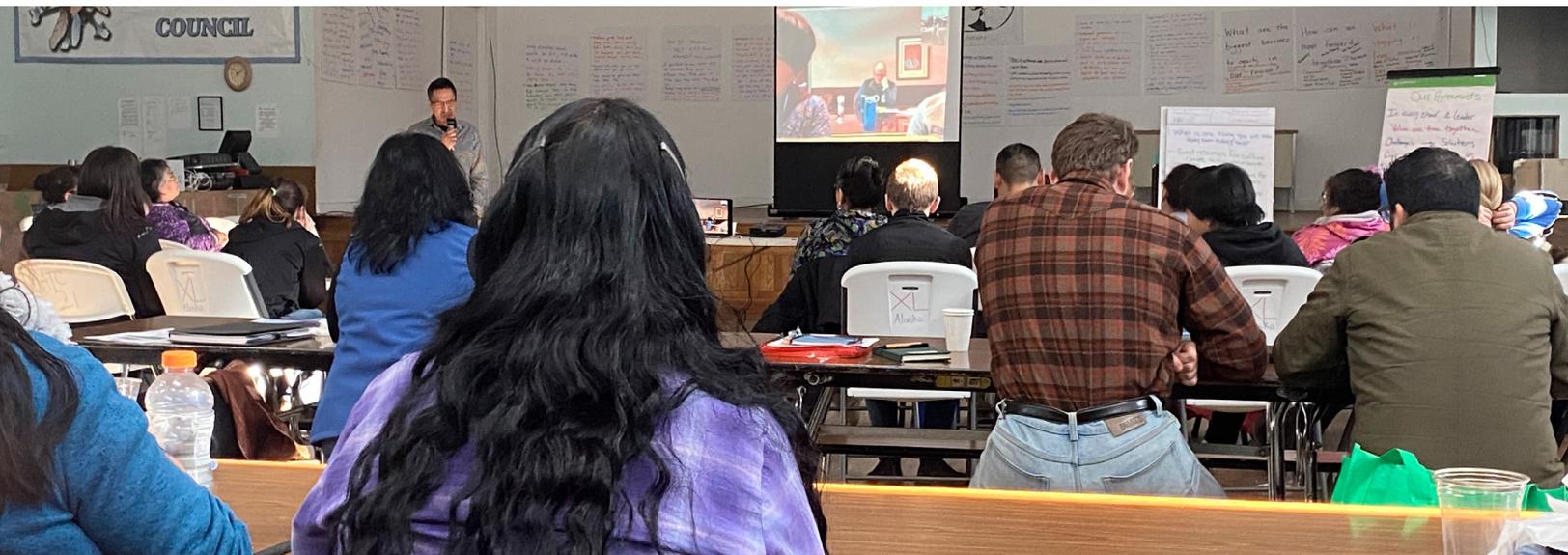
pandemic. This program helps communities deal with generational trauma and find healthy ways to grieve.

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 May of 2021, we sponsored and participated in the Mining for Miracles Pie Throw, a fundraising event in support of the BC Children’s Hospital in Vancouver. Each year, senior leaders from across the industry are paired up in a friendly fundraising competition, with the one raising the most money earning the right to toss a pie at the other. NOVAGOLD president and CEO Greg Lang participated and helped raise funds for the Cellular and Regenerative Medicine Centre.

In 2021, NOVAGOLD employees participated in and contributed to the Lotus Light COVID-19 Community Caring campaign, which helped distribute more than 1.25 million pounds of hand sanitizers and wipes to thousands of organizations in British Columbia, Ontario, and overseas; provide financial support for the Lotus Light Emergency Kitchen; and provide care packages, disposable masks, and weekly hot meals to Vancouver’s Downtown Eastside impoverished community.





COMMUNITY ENGAGEMENT

Donlin Gold LLC has a strong 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. As an example of this approach, Donlin Gold LLC will continue 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 composed of senior leadership from Calista and TKC, who advise the Donlin Gold LLC board on issues of specific interest to the communities.

Typical stakeholder engagement has also 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. Since early 2020, the sustained threat of the COVID-19 pandemic in Alaska has deepened already strong relationships while introducing the Donlin Gold LLC community relations team to new – and primarily virtual – collaborations with villages in the Y-K region. Donlin Gold LLC had more than 1,065 contacts with key individual stakeholders and community organizations across 56 communities in the Y-K region in 2021, many more than the pre-pandemic number of contact events, with most communication occurring by telephone or video conference. While we hope to return to more in-person engagement and interaction, the ability to expand the reach and communication channels with stakeholders has been incorporated into our 2022 outreach planning. From regular engagement with Tribal councils to seeking partnerships with new parties, staying connected and advancing key activities and projects throughout the region is welcomed and increases transparency. A detailed stakeholder engagement plan guides activity at the project level and uses stakeholder identification while considering level of responsibility, influence, proximity, dependency, and representation in the project region.

▲ Public meeting for the Donlin Gold project.

REDUCING WASTE AND HELPING THOSE IN NEED

NOVAGOLD Vancouver office manager Gia Tran has been a volunteer for the Lotus Light Charity Society since 2007, contributing to the local community and helping others in a time of need. Gia started the Lotus Light Food Recovery Program, which provides over 150,000 pounds of food to benefit low-income meal programs and charity soup kitchens. Today, the program donates 10,000 pounds of food each month from warehouses, restaurants, bakeries, and grocery chains.

