

# Code of Conduct



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## **General Statement**

Lynas Corporation and all of its subsidiaries and its affiliated corporations (“Lynas”), has been built through the character of its people and our shared values. These values have been fundamental to our success. Our values describe the standards by which we measure ourselves, and are the most important and fundamental principles regarding the way we do business at Lynas.

### **1.0 Introduction**

A company is no more than a group of individuals who have come together to pursue a common goal.

When a group of people work together in a long-term association, a common set of behaviours develops within the group. This set of behaviours defines the culture of the company. The culture is often implied but not stated explicitly.

At Lynas Corporation we come together from very different backgrounds. However we seek to be united in working together as a team towards our common vision.

We need, therefore, to define the things that we, as a company, believe in and commit to. These beliefs determine what we expect of our people at Lynas Corporation. They unite us and will serve as the foundations of our culture.

From these values we seek to define a set of policies that guide behaviour according to our beliefs. These policies are applicable throughout the company. They can be enhanced further by procedures that apply to the site-specific situations. At no time should policies contradict values, nor should procedures contradict policies.

It is on this foundation that we build our company.

### **2.0 Code of Conduct**

We operate in partnership with four key constituencies. All are equally important to our long-term success. They are:

- The shareholders, who have provided the capital.
- The employees, who are the company’s partners in pursuing our vision.
- The communities within which we live and work whom are profoundly affected by our presence and on whose goodwill we depend for our survival.
- Our Customers who depend on our services for their ongoing existence.

This Code of Conduct seeks to outline the principles governing our general behaviour, which will ensure that all these constituencies live in harmony.

All employees are expected to observe the highest standards of ethics, integrity and behaviour during the course of their employment with Lynas Corporation. Behaviour conforming to the Code of Conduct will be required whenever employees are on duty for the company. Serious breaches whilst off-duty (e.g. criminal charges or convictions) may also lead to dismissal.

Staff in the company are on-duty when they arrive at the office, or plant or mine until they go home at the end of the day. Additionally, they are on-duty whenever they are representing the company outside of normal working hours, using company provided accommodation, equipment, attending company sponsored functions and whenever they are travelling on company business.

Different divisions within Lynas may have some policies and guidelines that are more specific than some of those contained in this Code of Conduct to deal with particular aspects of the work environment. Employees of that division are required to comply with both this Code of Conduct and the specific policies of their division. If you receive direction from anyone or read a document that appears in conflict with the terms of this policy, you should raise the issue with a Manager, your People and Culture Department, or the Lynas Legal team.

## **3.0 The Employee and the Company**

### **3.1 Discrimination, Harassment and Intimidation**

Because we come from different backgrounds and experience, we do not all think or react the same way in every circumstance. We need to be sensitive to one another, and to understand those boundaries that we should not cross.

The company will not tolerate discrimination, harassment or repeated, unreasonable behaviour directed towards a worker or group of workers, that creates a risk to the health and wellbeing of anyone on the job. All decisions on selection, promotion and development will be based on merit and on the requirements of the position.

Work conditions, conduct or comments that make co-workers uncomfortable due to their race, colour, religious beliefs, national extraction or social origin, disability, age, marital status, family or carers responsibilities, pregnancy, gender or sexual preference are completely unacceptable. Unacceptable behaviour includes foul language, lewd or suggestive comments, sexual advances and racial or ethnic jokes that are offensive, intimidating or divisive behaviour, or fighting whilst on duty.

It is everyone's responsibility to contribute to a work environment that is positive, encouraging and enjoyable. Each of us must monitor our words and actions to ensure that we are not, intentionally or unintentionally, contributing to an offensive work environment for

our colleagues. Continued behaviour of this nature would mean that an employee is unsuitable for Lynas Corporation.

### 3.2 **Safety and Health**

A safe workplace is the shared responsibility of employer and employee. Our work environment will promote the health and well being of our staff and any other party working for us. Our goal is an injury-free workplace, one that assures that we will return home just as healthy as we were when we left.

The company will not compromise accident or injury prevention for the sake of production or profit. Safety – for oneself and for others – is the first priority of everyone’s job. Every employee has a responsibility to prevent accidents and promote safety consciousness among fellow employees and outside contractors.

