



**EURO  
MANGANESE**



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**Anti-Bribery and  
Corruption Policy**

**Adopted by the Board of Directors:  
on November 14, 2023**

## Anti-Bribery and Corruption Policy

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## Anti-Bribery and Corruption Policy

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### 1. Introduction

#### 1.1 Overview

- (a) Bribery and corruption have a serious impact on the social, economic and political environment of many countries. Bribery debases human rights and destroys confidence in democracy and the legitimacy of government.
- (b) Euro Manganese and its subsidiaries (the “Company”) have **zero tolerance** for bribery and corruption in any form. The Company is also committed to ensuring its corporate culture actively discourages corrupt conduct in the strongest possible terms. The Company expects everyone who works for or with the Company to comply with both the letter and spirit of all of the anti-corruption and bribery laws and regulations that govern the Company and also comply with the Company's policies, including the Code of Ethics and Business Conduct (the “Code of Conduct”), the Supplier’s Code of Conduct, and this policy when acting on behalf of the Company.
- (b) Violation of the law will not be tolerated. A violation of the law, or unethical behaviour which may affect the Company's reputation, will be subject to immediate disciplinary action, which may include the termination of employment.

#### 1.2 Definitions

In this document, the following expressions have the corresponding meaning attributable to them:

**Consultant** means a person engaged by an external Consultant Company.

**Consultant Company** means an external company engaged by the Company through a consultancy agreement to provide a specific scope of work, such as a study or advice.

**Contractor** means a person engaged by the Company to deliver a specific scope of work.

**Employee** means a person employed directly either full-time, part-time or casually on a continuous or fixed term basis by the Company.

**Expatriate** means a Company Employee assigned to work in a location outside of their home country or country where they were initially employed.

**Inpatriate** means a Company Employee from a foreign/overseas Company entity.

**Foreign Public Officials** includes:

- (a) an employee, official or contractor of a
  - (i) foreign government body;
  - (ii) wholly or partially state-owned enterprise; or
  - (iii) public international organization (such as the United Nations),
- (b) a person performing the duties of an office or position created under a law of a foreign country or by the custom or convention of a country;

- (c) a person in the service of a governmental body including a member of the military or the police force;
- (d) a politician, judge, or member of the legislature of a foreign state, province or country;
- (e) a political party, party official or candidate for public office;
- (f) a member of a royal family;
- (g) a commercial entity, or the directors, officers or employees of a commercial entity, in which a government body has a significant ownership interest or over which it otherwise exerts control (i.e., a foreign public enterprise); or
- (h) an individual who is or who holds himself or herself out to be an authorized intermediary of a Public Official.

**Secondee** means an external joint venture employee assigned to work for the Company but engaged and paid by the joint venture participant.

**Third Parties** means individuals or entities that act on behalf of the Company (either directly or indirectly), including but not limited to: actual or potential clients, affiliates, agents, Consultants, Contractors, customers, distributors, intermediaries, joint ventures, representatives and suppliers. Third Parties may also be part of state-owned entities.

### 1.3 Purpose

This Anti-Bribery and Corruption Policy (**Policy**):

- (a) sets out the responsibilities of persons employed by, and entities involved in or associated with the Company in relation to foreign bribery and related improper conduct; and
- (b) provides guidance on recognizing and addressing instances of foreign bribery and related improper conduct.

### 1.4 Scope

This Policy applies to:

- (a) the Company (including all of its subsidiaries);
  - (b) the Company (and all of its subsidiaries') directors, officers, Contractors, and Employees (including Expatriates, Inpatriates and Secondees); and
  - (c) Third Parties,
- in relation to any conduct.

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## 2. Context

- (a) The Company is committed to the fight against bribery and corruption in all its guises. Foreign bribery and the making of other unlawful or improper payments that seek to improperly influence any individual or entity in the performance of their role or function is prohibited.
- (b) This Policy prohibits the following types of improper payments and conduct:

- (i) bribery of a Foreign Public Official or any other individual or entity in the public or private sector;
- (ii) the making of facilitation payments;
- (iii) the giving or receiving of gifts and/or entertainment which is not in accordance with this Policy;
- (iv) money laundering;
- (v) the encouragement, authorization or facilitation of foreign bribery or other related improper conduct by another person, such as a Third Party; and
- (vi) false, misleading, incomplete or inadequate accounting or books or record-keeping.

