



MANAGEMENT
APPROACH
DISCLOSURE

TRAINING AND DEVELOPMENT



4 QUALITY
EDUCATION

An icon representing quality education, showing an open book and a pencil.

Training and Development*

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| Related GRI Contents | 103-1; 103-2; 103-3 |
| Related Sustainable Development Goals | SDG 4 |
| Related Performance Data | People |
| Related Management Approach Disclosures | Employee engagement; Diversity and inclusion |
| Related Case Studies | Baccalaureate program |
| Future Commitments | + Develop and implement our new Leadership Program. |
| Related Material topics | + Training and Development of our People + Management of Health and Safety |

Strategic significance

Developing a skilled, engaged, and productive workforce is essential for contributing to the long-term value of our business. Attracting and retaining quality employees is of particular importance considering the relatively isolated regions where we operate and the increasingly competitive environment in the lithium sector. Orocobre's objective is to be the employer of choice in north-west Argentina and for its employees to be proud of the company they work for. Orocobre is a values based organisation where "how" matters and where there is an organisational culture based on mutual respect which embraces diversity and inclusivity, providing opportunities for professional development and competitive benefits.

Orocobre's talent strategy has been developed to anticipate current and future talent needs according to our business strategy. We aim to attract suitable people, promote the growth and development of our employees, identify critical positions, strengthening availability of potential successors and streamline talent distribution in the organisation.

For the past few years, Orocobre has been working with people from our local communities, building capacity so that they can access direct and indirect employment opportunities in our operations. Even though very few of the working population from local communities had completed formal education in 2007, the Olaroz Lithium Facility was able to commence lithium carbonate production in 2015 drawing close to 40% of its workforce from the local communities. In the case of

Borax Argentina, since Orocobre purchased the business from Rio Tinto Plc, the percentage of local employment has been growing and now over 65% of the workforce is from local communities.

Training and development initiatives prepare Orocobre's people with the knowledge for the role they are performing today, but also for the roles the Company requires in future.

Impact boundary

The information supplied in this document refers to employees of Sales de Jujuy S.A. (Olaroz Lithium Facility) and Borax Argentina S.A (Borax Argentina).

Training and capacity building approach and initiatives with suppliers are included in the [Supply Chain Management](#) disclosure.

Many training and development activities are conducted in the local communities to build capacity for future employment. Further information on these activities is included in our Community [case studies](#).

(*) This Document is part of Orocobre's Sustainability Report and should be understood as part of itself. Understanding Sales de Jujuy as Sales de Jujuy S.A., SDJ or Olaroz Lithium Facility and Borax Argentina as Borax Argentina S.A or BRX.

Management approach

Underpinning these policies is Orocobre's commitment to advancing the UN Sustainable Development Goals. The Company works to increase the number of people with relevant skills, including technical and vocational skills for employment and decent jobs ([SDG 4: Quality Education](#)).



Management Systems

Orocobre's training program is diverse, dynamic and engaging, and provides employees with the knowledge, skills and capabilities they need to develop professionally and personally.

The Company encourages employees to pursue further study, irrespective of relevance to their current role, through financial or technical support, acknowledging that learning and development contribute to better personal and professional performance. English proficiency is also encouraged for key positions, with in-company, e-learning, and personalised courses provided in accordance with employee needs and job requirements.

Orocobre also contracts leading companies in specific fields to undertake training and provide technical qualifications of relevance across all areas ensuring a consistent, high performing and specialised workforce.

There are several elements that define training and development activities:

- Definition of the talent organisational strategy: After analysing the organisation's medium and long-term strategy, required organisational capabilities are analysed, together with the identification of critical positions and succession plans.
- Organisational talent mapping: employees are mapped in a matrix combining development and potential, focusing on skills and career development based on feedback. A retention risk analysis is also performed for critical talent.
- Performance Reviews: evaluation of achievements and lessons learned from the performance, to work on skills to be developed.
- Development Plans: support to employees' development based on the enriching career experiences gained and work focused on specific skills.

Management of training is also structured around the specific requirements of the business areas with supervisors being directly responsible for identifying the training needs of people in their teams. Supervisors are also required to develop an annual training plan, ensure the inclusion of training costs in the budget, comply

with the plan, ensure team attendance at training programs, and conduct the necessary reviews to evaluate effectiveness of the training delivered.

Supervisors are required to consider the following when developing annual training and development plans for their teams:

- Individual Performance Reviews.
- Changes to production processes, control methods, administrative practices, or management systems.
- New hires, promotions, or personnel changes.
- Connection between team roles and health, safety, environment, community, or quality considerations.
- Emergency response requirements.
- Update or maintenance of compulsory certifications.

Training can take the format of awareness raising, dissemination of specific information, courses, study tours / site visits, or by attending professional conferences and seminars. All training activities are recorded in the training register along with details of the person responsible for evaluating the effectiveness of the training program.

Monitoring and Reporting

The organisational talent strategy and the organisational talent mapping are defined in reviews conducted on a yearly basis with the Company's leaders. The Corporate Human Resources Department is responsible for the reporting that summarises talent mapping and agreed upon actions.

Each area reports to the Human Resources Department on training programs to enable the Company's annual reporting of training and development hours and investment at both group and business unit level.

Based on the observed changes in performance and capability of the employee, the supervisor evaluates the effectiveness of the training program.