“So many working-class families and individuals are struggling to afford housing and life’s necessities in general, and now it’s worse due to record inflation. Many are just unable to make ends meet. I see these weekly food recovery efforts as a great opportunity for us to give back and help save perfectly good food from going to our landfills,” said Gia.

During the COVID-19 pandemic, Gia initiated several projects to help communities across metro Vancouver. In 2020, she started the Lotus Light COVID-19 Community Caring Drive, distributing over 390,000 pounds of food to emergency food hubs, independent food banks, community kitchens, and school meal programs. She obtained funding to start and operate the Lotus Light Emergency Kitchen, which has provided over 20,000 nutritious hot meals, fruits, and snacks for the homeless and seniors in Vancouver’s Downtown Eastside neighborhood. She also initiated the Lotus Light Hand Sanitizers Project, distributing over 1.25 million pounds of hand sanitizers and disinfectant wipes to hundreds of charities and organizations. She was instrumental in securing funding for the Lotus Light Mask Drive, which distributed more than 25,000 masks to low-income families, frontline hospital workers, homeless shelters, seniors, and schools and community centers.

This is only a fraction of the work that Gia does throughout the year. She finds great joy in connecting with people at work, in the industry, and through her community. Her contributions and devotion to the community have been extraordinary, and we are very grateful to have her working at NOVAGOLD.



SPONSORSHIPS

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

In winter 2020-21, Donlin Gold LLC, in partnership with TKC, the village of Crooked Creek, and the Napaimute Tribe, was the lead sponsor of a program to construct and maintain the upper portions of the ice road on the Kuskokwim River. The ice road greatly improves safety and access to nearby communities for residents in remote locations. At its completion in February 2021, the Kuskokwim River ice road was approximately 200 miles long.

Another initiative was a partnership with KSKO Radio to purchase hand-held radios for five middle Kuskokwim villages. This initiative expands the reach of public radio to communities where internet connectivity is lacking. Every home in this remote region now has access to important information from the Y-K region, including local news and weather updates.

The Kuskokwim 300 is one of the premiere mid-distance dog sled races in the world, covering a 300-mile trail stretching from Bethel across tundra and the Kuskokwim River to Aniak upriver and back. It is a popular regional event that is supported through community investment funding by Donlin Gold LLC. In January 2020, prior to the arrival of COVID-19 in Alaska, Pete Kaiser, a Donlin Gold LLC-sponsored musher and 2019 Iditarod sled dog race champion, won the Kuskokwim 300. He was born and raised in Bethel and is the first Yup'ik musher and the fifth Alaska Native to win an Iditarod championship.

Mr. Kaiser takes a leadership role in speaking with youth in the community about suicide prevention. Suicide is the second leading cause of death in the United States among individuals between the ages of 10 and 34. Based on CDC 2019 data, Alaska has the second-highest suicide rate of any state, and it is the leading cause of death among Alaska youth over the age of 15.

Donlin Gold LLC also sponsored four Iron Dog teams for the annual snowmobile race in February 2021. The Iron Dog is the world's longest snowmobile race and covers more than 2,600 miles as it traverses the Alaskan backcountry. These races are a tradition in the region and receive much local support, international media coverage, and fans along the route.

In fall 2021, Donlin Gold LLC entered into a 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. Donlin Gold LLC is also a sponsor of the RurAL CAP Elder Mentor Program that connects youth with Elders in Alaska to share their values and knowledge with younger generations and supports academic engagement and school readiness statewide.

COMMUNITY STATS	2021	2020
direct payments, sponsorships, and community initiatives	\$3M	\$3M
engagements with more than 56 Y-K communities and other stakeholders	1,065	320
purchases from 1,283 Alaska-based suppliers	\$9.8M	\$8.0M
native villages that Donlin Gold LLC employees call home	20	18

- The 2022 Kuskokwim ice road, a 270-mile-long plowed and marked road that significantly improved safety and access to 17 communities in the Y-K region for residents in remote locations.





- ▶ Donlin Gold LLC mechanic Jayden Duny during the 2021 drill program.
- ▶ The Boart Longyear drilling team participated in Donlin Gold's 2021 drill program. The 79-hole, 24,264-meter program produced multiple significant gold intercepts.



People

“People play a critical part in ensuring the responsible and successful advancement of the Donlin Gold project — from our corporate office teams to those at the Donlin Gold site, Native Corporation partners Calista and TKC, local stakeholders, contractors and suppliers, all of whom have diverse roles that are deeply valued. The promotion of economic self-reliance among Native communities, through hiring preferences and employment opportunities, economic diversification, maintenance of a subsistence lifestyle, and preferential contract considerations for Native-owned suppliers can bring prosperity to one of the poorest regions in the U.S.”

Mélanie Hennessey

*Vice President, Corporate Communications
NOVAGOLD RESOURCES INC.*

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 Statement, and the company's policy, 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 takes into account 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.

