TIANQI LITHIUM

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TIANQI LITHIUM SUSTAINABILITY REPORT 2019

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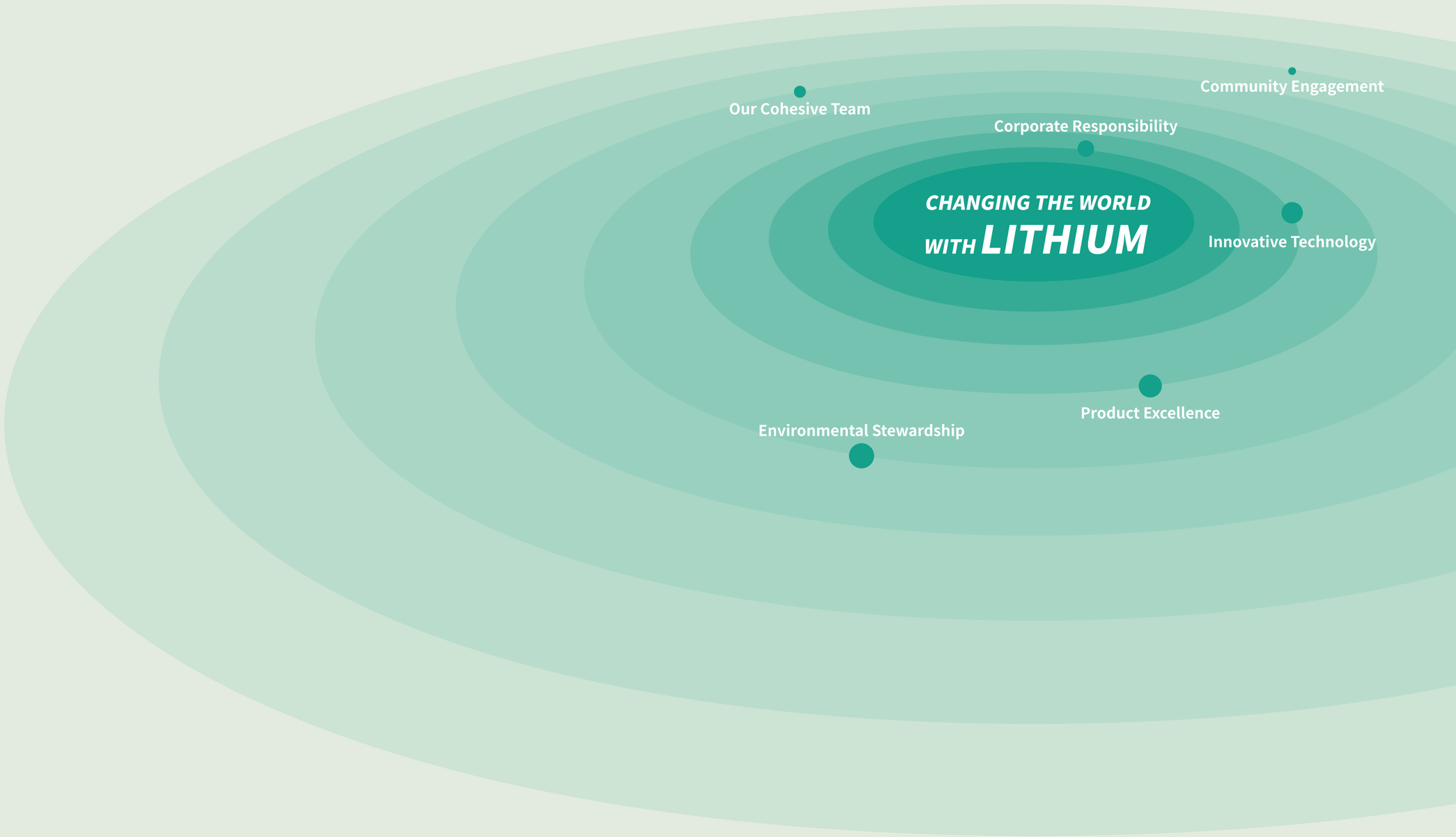
SUSTAINABILITY REPORT **2019**


Our Cohesive Team
Community Engagement
Corporate Responsibility
CHANGING THE WORLD
WITH LITHIUM
Innovative Technology
Product Excellence
Environmental Stewardship

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Letter from the Chairman

Keep moving with our original aspiration

2019 brought rapid changes in global business operating conditions. Today, China is in a crucial phase as it transitions its development model, optimizes its economic structure, and transforms its growth drivers. These changing times create both challenges and opportunities. The new energy industry has slowed after its initial rapid development. However, new energy will remain important as governments and businesses continue to upgrade their energy infrastructure in which the lithium industry will continue to play a significant role.

Tianqi Lithium remains committed to being a world leader in the lithium-based new energy materials industry. We have focused on promoting broader industry progress while developing our own capabilities and integrating resources through globalized operations. Our 2019 goals focused on income improvement, expenditure reduction, and energy conservation. We assessed the impacts of our production and operation, explored smart manufacturing and strove to set an example for the industry in terms of lean management and environmentally friendly development. We continued to strengthen our R&D capabilities, working closely with universities and research institutions alongside upstream and downstream partners at home and abroad to explore the future of clean energy technology. We also paid close attention to sustainable development in the communities where we operate, building the Tianqi Global Public Welfare Platform to help enhance our community development achievements.

We will continue to pursue our vision, building on our strengths and values to develop the industrial ecosystem jointly with all stakeholders for a better future.