We are all responsible for:

- Protecting ourselves;
- Working according to established safety procedures; and
- Extending our concern to the personal safety to co-workers

You are actively encouraged to point out safety breaches or potential hazards, either directly to the party involved, to your immediate leader or to the relevant safety officer. You are encouraged, also, to actively recommend improvements in safety procedures.

Safety policy is not just restricted to within the company and our operating locations and the offices. We require, for example, the use of seat belts in motor vehicles on or off our premises.

An incident reporting procedure has been established, and must be honestly complied with at all times.

Any breach of a safety procedure is a serious issue and may result in dismissal or other disciplinary action. A deliberate breach will result in demotion or dismissal after investigation.

### 3.3 **Drugs and Alcohol Use**

Lynas recognizes that drug and alcohol abuse can impair an employee’s ability to perform properly and can have serious adverse effects on the safety, efficiency, and productivity of other employees and the Company as whole.

Anyone reporting to work under the influence of drugs or alcohol may be dismissed, regardless of where it is consumed. Anyone “on call” for the company must not be under the influence of drugs or alcohol. Abuse, leading to unacceptable behaviour while on duty will not be tolerated.

Anyone who is perceived as having a chronic problem will be required to seek counselling and demonstrate restored job performance if they are to remain a Lynas Corporation employee.

### **3.4 Media Statements**

Only people specifically assigned the responsibility should make public statements or address the media.

## **4.0 Company Property**

### **4.1 Company Records**

All employees are expected to pay careful attention to the accurate and honest maintenance of records. The records we keep are an important company asset. Any false or inaccurate records may lead to poor, unsafe, or loss-making decisions.

No false, artificial, or misleading entries in the books and records of the company shall be made for any reason whatsoever. No payment or asset of the company which is not fully recorded in the books of accounts and which does not honestly reflect the transaction to which it relates shall be permitted.

When dealing with financial or accounting related matters, all personnel must:

- Act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships
- Comply with rules and regulations of federal, state, provincial and local governments and other appropriate private and public regulatory agencies

Act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts

### **4.2 Confidentiality of information**

Company information, as an asset of the company, is confidential and all staff should treat it as such. Staff shall not disclose to any third party any confidential information concerning Lynas, its customers or suppliers both during employment and after cessation of your employment, except as required to fulfill work obligations or as required by law.

### **4.3 Company Property and Records**

Property, which belongs to the company, is available to all qualified company employees who have an appropriate reason to use the property. Company property, in the form of company information whether written or on computer files, machinery, computers, management software such as operation information, stationary, food or any other asset

purchased or leased by the company, including medical services, transportation tools, telephone, office equipment, laundry services etc., can be used only for company business.

Guests or friends must not use company assets unless specific prior approval, in writing, has been obtained from a General Manager.

a. Email, Computers and other Communication Systems

Communication, computer, and information systems are not to be used in a way that may be unlawful, disruptive, offensive, harmful or morale, or may cause an employee to feel embarrassed or uncomfortable. Communication, computer and information systems are not to be used to compete with, disparage, or otherwise intentionally harm Lynas or its business relationships. Communication, computer and information systems of Lynas include but are not limited to e-mail, voicemail, inter-company mail, Internet, Intranet, desktop or laptop computers issued to individual employees and computer networks.

These systems are provided primarily for company business and the authorised transmission of company information. Lynas allows use of these systems for reasonable personal use providing it is consistent with the principal's outlines above. Do not attempt to gain access to another employees email or voicemail without that person's specific approval or approval from People and Culture or the Legal Department. All information maintained on computers, messages sent over email, voicemail and other communication systems are considered company records, and Lynas reserves the right to access and disclose internally or to third parties all messages where there is a business or other good faith reason for doing so. Lynas may inspect the Companies records and systems including electronic systems, and inspect the information contained in them, with or without advance notice to the employee; even when information is stored under an individual identification code or password.

b. Software and Proprietary information

It is the policy of Lynas to respect the copyrights of others and to use software licensed to Lynas in conformity with the terms and conditions of applicable license agreements. Undocumented software and illegal copies of software will not be used, maintained or supported by Lynas. It is each employee's responsibility to be familiar with restrictions on use or duplication of software so that licensing agreements are not violated or compromised. Any software owned by Lynas or created by an employee while on-duty at Lynas is an asset of Lynas and personal use of such assets is prohibited or limited as described in this code.

c. Personnel Information

Information contained within Lynas files or records relating to employee information is considered part of company records and Lynas reserves the right to utilize that information for business purposes and will disclose any such information required to be disclosed by law or court order, or upon reasonable request by law enforcement personnel.