During 2021, NOVAGOLD's management adopted the following Diversity, Equity and Inclusion Statement applicable to employees:

NOVAGOLD is committed to fostering, cultivating, and preserving a culture of diversity, equity and inclusion.

Our employees are one of the most valuable assets we have. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities, and talent that our employees invest in their work represents a significant part of our culture, reputation, and NOVAGOLD's achievements.

NOVAGOLD is dedicated to creating an inclusive work environment for everyone. We embrace and celebrate the unique experiences, perspectives, and cultural backgrounds that each employee brings to our workplace. NOVAGOLD strives to foster an environment where our employees feel respected, valued and empowered, and our team members are at the forefront in helping us promote and sustain an inclusive workplace.

NOVAGOLD's diversity initiatives are applicable – but not limited – to our practices and policies on recruitment and selection; compensation and benefits; professional development and training; promotions; and the ongoing



development of a work environment built on the premise of gender and diversity equity. To that end, we seek out qualified diverse candidates to encourage them to apply for open positions, either from within or outside of the company. We also seek out opportunities to develop a pipeline of qualified diverse candidates in a particular profession when we are unable to find them ourselves.

We encourage:

- ▶ Respectful communication and cooperation among all employees.
- ▶ Teamwork and employee participation, fostering the

representation of all employee perspectives.

- ▶ Work/life balance through flexible work schedules to accommodate employees' varying needs.
- ▶ Learning about and, where appropriate, providing assistance in the communities near NOVAGOLD's projects to promote a greater understanding and respect for diversity in those communities.
- ▶ Employees who believe they have been subjected to any kind of discrimination that conflicts with the company's diversity policy and initiatives should seek assistance from a supervisor or an HR representative.



In January 2022, NOVAGOLD's board adopted a Diversity, Equity and Inclusion (DEI) Policy to formalize a framework for inclusion and to promote diversity in 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 principles and a process to achieve the board's diversity aspirations.

Selection of individuals for all positions with NOVAGOLD is further 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 give 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 with paid time off when volunteering locally, either with their professional organizations or through non-profit community organizations.

In January 2015, NOVAGOLD adopted a Human Rights Policy accepting and embracing our responsibility to respect human rights as per the Universal Declaration of Human Rights, and as articulated within 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.

▲ Donlin Gold LLC's Samantha Angaiak-Miller, communications & community liaison coordinator.

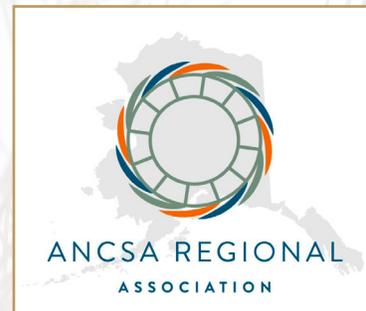
Gerald Beans, environmental technician.

ANCSA CELEBRATES 50 YEARS

The Alaska Native Claims Settlement Act (ANCSA) of 1971 constituted a new approach in U.S. federal policy toward Native people and in the decades since it was enacted, the Act has become critical to responsible resource development in Alaska. The creation of ANCSA extinguished aboriginal land title in Alaska. It divided the state into 12 regions and mandated the creation of 12 private, for-profit Alaska Native regional corporations and more than 200 private, for-profit Alaska Native village corporations. One hundred percent of the profits must be returned to Alaska Native shareholders in the form of dividends, scholarships, employment, and training opportunities, or whatever manner the Alaska Native corporation boards of directors choose. Through ANCSA, the federal government transferred 44 million acres – and funds to compensate for land taken – to corporate ownership by Alaska Native shareholders under Alaska Native regional and village corporations defined by common heritage and shared interests of the Indigenous people within each geographic area.

ANCSA's 50th anniversary recognizes the profound difference it's made in creating the first socially responsible, for-profit corporations tasked with promoting social, cultural, and economic advancement of Alaska Native shareholders, their descendants, and communities – and all of Alaska – in perpetuity. This important milestone is also an opportune time to celebrate Donlin Gold LLC's Alaska Native Corporation partners and the many Calista and TKC shareholders who are current or former employees.

In September 2021, the board of directors of the ANCSA Regional Association – an association of the twelve ANCSA regional corporations – unanimously passed a resolution in support of the Donlin Gold project. While some of the obvious benefits of the project will be to create jobs, education, and training opportunities for Calista and TKC shareholders and their families, the resolution also acknowledges the economic benefit that will flow to all Alaska Native Corporation shareholders. It highlights that these gains will not only benefit the Y-K region, but also, pursuant to provisions under ANCSA Section 7(i) and 7(j), "distributions from the Donlin Gold project will benefit the shareholders and families of the twelve ANCSA regional corporations and more than 200 village corporations throughout the State of Alaska.



The early Y-K region leaders who founded Calista chose the Donlin Gold area lands under ANCSA so that future generations of Alaska Native shareholders would own the land and use their influence to protect water, fish, and the subsistence way of life while sustainably developing resources – all for the benefit of additional future generations of Alaska Natives. Strict environmental oversight is the top priority of the Donlin Gold project and is the legacy of the first Alaska Native leaders who founded Calista and chose the Donlin Gold lands for their resource-development potential.”*

As representatives of key stakeholders in the State of Alaska, the support of the ANCSA Regional Association for the Donlin Gold project is greatly appreciated.

