

CODE OF CONDUCT

PURPOSE AND SCOPE OF POLICY

Rainbow Rare Earths Limited (“Rainbow” or the “Company”) is committed to conducting business fairly, honestly and with integrity. Rainbow is committed to compliance with all applicable laws, rules and regulations in its countries of operation and expects the same of its directors, officers, employees, suppliers, consultants, contractors, and third-party agents.

This Code of Conduct (the “Code”) sets out the key principles of ethical and responsible conduct and standards of behaviour to which all employees and stakeholders are expected to adhere. Alongside the Company’s Whistleblowing Policy, the Code provides guidance on how to raise concerns, without fear of retaliation.

This Code should be read in conjunction with other Rainbow policies which are available on our website here: <https://www.rainbowrareearths.com/about/corporate-governance/company-policies/>.

The Code applies to all directors, officers, employees, consultants, contractors, and third-party agents of the Company and its subsidiaries (together, referred to as “Stakeholders” or “You”). References in this Code to “Rainbow”, “we”, “us” or “our” are to Rainbow and its subsidiaries.

Compliance with this Code and our policies, standards and procedures constitutes a mandatory condition for working for, or with, Rainbow.

PURPOSE AND CORE VALUES

Rainbow’s purpose is to produce the critical rare earth products required to progress the global green technology revolution in an efficient and responsible manner.

By producing critical rare earths from secondary sources, integrating environmental considerations into decision making, taking a responsible approach to business and concentrating on stakeholder value creation, Rainbow is a crucial contributor to a responsible, independent supply chain that will drive the global green energy transition.

By integrating sustainable development considerations into corporate strategy and decision-making processes, we believe we can operate in a manner which creates long-term shared value and benefits for our stakeholders and reflects our core values of:

- Zero harm
- Integrity
- Respect
- Accountability
- Transparency
- Courage

At Rainbow, we are all accountable for working in accordance with these core values, incorporating the Code into our daily activities and encouraging our colleagues to do the same.

Principle 1: Health and safety

We prioritise the safety of our workforce and are committed to implementing and maintaining strong health and safety management systems and standards at our operations. Our objective is to achieve a zero-harm working environment and we are committed to supporting employee health.

All employees are required to comply with our Occupational Health and Safety Policies and Standard Operating Procedures. If any employee is not familiar with these policies, they should contact their Line Manager. Any material breach of Occupational Health and Safety Policies or Standard Operating Procedures may be regarded as a disciplinary matter.

It is the responsibility of the Company, management, and all employees, to ensure that all work and services are undertaken in a systematic and controlled manner and at consistently high levels of conformity with health and safety best practices. We are responsible for keeping ourselves and each other safe from harm.

Additional information on the Company's commitments regarding health and safety can be found in the [Sustainability Policy](#).

Rainbow is committed to developing appropriate site-level health and safety policies at all its operations, with clear processes for hazard identification, risk assessment, evaluation and recording, which should be read in conjunction with this Code of Conduct.

Principle 2: Conducting business with integrity

Rainbow is committed to good governance, transparency, accountability and effective risk management, and to conducting business in an ethical and responsible manner.

Anti-bribery and corruption

Bribery is illegal in the UK and many parts of the world including the territories where we operate; Rainbow expressly prohibits the offering, giving, requesting or accepting of a bribe, anywhere in the world. The Company stands against corruption and upholds that business relationships with Stakeholders should be conducted transparently and at arm's length.

Any bribes, suspicions of bribes or requests for bribes must be reported to the Anti-Bribery Officer as soon as they occur. For further details, see Rainbow's [Anti-Bribery Policy](#).

Conflicts of interest

Conflicts of interest¹ can arise when the various interests, duties or commitments that a person may have come (or are likely to come) into conflict.

Stakeholders and Directors of the Company are required to:

- act with honesty and integrity and to avoid any relationship or activity that might create, or appear to create, a conflict between their personal interests and the interests of the Company;
- perform the responsibilities of their positions on the basis of what is in the best interests of the Company and free from the influence of personal considerations and relationships; and
- report to the CEO or CFO any personal interests which conflict or may conflict with the interests of the Company.

Stakeholders and Directors of the Company shall not

- acquire any property, security or any business interest which they know that the Company is interested in acquiring. Moreover, based on such advance information, Stakeholders and Directors of the Company shall not acquire any property, security or business interest for speculation or investment.
- personally or alongside their immediate families² use their position with the Company to solicit any cash, gifts or free services from any of the Company's suppliers, contractors or consultants for their personal benefit or that of their immediate families or friends. For further information, please consult the Company's [Anti-Bribery Policy](#).
- make public comments which are or could be construed to be of a political nature.

