

2021 Sustainability Report

Communities*



SDJ: Sales de Jujuy (Olaroz Lithium Facility) - BRX: Borax Argentina

Key Performance Indicators (KPIs)

General KPIs

INDICATOR	Units	2018	2019	2020	2021
Sales de Jujuy (Olaroz Lithium Facility)					
Community Investment ¹	USD	\$ 528,703	\$ 348,452	\$ 320,126	\$ 101,828
Participation Agreement 2016 SDJ-Olaroz Chico Community ²	USD	\$ 356,292	\$ 553,500	\$ 760,008	\$ 865,178
Borax Argentina					
Community Investment ³	USD	-	-	\$ 42,905	\$ 26,916
Easement Agreement ⁴	USD	-	-	\$ 0	\$ 0

¹Olaroz Lithium Facility Local Communities: Olaroz Chico, Susques, Hauncar, Pastos Chicos, Puesto Sey, Catua, Jama, El Toro, Coranzuli, and San Juan de Quillaques.

²Borax Argentina Local Communities: Campo Quijano, San Antonio de los Cobres and Santa Rosa de los Pastos Grandes.

1 - Community Investment includes Grants, Strategic Community Investment (Community Infrastructure Program) and Commercial Initiatives. The value generated does not include what was paid in the Participation Agreement (CAOCH) (Payments, as agreed by both parties, made to the communities for the use of land and natural resources). The decrease in value in FY21 is due to the Community infrastructure program coming to an end. The largest contributions to this program were made in the FY18. There was also an increase in FY20 due to in-kind donations made to support the community COVID-19 response. The appreciation of the US Dollar with respect to the Argentine peso has also impacted these reported figures.

2 - Agreement with direct impact community only: Olaroz Chico. Note - Figures are reported on a cash basis within each reporting period and may include amounts accrued in previous periods. FY20 value has been restated to reflect this definition.

3- The reduction in FY21 is due to a contribution to a community enterprise and COVID-19 response measures in FY20 that were not ongoing.

4- There are no payments related to easement agreements in place for Borax Argentina.

- : No information. New indicator or data for BRX prior to FY20.

Performance Data

Community Empowerment

INDICATOR	Units	2018	2019	2020	2021
Local Communities Revenue					
Sales de Jujuy (Olaroz Lithium Facility)					
Salaries and benefits paid to local community employees ¹	USD	\$ 1,940,616	\$ 2,582,784	\$ 2,609,102	\$ 3,356,295
Value of supply contracts awarded to community suppliers ²	USD	\$ 6,798,099	\$ 18,328,599	\$ 15,838,666	\$ 12,317,443
Participation Agreement 2016 SDJ-Olaroz Chico Community ³	USD	\$ 356,292	\$ 553,500	\$ 760,008	\$ 865,178
Borax Argentina					
Salaries and benefits paid to local community employees	USD	-	-	\$ 2,622,338	\$ 2,301,578
Value of supply contracts awarded to community suppliers ⁴	USD	-	-	\$ 3,151,369	\$ 3,409,074
Easement Agreement ⁵	USD	-	-	\$ 0	\$ 0

INDICATOR	Units	2018	2019	2020	2021
Local Communities Share in Revenue					
Sales de Jujuy (Olaroz Lithium Facility)					
Number of employees from local communities	Quantity	138	180	195	195
Local community businesses with SDJ supply contracts	Quantity	29	43	38	35
Borax Argentina					
Number of employees from local communities	Quantity	-	-	203	195
Local community businesses with BRX supply contracts	Quantity	-	-	20	15

INDICATOR	Units	2018	2019	2020	2021
Local Community Incidents					
Sales de Jujuy (Olaroz Lithium Facility)					
Incidents of violations involving rights of communities or indigenous peoples ⁶	Quantity	0	0	0	0✓

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Borax Argentina					
Incidents of violations involving rights of communities or indigenous peoples ⁶	Quantity	-	-	0	0✓

1 - Salary breakdown for local community employees covers operational and expansion employees. Increase from FY20 to FY21 is largely associated with salary increases in Individual Labour Agreements and promotions for work performance.

2 - Covers operational and expansion suppliers from local communities. Reduction from FY20 to FY21 is largely associated with reduced expansion activity due to COVID-19.

3 - Agreement with direct impact community only: Olaroz Chico

4 - Increase in value for FY21 is due to a higher volume of purchases made from a large local supplier for key inputs

5 - There are no easement agreements in place for Borax Argentina.

6 - In the period analysed, for both SDJ and BRX, no formal case has been presented through judicial claims or through the established formal communication channels that involve violations of the rights of indigenous communities or peoples

- : No information. New indicator or data for BRX prior to FY20. BRX was included in this disclosure for the first time in FY20.