* ANCSA Regional Association Resolution 21-01 "Support for Donlin Gold Mine Project" dated September 16, 2021.

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

Finally, the NOVAGOLD Mining and Geological Engineering Scholarship at the University of Alaska was established to help support and encourage undergraduate students seeking bachelor's degrees in mining or geological engineering, with a focus on supporting underrepresented student populations.

DONLIN GOLD LLC

Donlin Gold LLC promotes economic self-reliance among 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 royalty streams and compensation payments, and environmental restoration and protection.

As indicated previously, for the 2021 drill program, 70 percent of Donlin Gold LLC's direct hires were Alaska Natives from 20 villages in the Y-K region. In 2020, 80 percent of the direct hires were Alaska Natives from 18 villages in the Y-K region. This is a continuation of the success of Donlin Gold LLC's local hiring program initiated during the exploration phase, and clearly demonstrates that the development of a skilled local workforce is an achievable goal.

Access to training and education are two of the important areas where we collaborate with our Native Corporation partners. For example, scholarships are awarded to students selected by Calista and TKC and funded by Donlin

Gold LLC. Calista has awarded over \$360,000 in scholarships to 390 students, 264 of whom attended, or are attending, Alaska post-secondary institutions. Among the scholarship recipients there are 45 Y-K villages represented, with chosen majors including business, education, engineering, health, humanities, and Indigenous studies.

Access to training and education are two important areas in which we collaborate with our Alaska Native Corporation partners. Again in 2021, Donlin Gold LLC was the primary sponsor of Lower Kuskokwim School District's annual college and career fair, which was held virtually in April, with participation by a record 42 vendors and over 100 students. 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 STATS	2021	2020
direct hires for Donlin Gold's drill program were Alaska Natives	70%	80%
Donlin Gold LLC employees are Alaska Natives and Tribal members	50%	50%
NOVAGOLD's employees are women	46%	46%
NOVAGOLD's employees are ethnic minorities	8%	8%
NOVAGOLD's board members are women	30%	30%
NOVAGOLD's board members are ethnic minorities	40%	40%

► Lead geologist Catherine Kim looks at a core sample in the Donlin Gold core shack.





◀ NOVAGOLD President and CEO Greg Lang with Pathfinder pilot Cullen Lester at the NOVAGOLD & Barrick site visit in September 2021.



Governance

“Our independent corporate governance and nominating committee has recently used robust searching procedures to augment our board’s diversity by gender, ethnicity, and age – while ensuring an already excellent standard of competence and skill. We’ve adopted a diversity mandate at both the management and board levels, and periodically review our processes for adherence to all mandates and policies. We’re constantly reviewing the best practices available to find applicable initiatives that suit our corporate goals for continuous improvement. And we’re pleased not only with our progress, but also with the benefits this top-of-mind perspective and prompt execution of initiatives has given to NOVAGOLD.”

Sharon Dowdall

*Corporate Governance and Nominations Committee Chair
NOVAGOLD RESOURCES INC.*



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 investors, employees, regulatory agencies, 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 regarding the executive and director compensation programs.

At NOVAGOLD we recognize the importance of having not only the right policies and practices in place, but also the

relevant oversight and insight to global change as it pertains to the company and its project. This will ensure the company will continue to adjust and respond to our rapidly changing world and to best serve the company's stakeholders.

NOVAGOLD is revisiting its established enterprise risk management (ERM) policies, transitioning to a fully integrated approach to ERM. This will incorporate sustainability-focused risks and actions into the complete risk profile and ensure they will be assessed and managed in conjunction with risks pertaining to finance, technology, legal, and other focus areas. Understanding the dependencies between risks and control strategies results in optimized business planning and identification of areas needing further challenge and scrutiny. NOVAGOLD's ERM policies and practices are being integrated into our overall planning, strategy, and goals process, and will be reviewed regularly with the board.

The board is 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 and corporate governance and nominations committees, monitors changes in regulatory requirements and best practices. Strong corporate governance helps us achieve our performance goals and maintain the trust and confidence of our investors, employees, regulatory agencies, and other stakeholders.

CORPORATE GOVERNANCE SUMMARY

DIRECTOR INDEPENDENCE

- ▶ Nine of our 11 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 shareholder engagement involved reaching out to holders of approximately 90 percent of our shares in 2021.
- ▶ 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.

BOARD PRACTICES AND GOVERNANCE

- ▶ Our board regularly reviews its effectiveness.
- ▶ 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

- ▶ In August 2020, our board increased the share ownership requirements for our directors and our CEO.
- ▶ Our directors must hold at least \$128,400 (three 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 his 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 their annual base pay.
- ▶ Hedging or pledging of NOVAGOLD stock is prohibited for directors as well as employees.
- ▶ NOVAGOLD encourages its employees to be shareholders in the company by making share-based compensation and employee stock purchase programs available to all employees.

BOARD OVERSIGHT OF RISK MANAGEMENT

- ▶ Our board reviews NOVAGOLD's systematic approach to identifying and assessing risks faced by NOVAGOLD and its projects.
- ▶ See the chart on the following page for a description of the board's allocation of risk assessment oversight.