#### d. Company Vehicles

Misuse of company vehicles is prohibited. Misuse of company vehicles includes but is not limited to, failure to properly maintain or use the vehicle in accordance with company policy (including required safety inspections as well as routine maintenance); operation of the vehicle after using alcohol or any other drug or substance which may impair the operators abilities; or operation of the vehicle in an unsafe manner.

#### 4.4 **Billing or Expense Reimbursement Records**

All billing or other records relating to expenses paid for or reimbursed by Lynas are considered corporate records. These records include, but are not limited to, phone records, mobile phone records, credit card records and other receipts or detailed information regarding such expenditures. This information must be either provided at the time the bill is submitted for Lynas payment or expense reimbursement is requested, or must be retained by the employee and provided to Lynas upon request.

#### 4.5 **Use of Company Facilities**

We understand, and support, immediate family members' interest in the place of work of the employee. Proper consideration will be given to allowing immediate family members occasional and appropriate use of company facilities. A General Manager of the company must approve all such usage in writing.

Casual use of company accommodation by non-employees is not allowed without prior written permission from a General Manager or above. Company accommodation includes hotel accommodation paid for by the company, as well as site accommodation.

### 5.0 **Ethics**

#### 5.1 **Ethical Standards**

We must be honest and fair in our dealings with customers, co-workers, members of the public, company management, suppliers and others who depend on the integrity of our behaviour.

All declarations to the company about an employee's academic results, prior employment or health condition must be open and truthful. Falsifying any information on a job application or in an employee file is regarded as a breach of trust and may result in dismissal.



## 5.2 Conflicts of Interest

All employees must have, as their primary responsibility, their relationship to the company. Whilst in the employment of the company all employees must remain free of conflicts of interest.

The following rules apply to avoid conflicts of interest:

- Any alternative employment, whilst being paid by Lynas Corporation, must be declared to and approved by the People & Culture department.
- Any directorships or official government position must also be declared to the People & Culture department. In general any employment by, or directorship of, an organisation that is a supplier or competitor of Lynas Corporation, or is in any other way in conflict with your position, is not acceptable.
- No employee who deals with a party doing, or seeking to do, business with the company shall have any economic or family relationship with this party, unless this relationship is acknowledged and approved by a Director in writing.
- No employee will do business with a close relative on behalf of the company unless the relationship has been declared and approved in writing by a Director.
- Lynas may permit relatives or those in a personal relationship to work in the same division. However, neither person should be the immediate supervisor and/or manager of the other, unless the situation is fully disclosed to and all significant actions are approved by the relevant General Manager.

More information and guidelines are contained in our Conflicts of Interest policy

## 5.3 Insider trading

Whilst the company actively encourages ownership of shares and options in the company, this imposes specific responsibilities on those shareholders. No employee is permitted to trade in the shares of the company if they are in possession of information that is not available to the general public, and that may affect the price of the company's shares. If an employee has any doubt about this they should consult the Company Secretary or CEO. The company specifically announces the opening of windows of time within which it authorises trading in shares, usually after the release of a quarterly report on the activities of the company. Trading must generally be restricted to this time. Further details are set out in the company's share trading policy.

#### 5.4 **Gifts and Entertainment**

Gifts and entertainment on company business require special mention. We recognise that gift giving is an important part of many cultures. We wish to respect those traditions. We require, however, our employees' avoid conflicts of interest and embarrassment to the company by behaving in accordance with the following guidelines.

Gifts and entertainment will only be appropriate if they meet the following tests:

- They are consistent with customary business practices and do not violate applicable law or ethical standards.
- They are not excessive in value.
- They cannot be seen as a bribe, payoff, or improper incentive.
- Public disclosure would not embarrass Lynas Corporation.

Should you be unable to refuse a gift of excessive value due to cultural requirements, you must give the gift to the company, and inform the People & Culture Department. The Executive Committee will then decide how to donate that gift.