Mr. Jiang Weiping

Founder/ Chairman of Tianqi Lithium Corporation

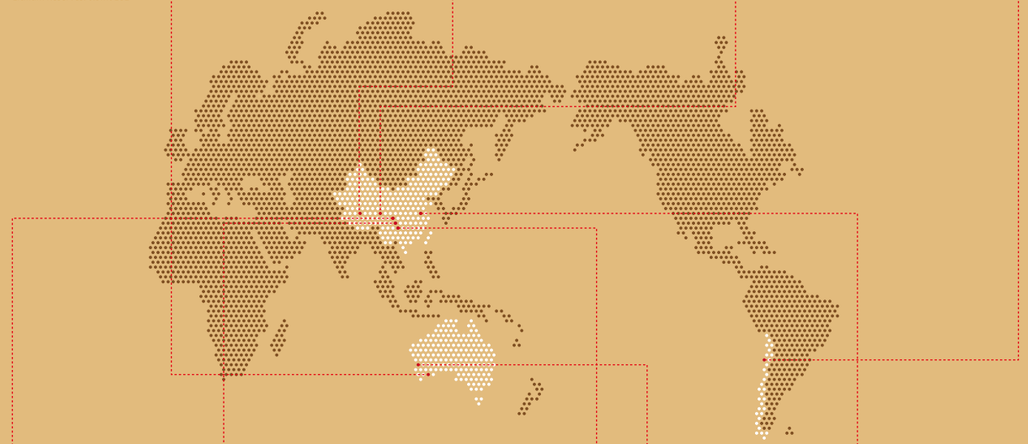
Operations and Resources

Greenbushes, Australia (51%)
The world' s largest lithium mineral producer in terms of LCE deposits
Lithium Resources: 8.78mt LCE
Lithium Reserves: 6.9mt LCE

Zhabuye Lake, Tibet, China (20%)
Brine-based resources
Lithium Resources: 1.83mt LCE

Yajiang Cuola, Sichuan, China (100%)
Part of the largest hard-rock lithium mineralization in Asia
Lithium Resources: 0.63mt LCE

SQM, Chile (25.86%)
Its Salar de Atacama is the largest brine-based lithium reserve in the world
Lithium Reserves: 45.51mt LCE



Shehong, Sichuan, China (100%)
The 2nd largest lithium compounds plant in Asia
Capacity: 24,200t per year

Anju, Sichuan, China (100%)
Lithium carbonate plant under construction
Designed capacity: 20,000t per year

Tongliang, Chongqing, China (86.38%)
The lithium metal plant
Capacity: 600t per year

Kwinana, Australia (100%)
Battery-grade lithium hydroxide plant
Designed capacity: 48,000t per year

Zhangjiagang, Jiangsu, China (100%)
The only fully-automated battery-grade lithium carbonate plant in operation in the world
Capacity: 20,200t per year

Company Profile

Listed on the Shenzhen Stock Exchange (stock code: SZ.002466), Tianqi Lithium is a global new energy materials company, with lithium at its core. Tianqi Lithium has world leading positions in its major businesses of lithium resource investment, lithium concentrate extraction and the production of advanced lithium specialty compounds. With resource and production assets located in the pre-eminent lithium regions of Australia, Chile and China, our fully vertical-integrated businesses ensure the Company is optimally positioned to partner with our international customers to support the long-term sustainable development of lithium-ion battery technologies for application in the electric vehicle and energy storage industries.

Tianqi Lithium strives for technology innovation and product quality improvement to better satisfy customers' needs. Our ongoing refinements give us a strong platform for achieving social responsibility with abundant resources, stable production capacity, and strong research and development (R&D) capabilities.

Highlights in 2019

Awards and Recognition

Accredited by the **China State-Accredited Enterprise Technology Centre**

Honored as **China National Intellectual Property Demonstration Enterprise**

Won the **First Prize of Science and Technology Progress Award of the China Nonferrous Metals Industry Association**

Outstanding Responsible Enterprise of the Year
——Southern Weekly

Philanthropic Enterprise of the Year 2019
——China Philanthropy Times

China Enterprise Citizen of 2019 - Excellent Innovative Development Enterprise of the Year
——21st Century Business Herald

Top Ten Volunteering Service Enterprise (Organization)
——Chengdu Municipal Spiritual Civilization Construction Office of Sichuan Province

Cross-Border Investment Award at the Australia-China Business Awards (ACBA)
——China-Australia Chamber of Commerce

2019 Best Employer of China
——Aon Hewitt

Best Investor Relations Award of Year 2019
——7th Snowball Festival

Best Information Disclosure Award
——China Excellence IR Annual Selection

Total R&D expenditure USD **8,608.89 thousand** during 2019
Applied for **26** patents
Gained approval for **7** invention patents and **5** utility model patents
Gained approval for **145** patents cumulatively
Participated in the development or modification of **30** national / industry standards
Tech staff accounts for **18.8%** of total employees

Invested USD **487.83 thousand** on training
The total number of trainees is **15,248** person time
Average number of training hours per employees up to **45.31**

Donated a total of USD **31,283.76** to Tianqi's Volenteering Services
474 employees volunteered for a total of **1,632.5** hours

Coal consumption 47,306.12 tons
-37.45%

Tap water consumption 394,190.39 tons
-25.42%

Sulfur oxides emissions 71.58 tons
-57.24%

Coal ash 25,198.00 tons
-29.73%

Nitrogen oxides emissions 80.08 tons
-23.20%

Recycled and reused water accounts for
89.37%
of total water consumption

Corporate Responsibility

We abide by business ethics and treat stakeholders in good faith to build a responsible organisation together with our partners.

We are dedicated to globalized operations. Internally, we continuously improve our environmental, social, and governance systems. Externally, we foster a productive dialog with stakeholders to encourage transparency and consistency in our business.

Responsibility Governance

As the world's leading new energy material company and an advocate of the global energy revolution, Tianqi Lithium aligns corporate social responsibility with our overall development strategy.