BOARD OF DIRECTORS

- ▶ oversight of 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 CD&A
- ▶ reports to the board following each regular committee meeting



CORPORATE GOVERNANCE AND NOMINATIONS COMMITTEE

- ▶ overall corporate governance leadership
- ▶ provide recommendations regarding board and committee composition and performance in accordance with the board Diversity, Equity, and Inclusion Policy
- ▶ oversight of regulatory compliance and corporate governance initiatives
- ▶ reports to the board following each regular committee meeting



ENVIRONMENT, HEALTH, SAFETY, SUSTAINABILITY, AND TECHNICAL COMMITTEE

- ▶ oversight of both development and implementation of NOVAGOLD's health, environmental, safety, and sustainability policies
- ▶ advise board on technical aspects of capital projects
- ▶ review NOVAGOLD's disclosures containing technical, environmental, health, safety, and sustainability information
- ▶ reports to the board following each regular committee meeting



CORPORATE COMMUNICATIONS COMMITTEE

- ▶ conduct periodic reviews of the company's investor communications to ensure compliance with the disclosure policy and consistency of corporate messaging
- ▶ review and develop appropriate messaging for the company with regard to strategic objectives and future plans
- ▶ review and provide comments on draft investor communications and work with company management and the disclosure committee to settle all investor communications prior to release or use
- ▶ receive reports from the CEO regarding compliance with, and any matters arising under, the disclosure policy

2021 SUSTAINABILITY SUMMARY

NOVAGOLD is focused on precious metals and the development of its Donlin Gold project in Alaska, owned in equal partnership with the second-largest global gold producer: Barrick Gold Corporation. The project is at the development level and permitting stage. No construction decision has been made. Donlin Gold LLC is a committed partner with the Alaska Native communities both surrounding the project and within the state as a whole. An important factor that distinguishes the Donlin Gold project from most other mining assets in Alaska is that the project is located on private land that was designated for mining activities five decades ago.

2021 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	1	Reportable, but not immediately, to government agencies, within site boundary, no impacts to surface or ground water; or multiple wildlife mortalities of non-protected species.	0	Reportable, but not immediately, to government agencies, within site boundary, no impacts to surface or ground water; or multiple wildlife mortalities of non-protected species.
Class III - Low	1	Not reportable to government agencies, minimal impact within site boundary, and no more than one wildlife mortality.	0	Not reportable to government agencies, minimal impact within site boundary, and no more than one wildlife mortality.
How Many Environmental Incidents were Reported to the Authority?	1		0	
Non-Compliances				
Air	1	Non-compliance not related to any emissions but to a late report.	0	
Water	3	Administrative violations of permit conditions, not for any environmental effects	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	

Item	Donlin Gold LLC		NOVAGOLD	
	Value	Comments	Value	Comments
Spills				
Number of Spills	1	None reportable to agencies, none to water, all less than 10 gallons to land.	0	
Volume of Oil Spills - Liters	3	None reportable to agencies, none to water, all less than 10 gallons to land.	0	
Volume of Fuel Spills - Liters	0		0	
Volume of Waste Spills - Liters	0		0	
Volume of Chemical Spills - Liters	0		0	
Volume of Other Spills - Liters	0		0	
Closure and Rehabilitation				
Total Land Disturbed and Not Yet Rehabilitated at Start of Reporting Period - Hectares	0.03	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	6.15	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	2.75	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)	2.75	All land disturbance is associated with limited exploration level activities, no on-site mine waste or water management facilities.	0	
Waste				
Hazardous Waste Produced - Tonnes	0		0	
Non-Hazardous Waste Produced - Tonnes	27		0	With office shutdowns in 2021, non-hazardous waste generation was minimal in NOVAGOLD offices (< 50 pounds, rounded to zero tonnes)
Hazardous Waste Recycled - Tonnes	0		0	
Non-Hazardous Waste Recycled - Tonnes	0		0	
Total Reused - Tonnes	0		0	
Total Waste to Landfill - Tonnes	21		0	
Total Waste Incinerated - Tonnes	6		0	
Mercury Produced as a By-Product / Co-Product - Tonnes	0	No production or processing at Donlin Gold	0	
Emissions				
NOx - 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	
SOx - 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 - PM 10 - µg/m3	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		1,129	Includes Salt Lake City and Vancouver offices
Groundwater - Cubic Meters	1,684	All returned to ground after treatment	0	
Total Withdrawals - Cubic Meters	1,684		1,129	

Item	Donlin Gold LLC		NOVAGOLD	
	Value	Comments	Value	Comments
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	814,023		0	
Diesel Used for Power Generation - Liters	137,305		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	246,515		0	
Propane Used - Liters	4,508		0	
Petrol / Gasoline Used - Liters	11,966		0	
Aviation Fuel Used	118,485		0	
Total Scope 1 GHG Emissions - Tonnes of CO ₂	1,084		0	
Scope 1 GHG Emissions from Diesel - Stationary	369		0	
Scope 1 GHG Emissions from Diesel - Mobile	661		0	
Total Scope 2 GHG Emissions	0		34	

2021 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 25, 2022, available at www.sec.gov, www.SEDAR.com or on NOVAGOLD's website at www.novagold.com/investors/invest/.