¹ A conflict of interest is when someone's judgement or actions at work are - or could be - affected by something unconnected with their role. This includes any circumstances that affect - or could be seen to affect - someone's independence or impartiality.

² In this Code of Conduct, we define "immediate family" to include spouse, children, parents and siblings. "Spouse" includes a partner with whom the person in question has a registered non marital regime.

Employees of the Company shall not act as officers or directors of any other corporate entity or organisation, public or private, without the prior approval of the CEO (or in the case of Exco members, the Board of Directors). Officerships or directorships with any such entities will not be authorised if they are considered to be contrary to the interests of the Company.

The Company has a policy of strict neutrality in political matters. The Company, its Stakeholders or Directors, when acting on behalf of Rainbow, should not make direct or indirect contributions to political parties, organisations or individuals engaged in politics, as a way of obtaining advantage in business transactions.

Business competition

Rainbow believes that fair competition is fundamental to the continuation of the free enterprise system. The Company will not enter into arrangements that unlawfully restrict its ability to compete with other businesses, or the ability of any other business organisation to compete freely with the Company. The Company's policy also prohibits its Stakeholders and Directors from entering into or discussing any unlawful arrangement or understanding that may result in unfair business practices or anti-competitive behaviour.

Whistleblowing

Rainbow provides a confidential mechanism through which employees and others associated with our activities may raise ethical concerns, grievances and/or complaints and which will provide protection from retaliation for those who raise concerns in good faith. Rainbow's Whistleblowing Procedure is intended to allow employees and others to raise concerns about possible fraud, crime or other serious risks to the Company or its stakeholders.

See the Company's Whistleblowing Procedure for more information.

Breaches

Employees will be held accountable for their behaviour at work and action will be taken where the Code of Conduct has not been followed. Consequences will depend on how an individual has broken the rules of the policies in the Code and in what circumstances, and could range from an informal warning to dismissal.

Any breaches of the Code must be reported to the CEO or CFO, who will decide on the appropriate disciplinary action. If appropriate, the matter may be referred to the Board of Directors of the Company. Disciplinary action will be taken in accordance with this Code of Conduct, as well as with all applicable laws.

Principle 3: Responsible employment

We are committed to responsible and fair employment practices and look to provide a working environment in which everyone is treated with respect and dignity. We encourage open and constructive communications with team members and aim to provide skill development opportunities, contributing to an effective and engaged workforce.

Employees are at all times expected to maintain high standards of behaviour. Rainbow is an equal opportunity employer and does not tolerate discrimination against, or harassment of, any of our employees on any grounds (including race, ethnicity, national origin, age, religion, gender, sexuality) or retaliation. Any such instances of discrimination are treated as serious misconduct, in line with the Company's Code of Conduct.

Rainbow is committed to developing a diverse workforce and to providing a work environment in which everyone is treated fairly and with respect.

Principle 4: Human rights

Rainbow is aware of its responsibility to respect and protect the internationally recognised human rights of our people, business partners and, where feasible, the human rights of those within our supply chain and communities. Our approach to human rights is guided by the UN Guiding Principles on Business and Human Rights and the UN Declaration of Human Rights.

Rainbow is committed to taking all reasonable measures for the prevention, mitigation and, where appropriate, remediation of any adverse human rights impacts with which the Company is involved. The Company takes a zero-tolerance approach for violations of human rights committed by employees, contractors or third parties acting on our behalf.

Rainbow opposes all forms of slavery, forced or compulsory labour and child labour, both within the Company and our supply chain. See [Rainbow's Supplier Code of Conduct](#) for more detail on the standards expected of our suppliers.

Principle 5: Environmental integration

Rainbow is committed to integrating environmental considerations into strategic decision-making and sound environmental management, with a focus on environmental protection and the responsible use of natural resources. The Company aims to achieve continual improvement in environmental practices and performance and is committed to minimising, or where possible avoiding, negative impacts from its operations on the natural environment. Rainbow will also maximise its potential to provide positive impacts through rehabilitation and remediation. Further guidance on the Company's commitments with regard to environmental considerations can be found in the [Sustainability Policy](#).

Principle 6: Creating value

We are aware that effective stakeholder engagement is fundamental to our business and maintaining our social licence to operate. Rainbow looks to make a positive contribution to the communities in which we operate through the provision of local employment opportunities, the support of local supply chains, community support and the transparent payment of taxes and royalties.

We require Company employees to respect local laws and rules at all times, as well as being mindful of cultural differences, local traditions and expectations.

Tax

Rainbow commits to pay all of its applicable taxes wherever it operates in full and on time, in accordance with the Company's values of integrity, accountability and transparency; reflecting the Company's commitment to the communities and jurisdictions in which it operates.

