



**LI-METAL CORP.  
CODE OF BUSINESS CONDUCT & ETHICS POLICY**



Li-Metal Corp

## LI-METAL CORP

### CODE OF BUSINESS CONDUCT AND ETHICS POLICY 2022

#### 1 INTRODUCTION

Li-Metal Corp. (“Li-Metal” or the “Company”) is committed to conducting its business in accordance with the highest standards of governance, integrity and compliance with all applicable laws and regulations.

This Code of Business Conduct and Ethics (the “Code of Conduct”) embodies the fundamental values and standards by which all directors, officers, employees, consultants, and agents of the Company (together “Colleagues”), are expected to conduct themselves. Whilst this Code of Conduct provides the formal framework for achieving our ethical standards and commitments, we are individually and collectively responsible for ensuring the policies, standards and expectations are embodied in our day-to-day behaviors, actions, and practices to denote the Company culture.

While covering a wide range of business procedures, and standards this Code of Conduct cannot and does not cover every issue or scenario which may arise, or every situation where an ethical decision must be made, rather it sets forth the principles which represent Company policies, standards and expectations and establishes conditions for employment by the Company. Employees are bound to face new and unique circumstances not covered in our handbook. In such cases, it is our expectation that the employee will navigate the situation ethically and professionally. If they are unclear of Company expectations at any time, they are encouraged to reach out to Li-Metal’s Chief Operating Officer.

#### 2 CORE VALUES

The values fundamental to the standards and success of Li-Metal are:

*Responsibility:* Is both an individual and organizational commitment. At the individual level you are responsible for staying informed, understanding expectations, seeking guidance, raising concerns and resisting compromise. Managers and Officers of Company are additionally obligated to lead by example, be responsive, equipping and providing individuals with the resources required to allow individuals to inform themselves, and to act with fairness, integrity and honesty.

*Accountability,* meaning individuals and the company collectively taking responsibility for individuals and business actions, ensuring the appropriate use of company information, exercising diligence and applying a duty of appropriate care in the performance of all our obligations, and to avoid or identify conflicts of interest if and when they arise.

*Fairness,* meaning a commitment to acting equitably and consistently without bias in regard to race, ethnicity, nationality, gender, age, sexual orientation, family relationships, religious belief, or physical or intellectual disability.

*Integrity,* meaning a commitment to being accurate, honest, fair and transparent in our actions decisions and behavior.



Li-Metal Corp

*Honesty*, meaning a commitment to conduct which always embodies truthfulness, clarity, openness and reliability.

Li-Metal is committed to:

- Providing a safe and healthy workplace
- Operating in a responsible manner that complies with applicable laws, rules and regulations
- Promoting the prompt internal reporting of violations of the Code of Conduct and other policies applicable to the Company
- Promoting harmony and avoidance of conflicts of interest
- Providing accountability for adherence to the Code of Conduct, and
- Providing full, fair, accurate, timely and understandable disclosure in reports and documents filed with any governing body or which are publicly disclosed; and requires its directors and officers to provide leadership and direction with respect to these principles and standards.

This Code of Conduct will be reviewed annually or as necessary to reflect our business strategy.

### **3 COMPLIANCE WITH LAWS & REGULATIONS**

Li-Metal expects all Colleagues abide by this Code of Conduct and to comply with all applicable laws, rules and regulations in performing work for the Company, including without limitation, those dealing with public disclosure, insider trading, discrimination and harassment, and health and safety.

All Colleagues must also follow any new rules communicated by management from time to time and generally apply common sense and professionalism in their workplace conduct.

If there are any questions about the policies contained in this Code of Conduct, or any other Li-Metal policy, please contact the CEO or any member of the Senior Management Team.

Li-Metal will apply appropriate performance management or progressive discipline to correct employee behaviour as required.

A violation of the Code of Conduct or applicable laws, rules or regulations may lead to disciplinary action up to and including termination of employment, as well as civil or criminal liability for the Company and the person(s) involved.