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	11	64	7	High ranges of Donlin Gold LLC employees in all rows reflects the seasonal nature of work at the project site.
Female Employees	10	17	6	In 2021, women comprised 46 percent (six of 13) of NOVAGOLD's employees.
Male Contractors	1	1	0	
Female Contractors	0	0	0	
Local Employees	18	75	Not applicable	"Local" is defined as Alaska
Regional Employees	2	30	Not applicable	"Regional" is defined as Yukon-Kuskokwim region
Shareholder Employees	6	46	Not applicable	"Shareholder" refers to having a relationship with Calista or TKC*
National Employees	21	81	13	"National" for Donlin Gold LLC refers to the USA; For NOVAGOLD, to USA and Canada
Foreign National Employees	0	0	0	All employees / contractors are U.S. or Canadian citizens
Local Senior Managers	6	6	Not applicable	
Regional Senior Managers	0	0	Not applicable	
National Senior Managers	6	8	Not applicable	
Foreign National Senior Managers	0	0	Not applicable	All employees / contractors are U.S. or Canadian citizens

* 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 Non-Management Employees who are Female	6	14	5	"Non-Management" for NOVAGOLD means non-executive
Number of Management-Level Employees who are Female	3	3	1	"Management" for NOVAGOLD means executive
Local Contractors	0	0	Not tracked	
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	65		0	Field season ended, Camp closure
Total Number of Employees Who Left the Organization Due to Dismissal	5		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	820		Not tracked	
Hours of Environmental Training for Employees and Contractors	353		Not tracked	
Hours of Health, Safety, and Emergency Response Training for Employees	388		Not tracked	
Hours of Health, Safety, and Emergency Response Training for Contractors	108		0	
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
Health and Safety				
Near Misses	11		0	
First Aid / Minor Injury	4		0	
Medical - Days of Restriction	12		0	
Hours Worked - Employees and Contractors	171,292		Not tracked	
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	1.16		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.

Item	Donlin Gold LLC		NOVAGOLD	Comments
	Total OR			
	Low (if applicable)	High (if applicable)		
Human Rights				
Number of Employees Trained on Human Rights	71		13	
Number of Human Rights Grievances Escalated to Legal	0		0	
Business Ethics				
Number of Reportable Code of Conduct Breaches Reported in the Fiscal Year	0		0	
Number of How Many Hours of Training on Anti-Corruption Received in the Fiscal Year	71		Not tracked	
Purchases				
Purchases from Regional Suppliers - \$USD	\$	821,071	Not tracked	Good / Services from Y-K region
Purchases from Local Suppliers - \$USD	\$	9,800,220	Not tracked	Regional and Local (Alaska)
Purchases from National Suppliers - \$USD	\$	16,931,030	Not tracked	Regional, Local, and National (US)
Purchases from International Suppliers - \$USD	\$	7,221,612	Not tracked	International only
Suppliers				
Number of Regional Suppliers	490		Not tracked	"Regional" is defined as Yukon-Kuskokwim region
Number of Local Suppliers	1,283		Not tracked	"Local" is defined as Alaska
Number of National Suppliers	2,103		Not tracked	Regional, Local, and National (US)
Number of International Suppliers	150		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	
Vibrations	0		0	
Other	1		0	
Grievances Resolutions				
Total Number of Grievances Remaining From the Previous Period	0		0	
Total Number of Grievances Received	1		0	

Item	Donlin Gold LLC		NOVAGOLD	Comments
	Total OR			
	Low (if applicable)	High (if applicable)		
Community Engagement				
Number of Engagements with Local Community Members	1,065		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	\$	153,699	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	\$	244,694	Not applicable	
Arts, Culture & Sports - \$USD	\$	415,491	Not applicable	
Environment - \$USD	\$	387,936	Not applicable	
Economic Development - \$USD	\$	49,110	Not applicable	
Infrastructure - \$USD	\$	42,000	Not applicable	
Water Infrastructure - \$USD	\$	0	Not applicable	
Community Engagement - \$USD	\$	20,697	Not applicable	
Other - \$USD	\$	7,006	Not applicable	
Scholarships Provided - Quantity	\$	370,875	Not applicable	
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 25, 2022 and posted to www.sec.gov, www.SEDAR.com or the NOVAGOLD website at www.novagold.com/investors/invest/.

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	Not Applicable	
Status of Operations	Not Applicable	
Ownership	Publicly traded corporation 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: https://www.novagold.com/_resources/governance/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 at https://www.novagold.com/investors/financials/	
Values, Principles, Standards, and Norms of Behavior	See https://www.novagold.com/_resources/governance/Code-of-Business-Conduct-and-Ethics-2014-01-10.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-2014-01-10.pdf (novagold.com)	
Mechanisms for Advice and Concerns about Ethics	Yes. Applicable policy: Code-of-Business-Conduct-and-Ethics-2014-01-10.pdf (novagold.com)	