Social responsibility strategy

Continuously improve our social responsibility capabilities based on a foundation of risk prevention and control, value creation as the inherent driving force, and been a positive influencer

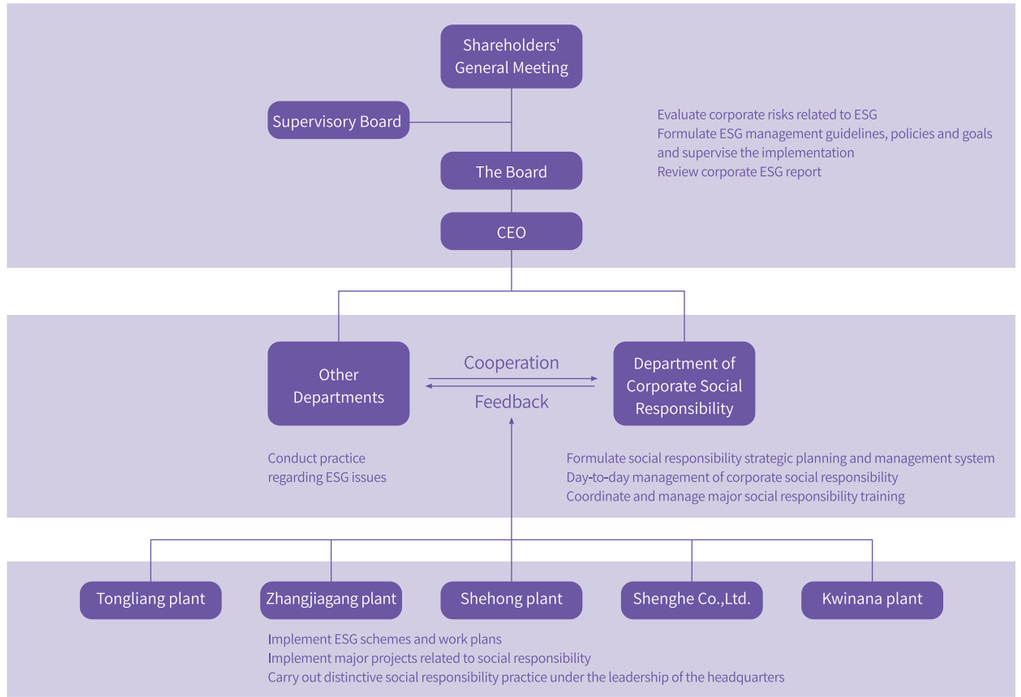
Strategic target

We aim to be a leader in the sustainable development of the global new energy industry by 2030, helping enterprises to align their development with the economy, society, and environment.

Responsibility concept

Tianqi Lithium aims to be the leader in the global new energy industry with lithium as the core. As the new energy industry evolves, we are determined to change the world with lithium. Our principles dictate that economic benefits never override the environment or peoples' well-being and safety. We will create value for customers, employees, and business partners through responsible corporate culture and operation, driving sustainable economic prosperity, environmental wellness, and social progress.

Our current responsibility governance structure



Stakeholder Communication and Materiality Analysis

To quickly and effectively respond to stakeholder concerns, we have used a Stakeholder Rights-Interest Model to evaluate the influence and dependence of different stakeholders and established a regular communication mechanism to ensure the transparent, open and timely communication with them.

Stakeholder groups	Expectations	Communications & Responses
Customers	Product quality R&D and innovation Customer services Clean technology opportunities	Product quality testing Increased investment in R&D and innovation Established customer service system Clean technology R&D
Employees	Protection of employee rights and interests Occupational health and safety Career development and training Chemical safety	Employee communication measures including an employee satisfaction survey Broader employee development channels Sound occupational health and safety management system Management procedures and emergency response plans in place
Shareholders	Corporate strategy and development Corporate governance Economic performance Protection of shareholder rights	Regular and irregular information disclosure Complaint, whistleblowing, and supervision mechanisms Release of annual and semi-annual reports Shareholder meeting
Government/ regulators	Energy conservation and consumption reduction Water resources protection Emissions management Ecological protection Waste disposal Chemical safety	Energy conservation and emission reduction measures Water recycling and related technologies Implemented emission management measure Implemented ecological protection measures Improved waste disposal management Developed management processes and response plans
Partners	Responsible procurement Industry development	Fair and transparent procurement management system Joint industry and university research activities with upstream and downstream partners in the industrial chain
Community	Community contribution and public welfare Community engagement	Public welfare and volunteering programs Regular and ad hoc community visits and an Open House day

We prioritize materiality issues through an established process for better management and responsiveness.

Identify potential material issues

Analyze the potential risks faced by the industry through media analysis and peer benchmarking and identify material issues of the year.

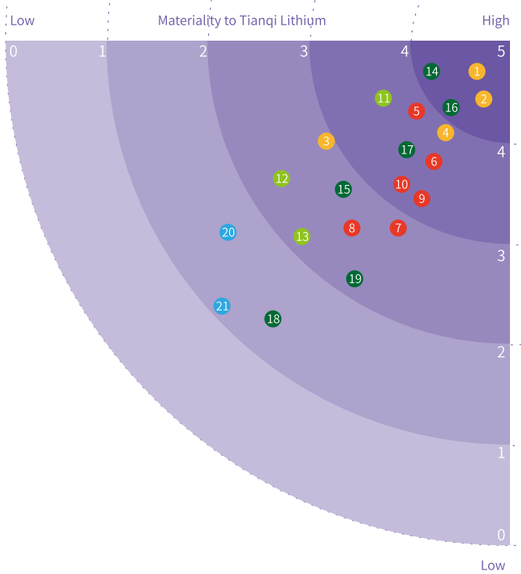
Form a tentative ranking of material issues

Interview with internal and external stakeholders and form a tentative ranking of material issues.

Adjust and confirm the materiality

Discuss with management, merge and reorganize material issues with reference to both internal and external analysis, and align material issues with corporate strategies.