As such, Colleagues will:

- Comply with all laws, rules regulations, and Company policies in connection with their work for the Company
- Seek clarification and advice if they are unsure about any law, rule or regulation or if they have questions related to any law, rule or regulation
- Never commit or condone an illegal or unethical act in any way related to or during their work for the Company, nor authorize or encourage others to act in an illegal manner
- Avoid conduct that could bring the reputation and integrity of the Company into question.



Li-Metal Corp

Li-Metal is committed to ensuring that its business operations are not used by others to facilitate any illegal unethical activity. In particular, the Company will strive to prevent its business from being used in any manner to launder money or further the interests of terrorism.

When you are experiencing a conflict of interest, your personal goals are no longer aligned with your responsibilities towards us. To avoid potential conflict of interest:

- You are not allowed to work for any party during your employment with us during company hours
- You are not allowed to work for any party during employment with us in a competitive field
- You are not allowed to have any financial or investment relationship with any clients of the company unless such relationship is transparent, fully disclosed and arm's length
- More specifically, this policy does not apply to ancillary endeavors or activities which do not harm the company in any way.

We expect you to be vigilant to spot circumstances that create conflicts of interest, either to yourself, your colleagues, or your direct reports. If you are experiencing an ethical dilemma, report it to a member of the Senior Management Team.

#### **4 RECORDS AND ACCURACY**

The Company's record keeping, and control systems are critical components of its business, and the integrity of such systems must be always maintained.

Colleagues will:

- Strive to ensure that the Company's records (including financial and bookkeeping records, public disclosure documents, reports, presentations, safety documents, monitoring data and correspondence) are complete, true, accurate and understandable, and provide assistance and information necessary to maintain them as such.
- Never use, authorize or encourage improper or deceptive accounting practices, such as falsification of books and records, that could, among other things, result in Li-Metal's operating results or performance being fallacious or misleading, or be intended to hide violations of the Code of Conduct or any applicable law.
- Never destroy, alter, or render unreadable Company records for an improper or illicit purpose and comply with the Company's records management processes, with special care being given to financial, bookkeeping and other accounting records.

The Company has a responsibility to provide full and accurate information in our public disclosures, in all material respects, about the Company's financial condition and results of operations

#### **5 TRADING ON UNDISCLOSED INFORMATION**

Using any non-public material Company information to trade in securities, or providing a family member, friend or any other person with a "tip", is illegal.



Li-Metal Corp

Any non-public Company information should be considered inside information and should never be used for personal gain. Non-public information should be viewed broadly and is not limited to financial information. These rules also apply to the use of material, non-public information about other companies (including, for example, the Company's customers, competitors, potential business partners and potential acquisition targets).

In addition, for Colleagues of the Company, these rules apply to such person's immediate family members as well as any other family members living in such person's home. The consequences of insider trading violations can be severe. You should contact General Counsel with any questions about your ability to buy or sell Company securities or other securities where you might have received non-public information through your work at the Company. You are required to comply with the Company's Insider Trading Policy. Please consult *Li-Metal Corp. Disclosure, Confidentiality, and Insider Trading Policy* for more information.

## **6 COMMUNICATIONS TO THIRD PARTIES, MEDIA OR PUBLIC**

Li-Metal is committed to ensuring that any disclosure made by the Company to its shareholders and to the public in general, and in reports and documents it files with appropriate securities regulatory authorities is made in a timely manner, is full, fair, accurate and understandable, and is broadly disseminated in accordance with all applicable legal and regulatory requirements.

Colleagues will:

- Always comply with the Company's policies regarding public disclosure
- Not respond under any circumstances to inquiries from external parties unless they are a designated spokesperson for the Company or are specifically asked to respond by such a Company spokesperson or are otherwise expressly authorized to do so by the Chief Executive Officer
- Immediately transfer media requests to, or alert of unauthorized media visits to the senior management Team. Not respond to or comment to the media
- Redirect complaints from the public or unauthorized site visits to the Company's CEO or designated senior manager

## **7 SOCIAL MEDIA**

Employees should be aware that their actions on social media may be observable by the Company and its clients. They are asked to use their best judgment to post material that is neither inappropriate nor harmful to the Company, its employees, or customers.