Governance Item	Value	Additional Comments
Whistleblower Policy or Programs, Including Confidential Hotline and Stated Protection of Whistleblowers	Yes. Applicable policy: Code-of-Business-Conduct-and-Ethics-2014-01-10.pdf (novagold.com)	
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 91-104 of Management Proxy Circular dated March 25, 2022	
Board Member or Board Committee Responsible for ESG Issues	Applicable resources: https://www.novagold.com/_resources/governance/Corporate-Governance-and-Nominations-Charter-updated-Jan-27-2021.pdf and https://www.novagold.com/_resources/governance/EHSS-Technical-Committee-Charter-2016-11-18.pdf	
Composition of the Highest Governance Body and its Committees	The Board of Directors is the highest governing body, consisting of 10 Directors, eight of whom are independent. There are five standing committees: Audit; Compensation; Environment, Health, Safety, Sustainability and Technical; Corporate Governance and Nominations; and Corporate Communications. https://www.novagold.com/company/directors/	
How many Women / What Proportion of Women are on the Board	3 of 10, or 30%	
How many Directors Serve on the Board	10	
Board Diversity and Board Independence	Yes. See page 96-100 of Management Information Circular dated March 25, 2022 regarding Board independence and pages 100-103 regarding Board diversity	
Diversity Programs	See pages 96-100 of Management Information Circular dated March 25, 2022	
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 95-96 and 100-101 of Management Information Circular dated March 25, 2022 and the Code of Business Conduct and Ethics: https://www.novagold.com/_resources/governance/Code-of-Business-Conduct-and-Ethics-2014-01-10.pdf	
Role of the Highest Governance Body in Setting Purpose, Values, and Strategy	See pages 91-104 of the Management Information Circular dated March 25, 2022	
Collective Knowledge of Highest Governance Body	Board of Directors is highest governance body; see biographies of Directors at https://www.novagold.com/company/directors/ and additional Director background in the Management Information Circular dated March 25, 2022	
Evaluation of the Highest Governance Body's Performance	See pages 103 of the Management Information Circular dated March 25, 2022	
Remuneration Policies	See Management Information Circular dated March 25, 2022	
Responsibility for Board and Executive Compensation	See pages 29-59 of Management Information Circular dated March 25, 2022 and the Code of Business Conduct and Ethics: https://www.novagold.com/_resources/governance/Code-of-Business-Conduct-and-Ethics-2014-01-10.pdf	
Process for Determining Remuneration	See Compensation Discussion and Analysis and Non-Executive Director Compensation in the Management Information Circular dated March 25, 2022	
Has the Company Adopted an Advisory Executive Compensation "Say on Pay" vote?	Yes, vote held annually	In 2021 shareholders cast 96.5% votes in favor of "Say on Pay"
Approach to Shareholder Engagement	Maintaining an active shareholder engagement program continues to be 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 2021, NOVAGOLD placed calls to or met in person with all of its shareholders owning 40,000 shares or more; in other words, NOVAGOLD contacted or attempted to contact its owners holding approximately 92% of the Company's issued and outstanding Common Shares entitled to vote at NOVAGOLD's 2021 annual meeting of shareholders. We plan to continue to regularly engage with our shareholders.	

Governance Item	Value	Additional Comments
Date of Most Recent Annual Financial Report	Annual Report on Form 10-K filed January 26, 2022	
Financial Reporting Cycle	2021 annual financial results reported January 2022. Q1 2022 financial report on Form 10-Q filed April 5, 2022; additional Form 10-Q filings planned in June 2022 and October 2022.	
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 https://www.novagold.com/_resources/governance/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 102 in the Management Information Circular dated March 25, 2022	
Operations and Suppliers at Significant Risk for Incidents of Child Labor	No. All operations and suppliers exist 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 exist under U.S. or Canadian regulations and standards of practice	
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 2021.
Employee Training on Human Rights Policies and Procedures	All employees affirm their commitment to the Code of Business Conduct and Ethics annually	
Anti-Bribery & Anti-Corruption		
Anti-Bribery & Anti-Corruption Policy	https://www.novagold.com/_resources/governance/Anti-Corruption-Anti-Bribery-Anti-Fraud-Policy-2020-03-05.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 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-2021.pdf (novagold.com)	

"Not Tracked" indicates that the measurement may be deemed Applicable but may be measured and reported in future.
"Not Applicable" indicates that the measurement may only be applied at the project or corporate level.



DONLIN GOLD LLC

Donlin Gold LLC is committed to addressing concerns raised by residents of the Y-K region through its ongoing stakeholder engagement efforts. Y-K region stakeholders regularly request information or share topics of concern with Donlin Gold LLC's community relations staff, including employment opportunities, timing of project development, and increased health and safety protocols related to COVID-19.

Community concerns or complaints may be conveyed in person or by telephone with one of Donlin Gold LLC's community development or community relations personnel or submitted through an anonymous online contact form. There were no grievances related to human rights filed in 2021. One grievance was filed with Donlin Gold LLC related to its sponsorship of the Iditarod sled dog race. Donlin Gold LLC responded by describing the comprehensive measures implemented by race organizers to ensure dog health and safety. There were no unresolved complaints outstanding at the end of the previous year.

NOVAGOLD

NOVAGOLD welcomes comments, questions, or suggestions about this report and related information. Please send your feedback to info@novagold.com. This report and additional ESG information can be seen on our sustainability webpage at www.novagold.com/sustainability. Information and details about goal-setting methodology, practices, and measurement can be found in the 2022 Management Information Circular dated March 25, 2022, and available on www.sec.gov, www.sedar.com, and www.novagold.com. If you haven't already done so, please subscribe to NOVAGOLD's email list and follow us on social media to ensure you don't miss our corporate updates.