The Matrix of Material Issues



Materiality Issues (Ordered by matetiality)	No.
Corporate governance and economic issues	1 Corporate governance 2 Economic performance 3 Protection of shareholders' rights and interests 4 Strategies and development
Environmental issues	5 Clean technology opportunities 6 Emission management 7 Ecological protection 8 Waste disposal 9 Energy conservation and consumption reduction 10 Water resources protection
Employment and labor issues	11 Occupational health and safety 12 Career development and training 13 Protection of employee rights and interests
Operational issues	14 Product quality 15 Chemical safety 16 R&D and innovation 17 Customer services 18 Industry development 19 Responsible procurement
Social issues	20 Community contribution and public welfare 21 Community engagement

Note: Issues in bold are highly material issues that have significant influence on both Tianqi Lithium and stakeholders.

Business Ethics

Compliance with business ethics is our most important condition for sustainable operation. We act in strict accordance with a series of laws and regulations including the Anti-Unfair Competition Law of the People's Republic of China, Anti-Money Laundering Law of the People's Republic of China, Interim Provisions on Banning Commercial Bribery, and Australia's Criminal Code Amendment (Bribery of Foreign Public Officials) Act 1999. We have developed internal policies such as our Anti-Corruption and Whistleblowing Policy and Anti-money Laundering and Anti-terrorist Financing Compliance System accordingly. During the reporting period, we launched an audit information platform to standardize our internal audit procedures and make them more effective.

We established a comprehensive anti-fraud and anti-bribery system that includes whistleblowing, reporting, handling, and investigation procedures. During the reporting period, we announced the Basic System for Combating Corruption and Reporting with detailed implementation rules. This is supported by four internal control management documents, including process forms, to further standardize procedures and permissions and protect the rights of informant and person being reported. We also clarified the penalties regulations for the anti-fraud system at the Staff Representative Conference.

Whistleblowing channels

Letter Hotline Email

Investor Relations

We are committed to maintaining sound investor relations through transparent information disclosure. To ensure this, we disclose information on a regular and timely basis in accordance with applicable information disclosure regulations issued by the China Securities Regulatory Commission (CSRC) and the Shenzhen Stock Exchange (SZSE).

Except timely and effective information disclosure, we also focus on investor communication. During the reporting period, we enhanced the transparency of corporate governance and protected the rights and interests of investors with several measures:

- Carried out **11** investor relations events
- Responded to investors' questions on the SZSE trading platform **352** times
- Achieved an **A** rating in the SZSE information disclosure appraisal

Innovative Technology

Tianqi Lithium attaches importance to research and innovation. To enhance our R&D innovations, we have introduced the latest industry technologies and pay close attention to, and cooperate with industry partners in order to develop lithium technology and promote industry development.

Focusing on R&D and Innovation

R&D is one of our most important core competencies. With years of effort, we have created a strong, experienced R&D team and technologies that produce high-quality lithium products at scale. During the reporting period, we further enhanced our innovation and R&D capabilities in three areas: hardware support, rules and regulations, and assessment and rewards.

R&D Center promoted the establishment of three plants and one center.

Completed Phase I of the Chongqing R&D Centre platform to provide capacity support for world-leading battery-grade lithium metal lithium and related anode materials.

Developed management systems such as the Management Regulations for R&D Projects, Management Measures for Technology, and Management Measures for Technology Project Appraisal (Review).

Achieved effective control of the entire R&D process from establishment to acceptance.

Managed R&D with SAP Success Factors, an online tool, laying the foundation for salary structure and promotion.

Developed the Tianqi Lithium R&D Centre Performance Management Measures and Tianqi Lithium R&D Centre Compensation Management Measures for conducting incentive and compensation strategies that highlight R&D abilities and achievements.

We monitor global developments in lithium-ion battery technology for electric vehicles and energy storage, adjusting our R&D strategy accordingly in line with our corporate development strategy. During the reporting period, we undertook several provincial and municipal research projects to resolve some key clean energy development bottlenecks.

We aim to improve our quality and efficiency through continuous R&D in new materials. This helps us enhance the chemical performance and safety performance of lithium-ion batteries, which also further consolidates our leading position in the global lithium industry.

R&D in new material technology (part of the work done during 2019)

- Conducted research on the synthesis of high-purity sulfur-based lithium materials and the side reaction suppression mechanism to fix the defects of all-solid-state lithium batteries in practical scenarios such as chemical instability.
- Strengthened research into high value-added lithium metal profiles and composite materials to exceed the physicochemical limits of the energy density of traditional material lithium-ion batteries.

Improvement in new technology (part of the work done during 2019)

- Developed and tested a process that produces lithium chloride anhydrous through crystallization to overcome the impurity produced by the traditional method.
- Conducted experiments in the basic process route and parameter model of preparing lithium hydroxide with the electrochemical method to improve cost efficiency, as cooling takes large investments and a long time.

Won the
First Prize of Science and Technology Progress Award
of the China Nonferrous Metals Industry Association

Protecting Intellectual Property Rights

We build intellectual property work into the core of our corporate management, implementing several intellectual property policies and procedures in accordance with laws and regulations. These include the Patent Law of the People's Republic of China, Anti-Unfair Competition Law of the People's Republic of China, Regulations on the Management of Intellectual Property Rights of Enterprises, and Guidelines for the Administration of Intellectual Property Rights of Industry Enterprises. We also obtained GB/T29490 Intellectual Property Management System Certification. We continuously implement these policies at all plants to improve our strategic management, creation, operation, and legal rights protection.

Honored as a

National Intellectual Property Model Enterprise

We value not only our own R&D and innovation, but also resource-sharing partnerships with other enterprises and research institutions. These help us explore the industrial application of products and technologies for mutual benefit.

Tianqi creates a joint R&D ecosystem with partners

We are committed to the development of next-generation high energy density solid-state lithium battery technology. As an upstream supplier, we work closely with universities, research institutions, and enterprises to promote the industrialization and application of R&D achievements.