The above types of improper payments and/or conduct are explained in Section 5 below.

- (c) The Policy requires:
  - (i) appropriate due diligence to be conducted on relevant Third Parties (including proposed joint venture participants and merger or acquisition targets) prior to engaging with such Third Parties;
  - (ii) the standards of conduct set out in this Policy or those of a Third Party of a substantially similar nature to be incorporated in contracts with Third Parties;
  - (iii) accurate and transparent books and records to be maintained and all expenditure to be appropriately recorded; and
  - (iv) that any suspected or actual conduct in breach of this Policy be reported in accordance with this Policy.

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### 3. Policies and Governance

- (a) **Background and legal context**
  - (i) Laws prohibiting foreign bribery and the other types of improper payments covered by this Policy apply in all of the countries in which the Company operates. For example, foreign bribery laws are contained in the Canadian *Corruption of Foreign Public Officials Act (CFPOA)*, the Czech Republic's *Criminal Code*, the Australian *Commonwealth Criminal Code Act 1995*, the United Kingdom's *Bribery Act 2010*, and the United States' *Foreign Corrupt Practices Act 1977 (FCPA)*. A number of these laws, such as the CFPOA, FCPA, the UK Bribery Act 2010, the Czech Criminal Code and the Australian Criminal Code, may have extraterritorial reach.
  - (ii) The same or substantially similar principles apply to laws in other countries where the Company operates. For example, in these countries, it is often not only an offence to bribe a local public official, but also to bribe anyone. For example, in these countries, it is often not only an offence to bribe a local public official,

- (iii) but also to bribe anyone. There are also a number of offences relating to fraudulent conduct in these countries ranging from obtaining property or a financial advantage by deception to false accounting by not keeping accurate books and records. This means that the Company directors, officers, Employees and Third Parties may be found liable in the country where the offending conduct occurs or in their home jurisdiction.

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## **4. Responsibilities**

### **4.1 General**

- (a) Adherence to this Policy is a condition of employment or association with the Company.
- (b) It is the responsibility of all the Company directors, officers, Contractors, Employees and Third Parties to understand and comply with this Policy and to follow the reporting requirements set out in this Policy.
- (c) Any queries regarding the application of this Policy in any particular circumstance should be directed to the Corporate Secretary
- (d) The overall responsibility for the administration of this Policy, including the implementation and monitoring of the Policy, lies with the Corporate Secretary.
- (e) The Corporate Secretary will report directly to the Company's Board of Directors periodically.
- (f) The Corporate Secretary must ensure that the Company directors, officers, Employees, Contractors, and Third Parties are aware of the requirements of this Policy.

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## **5. Business Rules**

### **5.1 Prohibition on bribery**

- (a) The giving, offering, promising, authorizing, accepting or requesting of a bribe is prohibited.
- (b) Under the Canadian and Czech Criminal Code, it is an offence for a person (which includes a corporation), to offer or provide someone (directly or indirectly), a benefit which is not legitimately due to that person, with the intention of influencing a foreign public official in the exercise of the official's duty in order to obtain or retain business, or a business advantage, which is not legitimately due.
- (c) A benefit can be any advantage and is not limited to money. Examples of benefits include, but are not limited to, money, gifts, loans, shares or options, rewards, meals and entertainment, offers of employment, payment of travel expenses and personal favours.
- (d) When considering whether a benefit is not legitimately due it is not relevant that the benefit is:
  - (i) customary, or perceived to be customary;
  - (ii) of low value; or

- (iii) officially tolerated.
- (e) A business advantage is an advantage gained that assists in the conduct of the business. A business advantage could include a tax concession, the granting of a license or permit in circumstances where it may not otherwise be granted or access to information concerning upcoming tenders not publicly available which provide the Company with an advantage over the other prospective tenderers.
- (f) There are also similar laws in Canada and the Czech Republic that make it an offence to bribe local public officials (for example a politician, judge or government employee) or anyone in relation to any commercial transaction in the private sector.
- (g) Bribery can involve offering or providing the benefit directly to the Foreign Public Official or doing so indirectly, for instance by:
  - (i) procuring an agent or other intermediary, including a colleague, relative or friend, or trust or company in which they are a beneficiary, to provide or offer the illegitimate benefit to the Foreign Public Official; or
  - (ii) giving the illegitimate benefit to a relative or business associate to the Foreign Public Official, or to a political party or charitable organization with which the person is associated.
- (h) It is irrelevant whether the bribe is accepted or ultimately paid. It is also irrelevant whether the business or the business advantage is in fact obtained. Merely offering the bribe is a contravention of this Policy and usually is sufficient for an offence to be committed.
- (i) Further, it does not matter if the benefit was provided with the intention of influencing a *particular* foreign official.