Cautionary Note Regarding 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. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", "would" or "should" occur or be achieved. Forward-looking statements are necessarily based on several opinions, estimates and assumptions that management of NOVAGOLD considered appropriate and reasonable as of the date such statements are made, are subject to known and unknown risks, uncertainties, assumptions, and other factors that may cause the actual results, activity, performance, or achievements to be materially different from those expressed or implied by such forward-looking statements. All statements, other than statements of historical fact, included herein are forward-looking statements. These forward-looking statements include statements regarding the Company's ability to execute on and meet the targets of its sustainability goals; the completion of the Company's comprehensive tailings management plan; the impact of change in domestic and international environmental policies, regulations and permitting requirements on the Company and its operations; the outcome of the Company's aquatic habitat restoration plan; the success of the Company's community engagement; the anticipated timing of certain judicial and/or administrative decisions; the timing and potential for an updated feasibility on the project; our goals for the remainder of 2022; ongoing support provided to key stakeholders including Native Corporation partners; the potential impact of the COVID-19 pandemic on the development of Donlin Gold; the potential development and construction of Donlin Gold; the sufficiency of funds to continue to advance development of Donlin Gold; perceived merit of properties; mineral reserve and mineral resource estimates; Donlin Gold's ability to secure the permits needed to construct and operate the Donlin Gold project in a timely manner, if at all; legal challenges to Donlin Gold's existing permits; the Donlin Gold LLC Board approval to advance Donlin Gold up the value chain; the success of the strategic mine plan for Donlin Gold. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances are forward-looking statements. Forward-looking statements are not historical facts but instead represent the expectations of NOVAGOLD management's estimates and projections regarding future events or circumstances on the date the statements are made.

Important factors that could cause actual results to differ materially from expectations include the need to obtain additional permits and governmental approvals; the timing and likelihood of obtaining and maintaining permits necessary to construct and operate; the need for additional financing to explore and develop properties and availability of financing in the debt and capital markets; the coronavirus global pandemic (COVID-19); uncertainties involved in the interpretation of drill results and geological tests and the estimation of reserves and resources; changes in mineral production performance, exploitation and exploration successes; changes in national and local government legislation, taxation, controls or regulations and/or changes in the administration of laws, policies and practices, expropriation or nationalization of property and political or economic developments in the United States or Canada; the need for continued cooperation between Barrick and NOVAGOLD for the continued exploration, development and eventual construction 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, disease pandemics, non-compliance with environmental and permit requirements, unanticipated variation in geological structures, ore grades or recovery rates; unexpected cost increases, which could include significant increases in estimated capital and operating costs; fluctuations in metal prices and currency exchange rates; whether a positive construction decision will be made regarding Donlin Gold; and other risks and uncertainties disclosed in NOVAGOLD's most recent reports on Forms 10-K and 10-Q, particularly the "Risk Factors" sections of those reports and other documents filed by NOVAGOLD with applicable securities regulatory authorities from time to time. Copies of these filings may be obtained by visiting NOVAGOLD's website at www.novagold.com, or the SEC's website at www.sec.gov, or at www.sedar.com. The forward-looking statements contained herein reflect the beliefs, opinions and projections of NOVAGOLD 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.

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

INVESTOR INQUIRIES

T: 604.669.6227

Toll free: 1.866.669.6227

info@novagold.com

novagold.com

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

twitter.com/novagold

facebook.com/novagold

CORPORATE OFFICE

400 Burrard Street, Suite 1860

Vancouver, BC, Canada V6C 3A6

T: 604.669.6227

Toll free: 1.866.669.6227

F: 604.669.6272

info@novagold.com

SALT LAKE CITY EXECUTIVE OFFICE

201 South Main Street, Suite 400

Salt Lake City, UT, USA 84111

T: 801.639.0511

F: 801.649.0509

BOARD OF DIRECTORS

Dr. Thomas Kaplan

Chairman, NOVAGOLD RESOURCES INC.;

Chairman and CEO, The Electrum Group

Elaine Dorward-King^(2,3)

Corporate Director

Sharon Dowdall^(2,4)

Corporate Director

Diane Garrett^(3,4)

President, CEO, and Director, Hycroft Mining Holding Corporation

Gregory Lang^(3,5)

President and CEO, NOVAGOLD RESOURCES INC.

Igor Levental^(4,5)

President, The Electrum Group

Kalidas Madhavpeddi^(2,3)

Corporate Director

Clynton Nauman^(1,3)

CEO, Alexco Resource Corp., and

CEO, Asset Liability Management Group ULC

Ethan Schutt^(1,4,5)

Executive VP and General Counsel, Bristol Bay Native Corporation

Anthony Walsh^(1,2)

Corporate Director, Independent Lead Director,

NOVAGOLD RESOURCES INC.

Members of:

1. Audit Committee
2. Compensation Committee
3. Environment, Health, Safety, Sustainability, and Technical Committee
4. Corporate Governance and Nominations Committee
5. Corporate Communications Committee