- We conducted joint research with Harvard University, the Institute of Physics of the Chinese Academy of Sciences, and the University of Electronic Science and Technology of China to optimize the performance of lithium metal as a anode material. We developed targeted improvements to the lithium metal cathode's structural design after studying its surface structural changes during electrochemical reactions, laying the foundation for its subsequent industrialization.
- We have built long-term strategic cooperation partnerships with downstream solid-state lithium battery companies including SolidEnergy and Beijing WeLion New Energy Technology. We cooperated with these partners on sample testing and industrialization solutions. We also optimized important performance indicators such as process parameters, cost, and safety, and customized product development. All these in turn helped to guide our basic research.

Guiding practical applications through basic theoretical research

Research Institutions + TIANQI LITHIUM + Downstream Partners

Adjust research directions based on application needs

Contributing to Industry Development

As a founding member of the China Nonferrous Metals Industry Association Lithium Branch, we are stewards for the lithium industry in China and across the world. In December 2019, Ron Mitchell, Sales Director of International Business Group, was appointed as the inaugural Chairman of the Lithium Committee of the London Metal Exchange (LME). We commit to work with other Committee members including BASF and Tesla to protect the interests of participants in the lithium industry chain, including lithium producer, battery materials, and electric vehicles manufacturers. The main objective of this Committee is to offer more transparent pricing guidance for lithium products so to help build a responsible supply chain.

China Lithium Conference 2019 in Suining

In October 2019, Tianqi Lithium participated in the China Lithium Conference 2019 in Suining, Sichuan Province. Participants discussed lithium resource development strategies in China and other countries in light of rapid development in the new energy vehicle and energy storage industries. They studied and forecasted trends in the lithium battery industry, and assessed the prospects of lithium battery end demand.

Lithium Supply & Markets Conference

In June 2019, Tianqi Lithium attended the 11th Lithium Supply & Markets Conference (LSM Conference) in Santiago, Chile as a global partner to advocate peer enterprises to enhance transparency and to focus on sustainability. As one of the most recognized events in the lithium industry, the LSM Conference attracted the attention and support of more than 400 delegates.

International Rechargeable Battery Expo

In February 2019, International Rechargeable Battery Expo (Battery Japan 2019) was held in Tokyo, Japan. As one of eight major events during World Smart Energy Week, it was the largest and most influential international event of the renewable energy industry in Asia. Tianqi Lithium participated in the event together with international secondary battery manufacturers, electric vehicle manufacturers, energy storage device providers, and other industry partners to discuss the current status and future of battery development.

We are committed to helping drive standardization in the lithium industry. During the reporting period, we led the development of three national and industry standards which was to strengthen the industry quality standards.

Led the modification of National Standard GB/T26008-2019 Battery Grade Lithium Hydroxide Monohydrate Won the **Excellent Standard Award** of the National Technical Committee on Non-ferrous Metals of Standardization Administration of China (SAC/TC243)

44 employees participated in **17** domestic and international academic and industry conferences

Participated in the development or modification of **30** national and industry standards

Product Excellence

We are committed to product excellence, working closely with stakeholders including suppliers, customers, and partners to consistently deliver high-quality products.

We introduced an advanced quality management system to control quality risks at each operational stage, including resource extraction, material procurement, production and processing, and product delivery. We also improved our supply chain management to provide customers with flexible product solutions and excellent service.

Enhancing Quality Management

We strictly control product quality from the beginning. We draw on the international quality management requirements and the automotive industry's advanced management systems, gradually incorporating them into our own processes as we continue to refine our quality management.

Greenbushes mine	achieved **ISO9001 Quality Management System Certification**
Shehong, Zhangjiagang, and Tongliang plant	achieved **ISO9001 Quality Management System Certification and IATF16949 Automotive Quality Management System Certification**

Quality Risk Management and Control

To support our goal of Zero Defects, we introduced strong quality control procedures in our production facilities and set up a quality management team to monitor and improve production processes.

Systematic planning

Gather and analyze the needs and expectations of customers and stakeholders to develop quality control requirements.

Set system goals, formulate quality management system documents, identify and respond to risks and opportunities.

Continuous improvement

Improve products and services based on process reviews, internal audits, management reviews, and internal and external feedback in order to meet constantly updated needs and expectations.

Scientific execution

Establish and continuously improve an efficient and intelligent office management system, and gradually standardize the entire process to properly control risks and make scientific decisions.

Multiple reviews

The Operation Management Department reviews the processes on a regular basis to ensure process execution is compliant with applicable rules and manage relevant internal control risks.

The Quality Department of each plant conducts annual product audits, process audits, system audits, and management reviews to ensure the adequacy, compliance, and effectiveness of the quality control system.

Zero defective product recall occurred during the reporting period

Quality Management Capability Building

The implementation of quality management processes relies on our employees' awareness and support. During the reporting period, we offered training for all levels of management and our production staff to support our implementation of automotive quality management systems and 6S[1] management standards. We encouraged employees to apply our management system requirements in their daily work based on the product structure. We also organized quality symposiums to collect opinions and suggestions so to promote quality improvement.

Automative Quality Management System training

6S site management training

AIAG-VDA FMEA training[2]

Internal quality risk management training

Employee Skills Competition

From May to June 2019, our plants honored our employees' hard work and skill with an Employee Skills Competition covering 13 job categories and 27 positions. Combining theory and practice, the competition motivated employees to constantly improve their professional skills.

[1] 6S is a management system aimed at improving the overall work quality of an enterprise. 6S refers to six elements: Seiri(Sort), Seiton (Set in order), Seiso (Shine), Seiketsu (Standardize), Shitsuke (Sustain), and Safety.

[2] Six Sigma is a set of management techniques for improving quality process management. FMEA (Failure Mode and Effects Analysis) is a tool in Six Sigma that focuses on the integrate between theory and practice to help solve actual problems.