## **5.2 Prohibition on facilitation payments**

- (a) The making of facilitation payments is prohibited. Facilitation payments are typically minor payments to Foreign Public Officials, either directly or indirectly, to expedite or secure the performance of routine government action (for example, to facilitate the expedition of applications for visas or licenses).
- (b) If asked by a Foreign Public Official for a facilitation payment or told that one is required in order for the routine government service to be obtained, or to be obtained by a particular time, you should firmly state that it is company policy that no such payment can be made. If pressed, you should refuse to make the payment and inform your immediate supervisor and/or the Corporate Secretary of the request/demand as appropriate.

## **5.3 Prohibition on improper gifts and entertainment**

- (a) The giving or receiving of gifts or entertainment in circumstances which could be considered to give rise to undue influence is prohibited.
- (b) This Policy does not prohibit the giving or receiving of minor gifts, meals and entertainment to or from Foreign Public Officials or any private person or entity, provided that those expenditures:
  - (i) are given in the name of the Company and not any individual Employee;
  - (ii) are solely aimed at building a general relationship and understanding;

- (iii) are not intended, and could not be construed as, an attempt to influence improperly the performance of the recipient's role or function;
  - (iv) are given in an open and transparent manner;
  - (v) comply with any relevant governmental law, regulation, rule, or code;
  - (vi) are otherwise lawful in the jurisdiction in which they are made;
  - (vii) do not include cash, loans or cash equivalents;
  - (viii) if their value exceeds the value set by the Corporate Secretary, receive prior written approval from your immediate supervisor. The supervisor must provide a copy of the written approval to the Corporate Secretary;
  - (ix) are accurately and transparently financially recorded;
  - (x) would not embarrass the Company if publicly disclosed; and
  - (xi) to the extent that such expenditures involve the provision of entertainment, are used for entertainment in a setting reasonable and appropriate for the persons involved.
- (c) The practice of giving corporate gifts and arranging corporate entertainment varies between countries, regions and industries, and what may be common and appropriate in one place may not be in another. The Company directors, officers, Employees and Third Parties must approach this issue carefully and conservatively. For instance, gifts or entertainment should not be given or received while the relevant parties are involved in an invitation to tender process or contractual negotiations.
- (d) Further, if gifts or entertainment are frequently given to or received from the same person or entity, and/or create an ongoing expectation for such gifts or entertainment, they are unlikely to comply with this Policy.
- (e) Any gift, entertainment or other personal favour or assistance given or received which has a value in excess of **USD\$100** (or any other amount determined and announced by the Board) must be approved by the CEO (or in the absence of the CEO, the CFO) and entered into the gifts register maintained by the Corporate Secretary or Assistant Corporate Secretary.
- (f) If you are in any doubt as to the appropriateness of any gift or entertainment, you should consult your immediate supervisor and/or the Corporate Secretary before it is given or accepted or otherwise as soon as possible.

#### **5.4 Prohibition on money laundering**

- (a) Any form of money laundering is prohibited. Money laundering is the process by which a person or entity conceals the existence of an illegal source of income and then disguises that income to make it appear legitimate.
- (b) Use of any proceeds related to the Company's operations for illegal activity can give rise to liability for the Company directors, officers, Employees and Third Parties involved in that conduct.
- (c) If you suspect that any transaction might involve the payment or receipt of proceeds of any unlawful activity, you must immediately report your suspicion to the Corporate Secretary.