Any publicly shared content that is defamatory, harassing, or otherwise deemed to create a hostile work environment is in violation of Company policy.

Except for the sharing of Li-Metal's published social media content, employees are not to publish, post or release Company information on their personal social media accounts.



Li-Metal Corp

## **8 UNETHICAL PRACTICES**

Employees shall not appropriate or divert any Company assets or services for their own personal benefit. Examples include, but are not limited to:

- Unauthorized removal of equipment, materials, supplies and products
- Unauthorized retention or duplication of Company documents
- Unauthorized use of Company paid labour for personal gain
- Fraudulent expense reports.

The use, directly or otherwise, of any funds or assets of Li-Metal for any unlawful purpose is prohibited. Any unlawful activity performed during business hours or for business expediency can result in termination.

## **9 DIGNITY, RESPECT AND COURTESY**

Company's policy is to treat one another with dignity, respect and courtesy. Colleagues must not make disparaging comments about others; treating others with respect is critical to the Company's success.

## **10 DIVERSITY AND INCLUSION**

Li-Metal believes that a talented, diversified and engaged workforce is critical to its success. The Company strives to ensure that all employees are treated fairly and recognizes that the work conditions of its Colleagues, their wages or payment and their job satisfaction have deep impacts not only on the employees themselves, but also on their families, the communities in which they live and on the environment. As such, the Company believes that it is in the best interest of all parties to work together in a respectful and understanding manner and is committed to providing a safe and inclusive environment that is frank and open and provides equal opportunities to its employees.

It is expected that all Colleagues will:

- Help create a Company environment in which all can contribute and develop their talents
- Promote the Company's Zero-Harm Philosophy in their daily work and decision-making to ensure the environment's protection as well as their personal, their coworkers' and their communities' health and safety
- Treat each other and members of the community in which the Company operates with respect and courtesy
- Strive to keep the workplace free from harassment and discrimination (refer to the Workplace Harassment Prevention Policy for additional information)
- Keep an open mind to new ideas and different points of view; and
- Understand that offensive, derogatory, and inappropriate actions, messages, remarks, and jokes are never appropriate in the workplace.

## **11 EQUAL OPPORTUNITY, NON-DISCRIMINATION, AND FAIR EMPLOYMENT**

The Company's policies for recruitment, advancement and retention of employees are compliant with human rights, equality and accessibility legislation in the jurisdictions in which the Company operates



Li-Metal Corp

and forbid discrimination on the basis of any criteria or characteristic prohibited by applicable law, including but not limited to race, gender, gender identity or expression, age, colour, creed, religion, national origin, disability status, veteran status, sex, sexual orientation, or marital/family status. These policies apply to all terms and conditions of employment, including but not limited to, hiring, promotions, transfers, training, job assignments, hours of work, rates of pay, working conditions and terminations.

Our policies are designed to ensure that employees are treated, and treat each other, fairly and with respect and dignity. In keeping with this objective, conduct involving discrimination or harassment of others will not be tolerated. All employees are required to comply with any applicable Company policy on equal opportunity, non-discrimination, and fair employment.

Any individual who feels they or another individual, has been the subject of discriminatory treatment should report it immediately to the CEO or other officer of the company.

Complaints of discrimination will be investigated promptly.

## **12 WORKPLACE VIOLENCE, HARASSMENT AND DISCRIMINATION**

The Company does not permit any form of violence, harassment (including psychological or sexual harassment) or discrimination in the workplace. Colleagues are responsible and must create a work environment free of violence, discrimination, and harassment in compliance with all applicable Company policies and statutory requirements. Violence, harassment (including sexual harassment) or discrimination does not have to occur in the physical workplace or involve an employee, officer, or director to violate the Company's values or the law. All individuals are required to report all incidents of workplace violence, harassment, sexual harassment, or discrimination immediately to your manager, or otherwise as per the Company's applicable policies. All allegations of violence, harassment and discrimination will be investigated, and if appropriate, corrective, and appropriate disciplinary action will be taken. Refer to the complete Workplace Violence and Harassment policy for additional details.