Strengthening Cooperation with Supply Chain Partners

Supply chain management is a primary factor in quality control because our production performance and product quality are directly affected by our suppliers' and contractors' raw materials, equipment, and services. During the reporting period, we further improved our supplier management system to ensure the quality of supplies. We also promoted centralized procurement to avoid fraud and non-compliance risk in procurement and contract performance.

We manage and control procurement, supplier assessment and appraisal, supplier correction, and supplier replacement in accordance with policies such as the Supplier Management Standards and Procurement Management Standards. We optimize supplier structure and quality by adopting different management strategies for different types of suppliers. During the reporting period, we conducted on-site audits with 124 key suppliers to effectively assess and provide input to improvement of their capabilities.

Supplier approval	We incorporate factors such as safety and environmental management and social responsibility performance into our supplier assessment. We exclude companies with negative performance, such as breach of contract or environmental penalties. Our suppliers must sign a Supplier Integrity Agreement including anti-corruption, anti-monopoly, and anti-money laundering provisions. They must also sign a Confidentiality Agreement and other documents to protect the interests of both parties.
Supplier capacity monitoring	We establish supplier performance tracking and on-site audit mechanisms to fully understand suppliers' operation and management. We downgrade or eliminate suppliers that fail to meet our requirements.
Supplier communication and support	We establish complaint channels for suppliers and encouraged them to report corruption or other non-compliant activity. We help suppliers to improve their management capabilities and explore R&D cooperation opportunities with suppliers in new production processes, facilities, and projects to build a mutually beneficial supply chain ecosystem.

Protecting Customer Rights and Interests

Our success depends on the success of our customers. We cooperate with them at a strategic level to prepare for the future, and communicate closely with them in real time to ensure the quality of our products and services.

Satisfying the needs of customers

Good customer relations are of the utmost importance to us. We have formed strategic cooperative partnerships with major global battery materials providers, multinational electronics companies, and glass manufacturers. As we improve our understanding of customer needs and downstream industry trends, we continue to refine our customer services and form a business community bonded by mutual benefits.

Our annual customer satisfaction surveys enable us to understand what customers need from our products and services, help us to develop targeted improvement measures.

Customer satisfaction survey

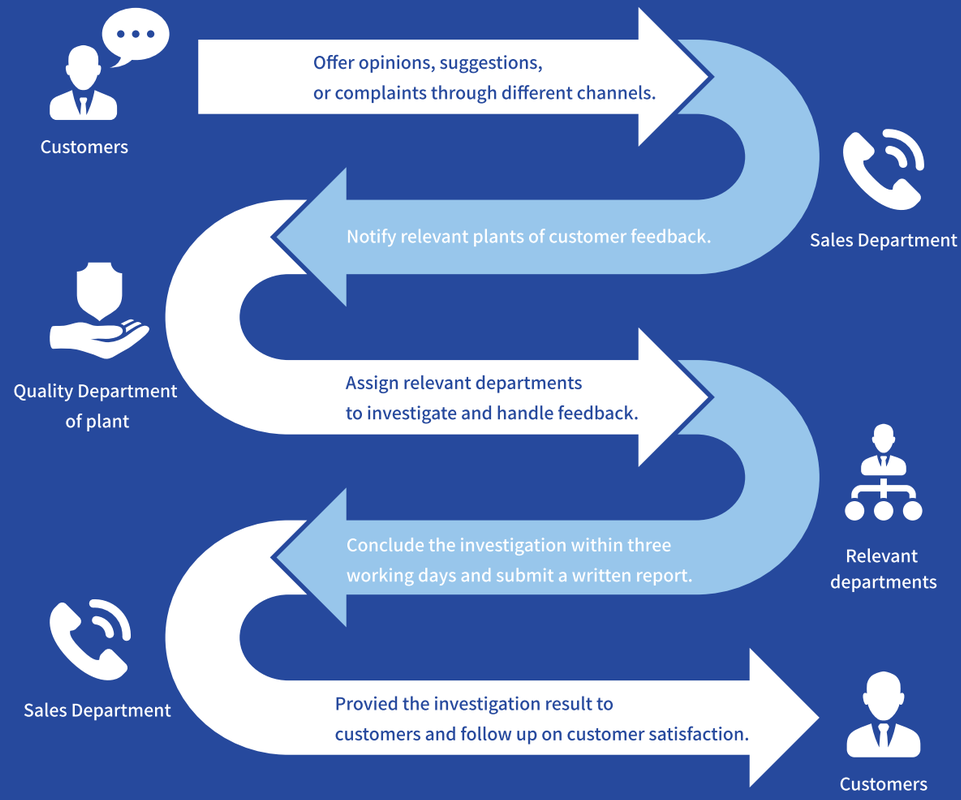
Product quality	Timeliness of service
Price	Environment
Delivery time	Occupational health
After-sales service	Intellectual property
Service attitude	ESG

Customer satisfaction at all plants exceeds **96%**

Customer Complaints

We have developed a well-defined Customer Complaint Handling Process that supports customer complaints through email, phone, and WeChat. During the reporting period, we followed up with all the issues raised, and continued to upgrade equipment, strengthen production management, and improve product quality. Based on our well-established pre-sales, sales, and after-sales service processes, our product and service quality have been highly recognized by customers.

Steps to Handle Customers' Opinions, Suggestions, and Complaints



Information Security and Privacy Protection

During the reporting period, we optimized our controls of information security in line with the ISO27001 Information Security Management System. Our measures covered areas including mobile device management, operating software control, information storage management, information transmission management, and confidentiality management. We also focused on protecting customer privacy and classifying customer information as trade secrets to protect customer rights and interests in strict accordance with the Confidentiality Management System.

Environmental Stewardship

We are dedicated to continuously improving our environmental management capabilities in the pursuit of sustainable development. We promote good environmental stewardship for our mines and plants, integration with the communities where we operate, and cooperation with local governments, residents, and social organizations for environmental protection.

