

2021 Sustainability Report

Value Chain



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)					
Lithium Carbonate Production	tonnes	12,470	12,605	11,922	12,611
Number of claims / 1000 dispatches	quantity	23.4	39.3	28.7	35
Claim resolution time	days	NA	NA	20	15
Process Capability ¹	%	52%	80%	94%	95%
Claims Index ^{2,3}	%	0.58%	0.87%	0.92%	0.26%
Community Suppliers as % of Total Supplier Base (by number) ⁴	%	4%	5%	5.5%	6.1%
Community Suppliers as % of Total Supplier Base (by contract value) ⁵	%	14%	13%	7.0%	8.0%
Borax Argentina⁶					
Total tonnes produced ⁷	tonnes	-	-	46,641	40,627
Number of claims / 1000 dispatches	quantity	-	-	16	12
Claim resolution time	days	-	-	19	13
Conforming product index ⁸	%	-	-	98.5%	97.2%
Claims Index ^{2,9}	%	-	-	0.5%	0.078%
Community Suppliers as % of Total Supplier Base (by number) ⁴	%	-	-	4.8%	4.0%
Community Suppliers as % of Total Supplier Base (by contract value) ^{5,10}	%	-	-	2.0%	27.2%

1- Process Capability: % of Analytes with Cpk >1

2 - Claimed Product (product that does not meet technical specifications) (tonnes) / Total Product Dispatched (tonnes)

3- Reduction in FY21 due to improvements in receiving and management of claims.

4- Local communities are those within direct and indirect influence area of the SDJ and BRX operations. *Olaroz Lithium Facility Local Communities: Olaroz Chico, Susques, Hauncar, Pastos Chicos, Puesto Sey, Catua, Jama, El Toro, Coranzuli, and San Juan de Quillaques.

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

5- Total purchase orders corresponding to local suppliers over all purchase orders of all the company's suppliers.

6 - Includes total tonnes produced of boric acid, borax decahydrate, wet borax decahydrate, borax pentahydrate, HFT PLUS, HFT, HF, A6 E, A6, colemanite F, colemanite PLUS, boron 10%, boron 10.5%, and boron 10% MIX.

7- Reduced production in FY21 due to issues related to COVID-19 response and unexpected plant maintenance associated with COVID-19

8- Percentage of product conforming to specification/total production. In BRX the conforming product index is equivalent to the process capability index in SDJ.

9- Decrease in FY21 due to improvements in packaging and product dispatch processes

10- Increase in FY21 due to a higher volume of key inputs purchased from a large local supplier

- : No information - BRX data included in this disclosure for the first time in FY20

Production

INDICATOR	Units	2018	2019	2020	2021
Production					
Sales de Jujuy (Olaroz Lithium Facility)					
Lithium Carbonate Production	tonnes	12,470	12,605	11,922	12,611
Borax Argentina					
Total tonnes produced ¹	tonnes	-	-	46,641	40,627
Boric acid	tonnes	-	-	8,808	7,572
Borax decahydrate equivalent	tonnes	-	-	20,514	15,694
Mineral Concentrates	tonnes	-	-	17,319	17,362

INDICATOR	Units	2018	2019	2020	2021
Core Reagents					
Sales de Jujuy (Olaroz Lithium Facility)					
Soda Ash Consumption	tonnes	41,157	38,368	21,871	33,005
Lime Consumption ²	tonnes	45,176	51,005	47,399	54,653
Borax Argentina					
Sulfuric Acid	tonnes	-	-	7,965	6,733

1- Reduced production in FY21 due to plant maintenance related to COVID-19 response. Includes total tonnes produced of boric acid, borax decahydrate, wet borax decahydrate, borax pentahydrate, HFT PLUS, HFT, HF, A6 E, A6, colemanite F, colemanite PLUS, boron 10%, boron 10.5%, and boron 10% MIX.

2- Covers the volume used in the lime and secondary liming plants and ponds when necessary.

- : No information - BRX data included in this disclosure for the first time in FY20

Customers

INDICATOR	Units	2018	2019	2020	2021
Product Quality					
Sales de Jujuy (Olaroz Lithium Facility)					
Process Capability ¹	%	52%	80%	94%	95%
Borax Argentina					
Conforming Product Index ²	%	-	-	99%	97%

INDICATOR	Units	2018	2019	2020	2021
Satisfaction					
Sales de Jujuy (Olaroz Lithium Facility)					
Number of claims / 1000 dispatches	quantity	23.4	39.3	28.7	35.2
Claims Index ^{3,4}	%	0.58%	0.87%	0.92%	0.26%
Borax Argentina					
Number of claims / 1000 dispatches	quantity	-	-	16	12
Claims Index ^{3,5}	%	-	-	0.5%	0.078%

1 - Process Capability: Percentage of Analytes with Process Capability Index (Cpk) >1

2- Percentage of product conforming to specification/total production. In BRX the conforming product index is equivalent to the process capability index in SDJ.