Community Investment

INDICATOR	Units	2018	2019	2020	2021
Community Investment (by Activity)					
Sales de Jujuy (Olaroz Lithium Facility)					
Grants and Donations ¹	USD	\$ 0	\$ 3,464	\$ 225,126	\$ 63,267
Strategic Community Investment ²	USD	\$ 519,038	\$ 344,988	\$ 95,000	\$ 38,561
Commercial Initiatives	USD	\$ 9,665	\$ 0	\$ 0	\$ 0
Total Investment	USD	\$ 528,703	\$ 348,452	\$ 320,126	\$ 101,828
Borax Argentina					
Grants and Donations ³	USD	-	-	\$ 6,296	\$ 0
Strategic Community Investment ⁴	USD	-	-	\$ 29,128	\$ 26,916
Commercial Initiatives ⁵	USD	-	-	\$ 7,481	\$ 0
Total Investment	USD	-	-	\$ 42,905	\$ 26,916

INDICATOR	Units	2018	2019	2020	2021
Community Investment (by Type)					
Sales de Jujuy (Olaroz Lithium Facility)					
Cash Grants and Contributions	USD	\$ 510,862	\$ 345,252	\$ 95,474	\$ 3,206
In-kind Donations ^{6,7}	USD	\$ 17,840	\$ 2,869	\$ 224,652	\$ 98,622
Valuation of Employee Volunteer Time	USD	\$ 0	\$ 331	\$ 0	\$ 0
Total Investment ⁸	USD	\$ 528,702	\$ 348,452	\$ 320,126	\$ 101,828
Management Costs ⁹	USD	\$ 564,417	\$ 375,781	\$ 388,962	\$ 371,845
Total Investment (incl. Management Costs)	USD	\$ 1,093,119	\$ 724,233	\$ 709,088	\$ 473,673
Borax Argentina					
Cash Grants and Contributions	USD	-	-	\$ 23,543	\$ 13,014
In-kind Donations	USD	-	-	\$ 19,362	\$ 13,902
Valuation of Employee Volunteer Time	USD	-	-	\$ 0	\$ 0
Total Investment	USD	-	-	\$ 42,905	\$ 26,916
Management Costs	USD	-	-	\$ 0	\$ 0
Total Investment (incl. Management Costs)	USD	-	-	\$ 42,905	\$ 26,916

INDICATOR	Units	2018	2019	2020	2021
Other Community Contributions					
Sales de Jujuy (Olaroz Lithium Facility)					
Participation Agreement 2016 SDJ-Olaroz Chico Community ¹⁰	USD	\$ 356,292	\$ 553,500	\$ 760,008	\$ 865,178
Total Cash Value of Community Contributions ¹¹	USD	\$ 884,994	\$ 901,952	\$ 1,080,134	\$ 967,006
Borax Argentina					
Easement Agreement ¹²	USD	-	-	\$ 0	\$ 0
Total Cash Value of Community Contributions ¹³	USD	-	-	\$ 42,905	\$ 26,916

1 - Covers all contributions made by the Shared Value team, in cash or in kind and the community development programs. Donations are classified as voluntary contributions.

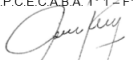
2 - Includes amounts delivered through the Community Infrastructure program

3 - No formal requests for donations were received by Borax Argentina During FY21. Donations are classified as voluntary contributions.

4 - Although Borax Argentina does not have a formal Strategic Community Investment program in place, this category includes investment actions such as provision of internet services for communities and education programs.

5 - The main community commercial initiative for Borax Argentina supported an enterprise in the region during FY20. This enterprise is currently operating independently, so did not require further funding in FY21.

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6 - Covers donations made in kind (such as equipment, fuel and sanitiser). Includes Community development programs included in the Community Infrastructure Program contributions.

7 - Increase in value during FY20 due to the delivery of medical equipment and testing kits to communities to assist with COVID-19- response

8 - The largest contributions to the Community Infrastructure Program were in the FY18 and this program is now moving into the operational/use phase. There was also an increase in FY20 due to in-kind donations made to support the community COVID-19 response. The appreciation of the US Dollar with respect to the Argentine peso has also impacted these reported figures.

9 -Covers salaries, office rental in Susques, items/operating costs of the Shared Value team.

10 - Agreement with direct impact community only: Olaroz Chico. Note Participation Agreement 2016 SDJ-Olaroz Chico Community figures are reported on a cash basis within each reporting period and may include amounts accrued in previous periods. FY20 value has been restated to reflect this definition.

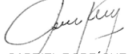
11 - Total Community Investment (excl. management expense), including Participation Agreement 2016 SDJ-Olaroz Chico Community

12 - There are no payments associated with participation agreements in place for Borax Argentina.

13 - The reduction in FY21 is due to a contribution to a community enterprise and COVID-19 response measures in FY20 that were not ongoing.

- : No information. New indicator or data for BRX prior to FY20. BRX was included in this disclosure for the first time in FY20.

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