Chengdu Tianqi Greenbushes mine Shehong plant Zhangjiagang plant Tongliang plant	all achieved **ISO14001** **Environmental Management System certification**
Tongliang plant	achieved **Green Factory of Chongqing certification (China)**

Saving Energy and Reducing Consumption

We devote close attention to green production processes and develop target appraisal mechanisms to better manage energy and water resources, and to minimise unnecessary consumption. We monitor and analyze the gap between our actual energy and resource consumption and our targets, and we have embedded those metrics in our employees' key performance indicators to encourage their contribution to energy and resource conservation.

Energy Management

We developed the Management Measures for Energy Conservation and Consumption Reduction to manage offices and production sites and improve employee awareness of energy efficiency, supplementing these measures with the 6S site management model. We developed these measures in strict accordance with the Environmental Protection Law of the People's Republic of China, Energy Conservation Law of the People's Republic of China, and other laws and regulations on environmental protection in the jurisdictions where we operate. We also further promoted lean management in production, identifying techniques and processes where we can further save energy and improve efficiency. During the reporting period, we implemented the following retrofit projects:

Shehong plant introduced mechanical vapor recompression (MVR) equipment, which would save 10,086,000m³ of natural gas per year.
Shehong plant increased dwelling pumps and pipelines to deliver wasterwater to the pulping position, and recover lithium oxide from wastewater instead of extracting lithium from the natural gas calcinated spodumene, which would save 0.487m³ of natural gas per cubic meter of wastewater delivered.
Shehong plant converted coal-fired boilers to natural gas firing, which will save 7,304 tonnes of standard coal per year.
Zhangjiagang plant implemented cooling kiln water supply and backwater pipeline transformation, which will save 20m³ of natural gas per tonne of production.
Tongliang plant upgraded its workshop halogen lights to LED lighting, which will save 14,235 kWh of power per year.

Water Resources Management

We strictly abide by the Water Law of the People's Republic of China and the Implementation Measures of the Water Drawing Permit System to ensure the scientific and efficient use of water resources and promote water-saving and recycling technologies. Each plant recovers lithium-containing wastewater and reduces its discharge by promoting wastewater treatment. In addition, each plant will reuse condensate and treated water in the production process in order to reduce the consumption of municipal water. During the reporting period, our water recycling rate reached 89.37%. Jiangsu Province' s Department of Housing and Urban-Rural Development honored our Zhangjiagang plant with Water-Saving Enterprise award.

Strengthening Emissions Management

We standardized the classification, collection, transportation, temporary storage, and treatment of solid waste by establishing policies including the Management Measures for Solid Wastes Disposal, Management Procedures for Chemicals, and Management Procedures for Hazardous Waste. We introduced these policies in accordance with applicable laws and regulations such as the Atmospheric Pollution Prevention and Control Law of the People's Republic of China, Water Pollution Prevention and Control Law of the People's Republic of China, and Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes.

Maintaining and upgrading equipment for improved safety and environmental management

During the reporting period, Zhangjiagang plant allocated funds and dedicated personnel to upgrade, maintain and inspect production as well as environmental protection equipment, preventing such equipment from leaking, spilling or dripping, thereby reducing consequent safety and environmental risks.

For the production materials, Zhangjiagang plant invested USD 156.56 thousand to reprocess tank farm cofferdams that were vulnerable to leaks for corrosion control. The epoxy resin anti-corrosion mechanism was replaced by vinyl ester glass flake (VEGF), which brings strong corrosion resistance and impact resistance that eliminates the risk of materials leakage.

For hazardous waste, Zhangjiagang plant invested USD 17.40 thousand to build two new warehouses with an area of 15m² each and renovated an existing 22m² hazardous waste warehouse. The warehouses were processed for the ground anti-corrosion and anti-seepage treatment with diversion channels and leak collectors being set up. The warehouses are equipped with doors with peepholes to keep out unauthorized personnel and effectively reduce the safety and environmental risks during the storage of hazardous waste.

We followed the 3R (reduce, reuse, and recycle) in our solid waste management programme to accelerate the development of the circular economy. During the reporting period, we have changed the use of jumbo-packing bags to bags with a discharge spout at the bottom which allows the reuse of bags. We cooperated with third-party recyclers to derive economic value from recyclable solid waste such as lithium slag, coal ash, scrap iron, and desulfurized gypsum. We also implemented the pilot project for the recycling of products such as lithium metal. In 2019, the recyclable waste boasted an economic value of about USD 8.86 million.

Tianqi innovated environmentally friendly by-products

Recent years, the quality and supply of some raw materials for glass and ceramics decreased. High-quality natural ore such as high-grade kaolin, pyrophyllite, and quartz powder are becoming scarce. We developed new technology to transform the lithium slag generated in the lithium conversion process into lithium silicon aluminum powder after fine processing, which can be widely used in special glass, functional ceramics, super-hard materials, high-end building materials, and others. Lithium silicon aluminum powder is not only a high-quality raw material for glass and ceramics, but also a new strategic industrial mineral that contributes to the circular economy and green development.

[3] 3R means "Reduce""Reuse" and"Recycle" for the development of circular economy to comply with principles of conduct.

We engage qualified third party contractors to help us monitor exhaust gas and wastewater emissions and industrial noise each day. During the reporting period, we upgraded COD (Chemical Oxygen Demand) and pH online equipment for stable and continuous monitoring of rainwater drainage system. A dedicated team was assigned to investigate pollutant discharge to ensure the effective operation of our pollution prevention facilities, the quality treatment and discharge of pollutants.

We also developed our Environmental Emergency Response Plan in accordance with the Emergency Response Law of the People's Republic of China and National Environmental Emergency Response Plan. This standardizes the management of environmental emergencies and improves the effectiveness and efficiency of our environmental emergency response.