3 - Claimed Product (product that does not meet technical specifications) (tonnes) / Total Product Dispatched (tonnes)

4- Reduction in FY21 due to improvements in receiving and management of claims.

5- Decrease in FY21 due to improvements in packaging and product dispatch processes

- : No information - BRX data included in this disclosure for the first time in FY20

Suppliers

INDICATOR	Units	2018	2019	2020	2021
Suppliers by Region					
Sales de Jujuy (Olaroz Lithium Facility) ^{1,2}					
Local Communities ³	quantity	29	43	38	38
Provincial	quantity	176	181	150	101
National	quantity	461	523	457	449
International	quantity	42	53	42	40
TOTAL	quantity	708	800	687	628
Borax Argentina ¹					
Local Communities ³	quantity	-	-	20	15
Provincial	quantity	-	-	172	154
National	quantity	-	-	218	196
International	quantity	-	-	11	9
TOTAL	quantity	-	-	421	374

INDICATOR	Units	2018	2019	2020	2021
Percentage of Total Suppliers					
Sales de Jujuy (Olaroz Lithium Facility) ²					
Local Communities ³	%	4%	5%	5.5%	6.1%
Provincial	%	25%	23%	21.8%	16.1%
National	%	65%	65%	66.5%	71.5%
International	%	6%	7%	6.1%	6.4%
TOTAL	%	100%	100%	100.0%	100.0%
Borax Argentina					
Local Communities ³	%	-	-	4.8%	4.0%
Provincial	%	-	-	40.9%	41.2%
National	%	-	-	51.8%	52.4%
International	%	-	-	2.6%	2.4%
TOTAL	%	-	-	100.0%	100.0%

INDICATOR	Units	2018	2019	2020	2021
Percentage of Total Suppliers by Spend					
Sales de Jujuy (Olaroz Lithium Facility)					
Local Communities ³	%	14%	13%	7.1%	8.0%
Provincial	%	26%	27%	25.1%	31.0%
National	%	54%	49%	27.9%	46.0%
International	%	6%	11%	39.8%	15.0%
TOTAL	%	100%	100%	100.0%	100.0%
Borax Argentina					
Local Communities ^{3,4}	%	-	-	2.0%	27.2%
Provincial	%	-	-	45.4%	30.5%
National	%	-	-	50.2%	36.5%
International	%	-	-	2.5%	5.8%
TOTAL	%	-	-	100.0%	100.0%

INDICATOR	Units	2018	2019	2020	2021
Supplier Performance					
Sales de Jujuy (Olaroz Lithium Facility)					
Breach of Supplier Code of Conduct ⁵	quantity	N/D	N/D	N/D	0
- Suppliers sanctioned	quantity	N/D	N/D	N/D	N/D
- Contracts terminated	quantity	N/D	N/D	N/D	N/D
New suppliers screened using environmental criteria ⁶	quantity	N/D	N/D	N/D	23
New suppliers screened using social criteria ⁶	quantity	N/D	N/D	N/D	23
Borax Argentina					
Breach of Supplier Code of Conduct ⁵	quantity	-	-	-	0
- Suppliers sanctioned	quantity	-	-	-	N/D
- Contracts terminated	quantity	-	-	-	N/D
New suppliers screened using environmental criteria ⁶	quantity	-	-	-	12
New suppliers screened using social criteria ⁶	quantity	-	-	-	12

1- Reductions in FY21 are due to actions associated with COVID-19 response

2- Values corresponding to operations and expansion, without repeating suppliers providing services to both sectors

3- Local communities are those within direct and indirect influence area of the SDJ and BRX operations. *Olaroz Lithium Facility Local Communities:

Olaroz Chico, Susques, Hauncar, Pastos Chicos, Puesto Sey, Catua, Jama, El Toro, Coranzuli, and San Juan de Quillaques.

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

4- Increase in FY21 due to a higher volume of key inputs purchased from a large local supplier

5 - The Supplier Code of Conduct was formally implemented in July 2021 (FY 22). However during FY21, the existing process involved requirement for suppliers to sign an acknowledgement to adhere to Orocobre's policies at the time of initiating the commercial relationship with the company.

6 - The formal process for carrying out our environmental and social assessments for critical suppliers was implemented during FY21. The number of suppliers assessed will increase as we continue the evaluation process across all of our critical suppliers.

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

N/D: Not disclosed