We report publicly on the following learning and development indicators each year:

- Total hours of training
- Average hours training per employee

- Total investment in training
- Average investment in training per employee
- Total training courses
- % of employees who have received a formal performance evaluation
- % achievement of stated objectives (by employment category and by gender)

These metrics are available in the [People Performance Data](#) on the Orocobre website.

Responsibility

At group level, the Corporate Human Resources Department is responsible for ensuring training and development activity is aligned with the Talent Strategy.

At an operational level, training and development policies and practices are the responsibility of the Human Resources Manager.

Accountability

Human Resources consolidate information resulting in the definition of the talent strategy and subsequent reviews of the talent mapping. The manager of each business area is accountable for ensuring that agreed training and development plans for their employees are implemented and evaluated over time. Each employee has a shared responsibility with their supervisor regarding identification of development opportunities and related actions.

FY20 update

During the year, a corporate Human Resources department was established in Buenos Aires providing corporate oversight of human resource functions existing at business level. One of the first initiatives, with input from the Executive Committee, was the development of a talent strategy and the establishment of critical guidelines for the coming years regarding the development of required organisational capabilities. In addition, a talent mapping exercise was conducted for the Olaroz Lithium Facility, Borax Argentina, and at group level. 140 employees were mapped, taking into consideration their development and potential. Critical positions were identified, and their succession plans analysed.

SALES DE JUJUY (Olaroz Lithium Facility)

In FY20, the Olaroz Lithium Facility started working on the development of a skills matrix for each working team to use as a benchmark to guide, adapt, and draft the Company's Annual Training Plan. The purpose of such matrix is identifying the gaps among the existing skills, the requirements of a position and the capability of employees.

The virtual training platform "Aula Corporativa" (Corporate Classroom) was implemented to provide the following:

- Training for middle management based on leadership, teamwork, effective communication, and assertiveness
- Training on leadership based on Safety Culture (DuPont)
- Training for forty employees from Olaroz Lithium Facility, to improve quality and effectiveness in review processes and thus contribute with work policies based on quality, productivity, and work safety
- New courses in Aula Corporativa opening the possibility of training in Access 365, Project 365, and several levels of Excel, for all the Company's personnel
- Induction courses, Biosafety Protocol, and tutorials on the operation of self-management portals
- In-house workshops of Risk Management area on lifting, confined spaces, harassment in the workplace, and emergency procedures.

The Company's training and development program also benefited from established agreements with seven tertiary academic institutions such as the Catholic University of Salta, the National University of Jujuy, 21st Century University and Austral University. These institutions provide a valuable academic offering for employees, largely through delivery of undergraduate and graduate studies, and specialisations. Of note is that since 2016, a reciprocal cooperation agreement between Orocobre and the Faculty of Engineering of the National University of Jujuy has enabled capability building of current and future employees from the local communities. Students are trained in basic mathematics, chemistry, physics, sampling, and sample preparation. Due to COVID-19, only limited services have been delivered during the past year.

Unfortunately, COVID-19 also impacted delivery of the agreement with the Ministry of Education for the "Hombre puesto en mina" (Mine employee) program, which was expected to start this year and has been delayed until normal activities are resumed.

The "Regional Baccalaureate Program" was successfully continued throughout the COVID period with twenty-six graduates. See more information in this [link](#).

Training hours this fiscal year were higher with a total 19,521 hours, an investment of over AR\$3,350,000, and an average of forty-one hours per employee, doubling the number of courses offered with respect to last year.

For the next fiscal year, the Training and Development area will focus action plans on critical talent, and on succession for key positions. Additionally, there are plans to incorporate development programs in different levels of the organisation (for instance, positions under collective bargaining agreements) as well as leadership programs.

BORAX ARGENTINA

Borax Argentina has many employees who have not been able to complete formal education. The “Regional Baccaureate Program” conducted jointly with the Ministry of Education enables people interested in completing those studies to do so. For more information on this initiative, see [Regional Baccaureate Program](#) case study.

The Company also makes training agreements with employees, with the purpose of providing them the opportunity for professional and personal growth, which they can use within the company and in other areas of their life. Currently, Borax Argentina has cooperation agreements with several education institutions in the public and private sector. These are within different education levels including technical, vocational and colleges.

The variety of programs offered by the different institutions enables Orocobre to offer internships or professional practices, depending on the desired training outcome for the employee. Both internship and professional practices were undertaken in the Campo Quijano plant and associated mining operations, ensuring the training provides a true reflection of Orocobre’s working environment.

During the year, several institutions recognised Borax Argentina for their cooperation and partnership. Prior to COVID-19, the Company had received forty-seven students from institutions with which they have agreements. These programs have been in place for the past few years and, in several cases, the people undertaking the internship or professional practice were invited to become employees of Borax Argentina. This activity will continue once restrictions due to the pandemic are lifted. Regular training offered to employees has continued as these are delivered virtually. During FY20, a total of 8,805 training hours were conducted, with an average 28.5 hours per employee, and a total investment of ARS \$928,000.

For next fiscal year, Borax Argentina scheduled the implementation of Aula Corporativa, with the purpose of significantly increasing training opportunities for employees, in line with those offered for Olaroz Lithium Facility employees.

For specific information on Training and Development, see [Performance Data - People](#).