## **13 OUTSIDE EMPLOYMENT**

Employees should not engage in outside business activities or employment which may be detrimental to an employee's job performance or may negatively affect the interests of the Company.

Employees are asked to disclose any outside business related to Li-Metal's business that may otherwise negatively affect the Company.

## **14 FAIR DEALINGS**

All Colleagues of the Company must endeavor to deal fairly with customers, suppliers, competitors, the public, third parties and one another at all times and in accordance with ethical business practices.

No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

No bribes, kickbacks or other similar payments in any form shall be made directly or indirectly to or for anyone for the purpose of obtaining or retaining business or obtaining any other favorable action. The



Li-Metal Corp

Company and the employee, officer or director involved may be subject to disciplinary action as well as potential civil or criminal liability for violation of this policy.

Occasional business gifts to and entertainment of non-government employees in connection with business discussions or the development of business relationships permitted in certain circumstances. As a general principle, gifts or entertainment should be given infrequently and their value should be modest. Gifts or entertainment in any form that would likely result in a feeling or expectation of personal obligation should not be extended or accepted. Please review the Company's Anti-Corruption, Sanctions Compliance & Anti-Money Laundering Policy for further details.

## **15 COMPLIANCE WITH THE CODE OF CONDUCT**

The Code of Conduct reflects Li-Metal's commitment to the highest standards of governance and ethics. As such, the Colleagues of Li-Metal are required to:

- comply with the Code of Conduct
- assist and co-operate with audits and investigations related to the Code of Conduct and other policies of Li-Metal, and
- promptly report violations of the Code of Conduct.

Colleagues of the Company who are found to have violated the Code of Conduct may be subject to disciplinary measures. Such measures may include but are not limited to, taking corrective actions with respect to the violation, suspension, demotion and possible termination of their employment or relationship with the Company. Further the Company may, where appropriate, refer the matter to relevant government authorities.

The Code of Conduct is in addition to other policies adopted by the Company that govern the conduct of Colleagues, including, but not limited to the Anti-Bribery and Anti-Corruption Policy, the Whistleblowing Policy, the Corporate Disclosure, Confidentiality and Insider Trading Policy, the Workplace Harassment Prevention Policy, the Human Rights Policy, the Environmental Policy and the Diversity Policy.

## **16 WAIVERS**

The Company may waive certain provisions of the Code of Conduct when deemed appropriate under the circumstances.

Waivers of the Code of Conduct for any officers must be approved by the Board of Directors.

Any waivers granted to a member of the Board of Directors or to an executive officer will be disclosed as required by law or relevant securities exchange regulations applicable to the Company.

## **17 UPDATES AND ACCESS**

Li-Metal will make the most current version of the Code of Conduct available to any new Colleague new at or about their time of hire or engagement and require such persons to verify they have read and understand the Code of Conduct. In addition, the Company may require its Colleague's to periodically review the current version of the Code of Conduct and verify their compliance with and understanding



Li-Metal Corp

of the Code of Conduct. Any Colleague who fails or refuses to review the Code of Conduct and to respond to a verification request by the Company may be subject to disciplinary measures up to and including termination.

The Code of Conduct is publicly available on the Company's website at [www.Li-metal.com](http://www.Li-metal.com).

## **18 QUESTIONS OR CLARIFICATIONS**

Any Colleague who is uncertain about the scope of an action he or she is about to take, who would like more information on how to interpret the Code of Conduct, or who has any other question, concern or comment regarding the Code of Conduct may contact the CEO or any of the Senior Management Team.

## **19 REPORTING VIOLATIONS OF THE CODE OF CONDUCT**

Everyone is responsible for upholding the Code of Conduct. Awareness or suspicion of a breach of the Code of Conduct or suspicious behaviour by a fellow Colleague should be immediately reported to Li-Metal's CEO.

-- END --