## 5.5 Application of this Policy to Third Parties

- (a) The Company engages with a broad range of Third Parties in a variety of circumstances in relation to its operations. In certain circumstances, the Company may be liable under foreign anti-bribery or other laws for the improper conduct of these Third Parties.
- (b) The provision of a benefit to a Third Party where it is expected or likely that some or all of that benefit will be provided or offered to another person, in order to obtain business or a business advantage that is not legitimately due, is prohibited.
- (c) Where it is proposed that a Third Party will be engaged, it is important to implement appropriate controls to ensure that the actions of the Third Party will not adversely affect the Company.
- (d) Third Parties that pose particular risk of breaching anti-bribery laws include those:
  - (i) operating in developing or emerging economies;
  - (ii) operating in countries with a high perceived risk of corruption; or
  - (iii) involved in negotiating any business arrangements or transactions within the public or private sector in any country (including bidding for tenders, negotiating supply contracts, arranging introductions to potential business clients or key government decision-makers, arranging leases or licenses or providing transportation or customs clearance services).

## 5.6 Controls for Third Parties

- (a) **Due Diligence**
  - (i)
  - (ii) Where required by the Corporate Secretary, sufficient due diligence must be performed to ensure that it is appropriate for the Third Party to be engaged.
  - (iii) If any issues of concern are identified by this due diligence, they must be identified and immediately raised with the Corporate Secretary, who will determine, in consultation with the Company's Corporate Counsel and other legal advisors and/or Board of Directors if necessary, if:
    - (A) it is appropriate for the Third Party to be retained; or
    - (B) further investigations or discussions with the Third Party are required prior to the parties entering into any arrangement.
- (b) **Contractual terms**
  - (i) Where required by the Corporate Secretary, contractual terms that incorporate the issues addressed by this Policy must be included in contracts with Third Parties.
  - (ii) Where a contract is to be entered into with a Third Party and the standard terms that address anti-bribery are not agreed, the Corporate

Secretary must be notified.

- (iii) The Corporate Secretary in consultation with the Company's Corporate Counsel and legal advisors will then determine the appropriate terms to be used.

(c) **Oversight of Third Parties**

- (i) The identification of any actions, issues or concerns related to Third Parties which may be contrary to this Policy must be fully documented, reported and investigated in accordance with this Policy.

## **5.7 Joint ventures**

- (a) Before acquiring another company or business, investing in another company or business, or participating in a joint venture, consortium or similar business arrangement, Euro Manganese will conduct appropriate due diligence with respect to the other relevant parties, including regarding compliance with anti-bribery and anti-corruption laws. Acquisitions, joint ventures and similar agreements should also include contractual provisions regarding compliance with anti-bribery and anti-corruption laws and the principles in this Policy.
- (b) The Company must work with relevant joint venture participants to achieve the standards outlined in this Policy where they do not exercise effective control of the joint venture. This includes any joint venture with a partly or fully state-owned enterprise.
- (c) Where the Company is in control of the joint venture, this Policy sets out the procedures that will be in place which aim to address the potential for foreign bribery or any other improper payments made in the course of the joint venture operations. Responsibilities of the Company's directors, officers or Employees involved in the operations of joint venture participants.
  - (i) The Company's directors, officers or Employees that are board members or are otherwise involved in the joint operations should pay particular attention to signs of improper payments and should voice objections where appropriate.
  - (ii) If the Company becomes aware of evidence that a joint venture participant or party has engaged in any action that is contrary to the terms of this Policy, or might do so, that evidence must be reported in accordance with this Policy.

## **5.8 Mergers and acquisitions**

- (a) Anti-bribery due diligence on any proposed merger or acquisition target prior to entering into contractual arrangements with the target must be conducted. Such due diligence must be undertaken in relation to both the past and current conduct of the proposed target.
- (b) Detailed records of the due diligence investigations must be kept, including a written due diligence report.

## **5.9 Accounting, books and records**

- (a) Internal financial recording and accounting systems and procedures to make and keep books and records which accurately and fairly reflect, in reasonable detail, the parties, the payment arrangements and the purpose of all transactions and disposition of assets, must be maintained.

- (b) No undisclosed or unrecorded fund or account may be established for any purpose.
- (c) False, misleading or incomplete record keeping is a criminal and civil offence in many countries in which the Company operates.

## **5.10 Consequences of non-compliance**

- (a) Non-compliance with this Policy could result in termination of employment or association with the Company.
- (b) Foreign bribery and the other types of improper payments prohibited by this Policy are prohibited under the laws of the countries in which the Company operates. Breaches of such laws may expose the Company to criminal penalties and/or civil action.
  - (i) For the Company, possible consequences also include the imposition of substantial fines, exclusion from tendering for government or private contracts and reputational damage.
  - (ii) For individuals, possible consequences include criminal and civil liability with associated significant fines and/or lengthy terms of imprisonment. Other consequences related to prosecution for a foreign bribery offence may include confiscation and/or restitution of any benefits obtained, difficulty finding employment in a similar industry, disqualification from holding management positions and international travel restrictions.
- (c) Conscious disregard, deliberate ignorance and willful blindness will not avoid liability in relation to any of the matters set out in this Policy. If the Corporate Secretary becomes aware of inadvertent noncompliance with this Policy, the noncompliance will be documented, and appropriate corrective action will be taken.