Further details on your obligations with respect to gifts and hospitality are set out in Lynas' Anti-Bribery Policy.

#### 5.5 **Environmental Standards**

Lynas is dedicated to protecting the environment in which we live and to conserving the natural resources we use, and will conduct our business accordingly. We will respect the environment by complying with all applicable laws and regulations governing environmental protection in all countries in which we conduct operations. We will maintain a comprehensive environmental compliance program as well as educate and train Lynas employees to conduct their activities in an environmentally responsible manner. We will strive to incorporate environmental considerations within the criteria by which projects, products, processes and purchases are evaluated. We encourage the use of non polluting technologies and waste minimisation in the design of products and processes. We promote the conservation of resources and protection of the environment through recycling, reuse, and proper disposal of materials. We will anticipate and respond to public concerns about potential hazards and impacts of operations, products, wastes or services including those of global significance. We will continuously strive to improve our environmental performance taking into account technical developments, Scientific understanding, customer needs and community expectations. Implementing this policy is a primary responsibility of Lynas, its subsidiaries and each of the facility managers and their employees.

The company will not prioritise production or profit over environmental standards.

## 5.6 **Laws of the Country**

All laws of the country in which the employee is operating must be obeyed. No breaches will be tolerated.

## 5.7 **Taxes and Social Security**

All payment to employees must be fully transparent to the relevant tax authorities. It is the responsibility of each individual employee to ensure that the correct amounts of tax and social security payments are being made on their behalf. When required by government authorities Lynas will fully disclose payments made to an employee for tax or social security purposes.

## 6.0 **Political Contributions / Activities**

Any political contributions or participation in political events must be transparent, proportionate and approved by the CEO or the Board of Directors. Any political contributions are also subject to the Group's policy on delegated authority. Individuals are free to express their political views provided that at no time may those views be expressed in one's capacity as a Lynas employee.

Further details on your obligations with respect to political contributions are set out in Lynas' Anti-Bribery Policy.

## 7.0 **Reporting and Investigation**

Lynas employee who becomes aware of any issue or practice that involves potential violation of any applicable law or any provision of this code has an affirmative responsibility to report the matter immediately to senior management, People and Culture, the Lynas General Counsel or to the Disclosure Hotline using the whistleblowing procedure set out in Lynas' Whistleblower Policy.

Any breaches or potential breaches of this Code will be investigated by a Manager and/or escalated to the appropriate General Manager, People and Culture representative, Lynas Legal department or other relevant senior person within the business.

Code breaches that involve violations of applicable laws and regulations may also be referred for criminal or other prosecution, and may result in the institution of civil actions to reimburse Lynas for any losses or damages that it has suffered as a result.

## 8.0 **Consequences of non-compliance**

Failure to comply with the Lynas Code of Conduct may result in disciplinary action. Action may be taken as a result of any employee who:

- Is found to have authorised, condones, participated in, or concealed actions that are in violation of these standards
- Provides approval for or disregards a violation
- Through lack of diligence in supervision, fails to prevent or report violations
- Retaliates directly or indirectly, or encourages others to retaliate, against an employee who reports a violation of these standards; or
- Is found to be uncooperative or untruthful during an investigation into any violation or potential violation of the Lynas Code of Conduct, or any other Lynas Policy

Disciplinary actions may include, but are not limited to, verbal counselling, formal warning, demotion or termination of employment.

## **9.0 Conclusion**

This Code of Conduct is an important company document that specifies the type of behaviour that is expected from every person working at Lynas. Employees are responsible for reading and understanding their responsibilities in relation to this Code. Only the Chairman and/or CEO of Lynas Corporation Ltd can make changes to the Code of Conduct.

This Lynas Code of Conduct is not intended to confer any special rights or privileges upon specific individuals, provide greater or lesser rights under applicable law, or entitle any person to remain employed by Lynas. The Lynas Code of Conduct is not a contract, and Lynas retains the right to change, modify, suspend, interpret or eliminate any provision within this Code retroactively or proactively, at any time, with or without notice.

It is our joint responsibility to ensure that everyone working for Lynas Corporation adheres to the Code of Conduct.

The reputation of Lynas Corporation Ltd as an excellent company depends on maintaining high standards in the way we do business and how we behave. Our commitment to building and keeping an unassailable reputation will enable us to achieve our vision.