Rainbow is committed to transparent reporting of taxes and payments to governments in line with the UK Reports on Payments to Governments Regulation 2014 and its amendment in December 2015 (the UK Regulations) as well as the requirements of the Disclosure and Transparency Rules (DTR 4.3A) of the Financial Conduct Authority in the United Kingdom.

Principle 7: Acting with financial, information and communication integrity

Management of confidential information

Stakeholders and Directors of the Company may be exposed to certain information that is considered confidential by the Company or may be involved in the design or development of new procedures related to the business of the Company. All such information and procedures, whether or not they are the subject of copyright or patents, are the sole property of the Company.

Rainbow considers the protection of confidential information of paramount importance. Employees should be vigilant when disclosing any confidential information and should use the Company's Non-Disclosure Agreement or obtain authorisation as required. Unauthorised disclosure of any unpublished information relating to the Company, or any property, asset, or entity belonging to the Rainbow group,

is forbidden. Any employee receiving a request for information relating to the Company (for example from an analyst, competitor, or other interested party), should refer this request to the CEO, or the CFO.

Confidential information includes that which is given verbally or in written or electronic forms, and can include, but is not limited to, financial data, proprietary production processes and software or details of pending negotiations with customers or other business partners.

Communications and disclosure

No employee (including contractor, consultant or similar) shall disclose unpublished price sensitive information to any third party without specific written authorisation and consent.

The Chairman and CEO are responsible for all of the Company's public relations, including all contact with the media. Unless specifically authorised to represent the Company to the media, no Stakeholder or Director may respond to inquiries or requests for information. Any contact from the media should be referred to the above individuals and the CFO.

Stakeholders and Directors of the Company are expected to:

- Comply with the Company's timely disclosure, confidentiality and insider trading policies and all other policies and procedures applicable to them;
- Provide full, fair, accurate, understandable and timely disclosure in reports and documents filed with, or submitted to, securities regulatory authorities and other materials that are made available to the investing public;
- Co-operate fully with those responsible for preparing reports filed with the securities regulatory authorities and all other materials that are made available to the investing public to ensure those persons are aware in a timely manner of all information that is required to be disclosed; and
- Co-operate fully with the independent auditors in their audits and in assisting in the preparation of financial disclosure.

Accuracy of data, information and records

The Company maintains a high standard of accuracy and completeness in its financial records. These records serve as a basis for managing the Company's business and are crucial for meeting obligations to employees, customers, investors and others, as well as for compliance with regulatory, tax, financial reporting and other legal requirements.

Information security and data protection

In line with the General Data Protection Regulation ("GDPR") and other relevant regulations applicable where we operate, we collect or process personal information and data only for legitimate purposes connected with our business operations.

We may disclose personal information if we are required by law or by a court order, in response to a law enforcement agency, to the extent permitted under other provisions of law, to provide information, or for an investigation on a matter related to public safety.

Company assets

We have a duty to protect Rainbow's property and to use Company assets with honesty and integrity. The use of Company property for individual profit or any unlawful, unauthorised personal or unethical purpose is prohibited. The Company's assets, which include but are not limited to information, technology, intellectual property, proprietary production processes, buildings, land, equipment, machines, software and cash, must be used only for business purposes except as provided by this Code or approved by the CEO.

Insider trading

Trading by employees in Rainbow shares is governed by the Share Dealing Code. All senior managers are required under the Share Dealing Code to notify the CEO or CFO (or in the case of the CEO, the Chairman) of any transactions involving Rainbow shares. All other employees are also encouraged to pre-notify the CEO or CFO to ensure compliance.

Principle 8: Responsible supply chain

Rainbow's aim is to be part of a responsible and sustainable rare earths supply chain and therefore we expect our suppliers to conduct business responsibly as outlined in our Supplier Code of Conduct.

The Company selects its suppliers, contractors and consultants in a non-discriminatory manner based on the quality, price, service, delivery and supply of goods and services. A decision to contract with a particular supplier, contractor or consultant must never be based on personal interests or the interests of family members or friends. All Stakeholders and Directors are required to conduct themselves in a business-like manner that promotes equal opportunity and prohibits discriminatory practices.

Rainbow Stakeholders and Directors may not maintain an interest, financial or otherwise, in a supplier unless this has been disclosed to the CEO and CFO and they are satisfied that any such interest does not influence business decisions or compromise sound, independent judgment. Suppliers are required to report such information in line with the Supplier Code of Conduct.

Rainbow is committed to communicating this Code of Conduct and any updates to Stakeholders. In addition to this, the Company ensures that it is publicly available on our website at: www.rainbowrareearths.com/about/corporate-governance/company-policies/.

This policy is reviewed on an annual basis and was last approved by the Company's Board of Directors on 27 October 2023.

Adonis Pouroulis

Chairman of the Board of Directors
October 2023