

HUMAN RIGHTS AND RIGHTS OF INDIGENOUS PEOPLES POLICY

OBJECTIVE AND SCOPE

This Human Rights and Rights of Indigenous Peoples Policy (“Policy”) applies to Critical Elements Lithium Corporation (“Critical Elements” or “Corporation”), its directors, officers and employees, as well as its subsidiaries, divisions and affiliates and their respective directors, officers and employees (“individuals”) regardless of their position in the organization, at all times and business jurisdictions.

Critical Elements respects and supports internationally recognized human rights as set out in the International Bill of Human Rights¹ and the International Labour Organization (ILO) Declaration of Fundamental Principles and Rights at Work², herein referred to as “Human Rights.”

A diverse and inclusive workplace is critical to the Corporation’s success and all personnel have a responsibility, both individually and collectively, to operate in a way which respects Human Rights and fosters an inclusive culture in which all of our people and partners (employees, shareholders, contractors, suppliers, local communities and other stakeholders) are treated with dignity and respect.

Critical Elements further respects the rights, cultures, interests, and aspirations of Indigenous Peoples and is committed to building respectful relationships with Indigenous communities. The Corporation is guided by the United Nations (UN) Declaration on the Rights of Indigenous Peoples and the International Labour Organization Convention 169 ‘Indigenous and Tribal Peoples’³, herein referred to as “Indigenous Rights.”

Critical Elements is sensitive to Human Rights issues associated with mining activities and given the area in which it operates, the Corporation is particularly sensitive to Indigenous Rights and further recognizes the importance to consult with Indigenous Peoples.

Respect for Human Rights and Indigenous Rights is consistent with the Corporation’s values outlined in the Critical Elements Code of Business Conduct and Ethics, which are fundamental to the sustainability of the Corporation and the communities within which Critical Elements operates.

¹ [International Bill of Human Rights | OHCHR](#)

² [About the Declaration \(DECLARATION\) \(ilo.org\)](#)

³ [ILO Convention on Indigenous and Tribal Peoples, 1989 \(No.169\)](#)

The Corporation seeks to identify, and to prevent causing or contributing to, adverse impacts on Human Rights and Indigenous Rights resulting from or caused by its business activities throughout its value chain and is committed to seeking to address, mitigate, and monitor any such impacts in a timely manner.

OVERSIGHT

The Environmental and Social Responsibility Committee of the Board (the “Committee”) shall oversee the implementation of this Policy and review the Corporation’s performance in managing risks relating to Human Rights and Indigenous Rights. At the executive management level, the Chief Executive Office has responsibility for implementation and overseeing of this Policy and for monitoring its effectiveness and shall report regularly to the Committee in this respect. In particular, the Committee shall immediately be informed of any breaches under this Policy.

The Committee shall review and evaluate this Policy annually to determine if it effectively ensures appropriate corporate practices. The Board reserves the right, based on recommendations from the Committee or otherwise, to change this Policy from time to time as it considers necessary.

COMMITMENTS

Critical Elements is committed to the following:

- a) set out the Corporation’s commitment to respect Human Rights and Indigenous Rights across its operations and comply with all applicable Human Rights and Indigenous Rights related laws and regulations;
- b) develop and implement procedures, training and internal reporting structures to disseminate this Policy throughout the Corporation and its value chain, including, but not limited to, project exploration, short and long-term planning, mine development, construction, operation and mine closure;
- c) require that the Corporation’s suppliers and business partners expressly adhere to specific requirements with respect to Human Rights and Indigenous Rights;
- d) seek to make contractual agreements with the Corporation’s suppliers that require them to respect Human Rights and Indigenous Rights in their work for the Corporation, consistent with the commitments in this Policy, as appropriate to the nature of their work for the Corporation;
- e) incorporate Human Rights [and Indigenous Rights] due diligence into relevant business processes, including, but not limited to, all new projects, impact assessments, and contractors and supplier selection, to identify, prevent and mitigate adverse risks and impacts relating to Human Rights and Indigenous Rights;
- f) when a Human Rights or Indigenous Rights-related material risk is identified in the impact assessment, implement and annually review a Human Rights or Indigenous Rights management plan and include training of employees and contractors, as applicable;
- g) reject any form of slavery, forced or child labour;
- h) respect the rights to freedom of association and collective bargaining;

- i) operate fair employment practices and enforce a zero-tolerance discrimination culture against individuals on the basis of race, gender, sexual orientation, gender identity or general expression, ethnicity, nationality, disability, age, religion, political opinion or union membership;
- j) seek to apply the principles of free, prior and informed consent (FPIC) where practical, when proposing new or substantially modified projects;
- k) support the rights, respect the traditions and heritage, and value the input in Critical Elements' activities of Indigenous Peoples, and more specifically the Crees of Eeyou Istchee, as defined and outlined in the *Pihkuutaau Agreement (PA)* signed on July 8, 2019⁴;
- l) adhere to the Voluntary Principles on Security and Human Rights (VPSHR);
- m) where the Corporation hires private security forces, provide adequate training to ensure such contractors act in a manner consistent with this Policy and with VPSHR;
- n) establish and maintain a grievance mechanism for Human Rights and Indigenous Rights complaints to be reported and addressed without any discrimination to the person(s) making the submission;
- o) conduct regular reviews and audits of the Corporation's operations against this Policy;
- p) [plan, implement, evaluate and document stakeholder engagement activities with Indigenous Peoples and throughout the value chain and update the plan annually;]
- q) cooperate, where appropriate, with local government authorities in promoting Human Rights and Indigenous Rights;
- r) take action where violations of this Policy have been identified by the Corporation, employees, contractors or other stakeholders; and
- s) report on Critical Elements' performance against objectives and targets related to this Policy.

CONSEQUENCES OF NON-COMPLIANCE AND REPORTING VIOLATIONS

Compliance with this Policy is fundamental to the reputation and continued success of Critical Elements. It is the personal responsibility of all individuals to understand and comply with their obligations under this Policy. Failure to observe this Policy may subject Critical Elements personnel to disciplinary action, up to and including termination.

All individuals are responsible for raising any concerns if they have any suspicion of breach under this Policy in any part of Critical Element's business or supply chains as soon as possible to their immediate supervisor or by following the procedure set out in the Corporation's Whistleblower Policy.

COMMUNICATION OF THE POLICY

This Policy shall be disseminated to the Corporation's internal network and on its external website.

⁴ [2019-07-08-Pihkuutaau-Agreement-version-pour-SEDAR.pdf \(cecorp.ca\)](#)

QUERIES

If there are any questions about how this Policy should be followed in a particular case, please contact the CEO or a designated member of the management team.

Approval Date: December 20, 2023
Next review: December 20, 2024