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## **6. Whistleblowing – Reporting Violations**

### **6.1 Reporting Alleged Violations, Concerns or Complaints**

- (a) If an individual reasonably believes that an Employee or other person acting on behalf of the Company has violated any legal or regulatory requirements (including the foreign bribery laws) or internal policy, they should immediately report his or her concern to the Corporate Secretary. All reports made under this Policy will be assessed, investigated and documented as described in Euro Manganese's Whistleblower Policy, available here: [https://www.mn25.ca/files/ugd/b70e39\\_7b5875fa0ffb42c388db5feab89d1770.pdf](https://www.mn25.ca/files/ugd/b70e39_7b5875fa0ffb42c388db5feab89d1770.pdf)
- (b) Euro Manganese is committed to treating fairly everyone involved in a report. All reports referred to an investigation will be assessed and investigated thoroughly on a timely and impartial basis.

### **6.2 Investigation of Complaints**

- (a) The Company may, in its reasonable discretion, determine not to commence an investigation if a report, concern or complaint contains only unspecified or broad allegations of wrongdoing without appropriate factual support.
- (b) Upon receipt of a report, concern or complaint the Corporate Secretary may in

their discretion conduct an investigation and may take whatever investigative, disciplinary or other action is deemed appropriate.

- (c) The Corporate Secretary shall have the authority to obtain assistance from the Company's Corporate Counsel, other management or to retain separate outside legal or accounting expertise as deemed necessary, or desirable, in order to conduct the investigation.

### **6.3 Corrective Action**

- (a) The Corporate Secretary is ultimately responsible for determining the validity of each report, concern or complaint and fashioning, with the input of the Company's Corporate Counsel, its advisors and the Company's management, if requested, the appropriate corrective action.
- (b) The Corporate Secretary shall report any legal or regulatory non-compliance to the Company's senior management and ensure that senior management takes corrective action including, where appropriate, obtaining external legal advice and, if so advised, reporting any violation to relevant governmental authorities.
- (c) Any director, officer, or employee deemed to have violated any law, rule or regulation, or any internal policy regarding accounting standards and disclosures, internal accounting controls, or matters related to the audit of the Company's financial statements, may be subject to disciplinary action, up to and including termination of employment with or without notice.

### **6.4 No Retaliation**

- (a) Individuals should feel free to report any suspected wrongdoing, as described above, and know that if they do so, they will be protected against any retributive actions.
- (b) The Company will not tolerate retaliation or discrimination of any kind by or on behalf of the Company and its Employees against any individual making a good faith complaint of, or assisting in the investigation of, any violation of government laws, rules, or regulations or the Company's policies.

### **6.5 Retention of Complaints and Documents**

- (a) The Corporate Secretary will retain all documents and records regarding any reports of alleged violations, concerns or complaints.
- (b) It is illegal and against the Company's policy to destroy any records that may be subject to or related to an investigation by the Company or any federal, state or regulatory body.

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## **7. Monitor and Improve**

### **7.1 Awareness**

This Policy will be provided during relevant orientation processes, including induction and new Employees will be required to sign that they have read and will comply with this Policy. Existing Company directors, officers and Employees will be provided with a copy of this Policy and asked to confirm receipt and acknowledge having read and understood the Policy and the ramifications of any non-compliance thereof.

## **7.2 Adoption and Review of Policy**

- (a) This Policy was adopted by the Board on November 14, 2023, and takes effect from that date.
- (b) The Corporate Secretary will monitor the implementation of this Policy and will review on an ongoing basis the Policy's suitability and effectiveness. Internal control systems and procedures will be regularly audited to ensure that they are effective in minimizing the risk of non-compliance with this Policy.
- (c) This Policy is subject to internal review by the Corporate Secretary in the first quarter of each calendar year. Final approval of any variation is by the Company's Board of Directors.