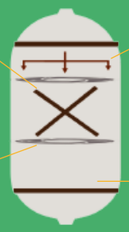
Zero penalties due to environmental emergencies or environmental violations

Tongliang plant upgraded the exhaust gas absorption tower for more efficient exhaust gas absorption

Tongliang plant upgraded the exhaust gas absorption tower to effectively improve efficiency and avoid potential safety and environmental hazards.

We increased the number and area of coil pipes and plate heat exchangers to cool sodium hypochlorite and thus protect it from decomposition. As a result, the efficiency of sodium hypochlorite in summer increased from 9.5% to over 10.5%.

We repaired collapsed column plates to fix existing problems including corrosion, perforation, leakage, and poor absorption.



We upgraded the internal structure of the exhaust gas absorption tower and added another spraying layer to improve the efficiency of exhaust gas absorption and the treatment capacity of the tower. As a result, the pollutant concentration of chimney emissions dropped from 10 mg/m^3 on average (the standard is 65 mg/m^3) to less than 5 mg/m^3.

We replaced the absorption tower from fiber reinforced plastics (FRP) to titanium and thus reduced blockage in the plate heat exchanger caused by detached FRP and resin.

Zhangjiagang plant upgraded dust control measures for better air quality

Particulates and dust are the most important air pollutants for manufacturing enterprises. During the reporting period, our Zhangjiagang plant took a series of measures to further reduce particulates and dust generated during production on the environment and the occupational health of employees.

Dust cover installed to spodumene feed conveyors

Semi-closed acidification feed beltweighers improved into fully-closed ones

Dust screen has been installed around the lithium slag storage yard

Committed to Ecological Protection

Protecting mining area ecosystems is vital to Tianqi Lithium and local communities. It is beneficial to the local ecosystem, maintains product quality, and helps us win the recognition and support of residents. Sustainability is our guiding principle when designing, developing, operating, and closing mining operations.

Before we develop, upgrade, or expand any project, we assess its environmental impact on the mining area, especially in terms of impact on the local ecosystem and biodiversity. We then cooperate and communicate with local regulators and develop pollution prevention and clean operation plans that exceeds the requirements of local regulations in accordance with international practices.

We gradually restore the ecological environment during mining operations and afforest affected areas to reduce soil erosion and dust emissions. We also propose mitigation measures and biodiversity management plans in view of the potential impacts of our operation. After mine closure, we take effective follow-up measures to ensure public safety, environmental protection and efficient land usage.

Protecting the ecological environment and building a green town

Greenbushes mine in Western Australia cooperates closely with local government, residents, and social organizations to protect the ecological resources of the local area while strengthening the management of the mining area.

In addition to the development of remediation and environmental monitoring plans, the environmental staff at Greenbushes mine have also studied and tracked local flora and fauna. It cooperated with third-party organizations and completed the four-year biodiversity enhancement project in 2017. The project investigated the ecological demands of local government and residents, engaging ecologists in research and planning. It built interconnected wetland functional areas such as beaches and mud flats, planting these with appropriate endemic species of rushes and sedges to transform abandoned mines into habitats for endangered birds, such as bittern and black cockatoo species.

Our Cohesive Team

As a people-oriented company, we strive to build a cohesive team by offering diverse career development opportunities for all employees.

We have established a sound human resources management system which protects employee rights. We offer effective training and incentive mechanisms, provide employees with a safe, healthy, and caring workplace.

Improving Talent Recruitment

We are committed to compliance with national and local laws such as the Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China, and Fair Work Act 2009 of Australia, along with the regulations of the jurisdictions where we operate. During the reporting period, we strictly forbid all illegal employment practices including child labor, forced labor, and restrictions on employee freedom. During the reporting period, there were no cases of forced labor or child labor, and employment contract execution rate and social insurance coverage rate are 100%. We optimized our employee structure, promoted flat management, and encouraged the employment of younger team members to enhance the development of our business.

Talent selection

Industry changes are creating a shortage of highly skilled workers. We are working with local vocational colleges and launched the Blue-collar Program in China. This will improve the professional knowledge level and operating skills of future front-line employees through theoretical learning and technical training. During the reporting period, we published a series of LinkedIn articles to establish an image of globalization while helping employees broaden their career development channels.

Talent employment

During the reporting period, we continued to implement market-based performance evaluation, optimize the salary system for each rank and deploy an appraisal and incentive system that values both team outcomes and individual performance. We also integrated the global monthly reporting management system to optimize human resources data management and created the new role of Human Resources Business Partner for the timely support to business department employees. We also improved our employee appeal procedure, established management and communication platforms to improve our labor management system and avoid overseas labor risks.

Talent cultivation

With the goal of "cultivating excellent Tianqi employees", we always encourage employees personal development together with the company's development. During the reporting period, we formulated and implemented a comprehensive year-round training plan and continuously enriched training formats and scenarios. We continued to provide employees with training programs covering general, professional and leadership and launched targeted training. In addition to basic training, we actively expanded external professional training resources, and formed our onboarding training instructor team and online training programs. We believe these upgrades can create a broader learning and development platform for employees.

We have launched an online project to form a systematic, replicable and continuously updated internal corporate intelligence, thus better summarizing, preserving and inheriting knowledge, skills and experience of general capabilities and professional technologies. During the reporting period, we have successfully put on-line compulsory courses such as corporate culture, corporate systems, and Listing Rules and requirements.

We invested USD **487.83** thousand during 2019

Total number of trainees is **15,248** person time.

The number of training hours per employee increased to **45.31** hours

Caring for Employees

As a people-oriented company, we help employees find a better work-life balance. During the reporting period, 100% of employees who took parental leave returned to their positions. To further enhance employees' sense of belonging and group identification, we organized events such as Happy Hour and Tianqi in My Eyes and set up reading areas to enrich their cultural life.

Occupational Health and Safety

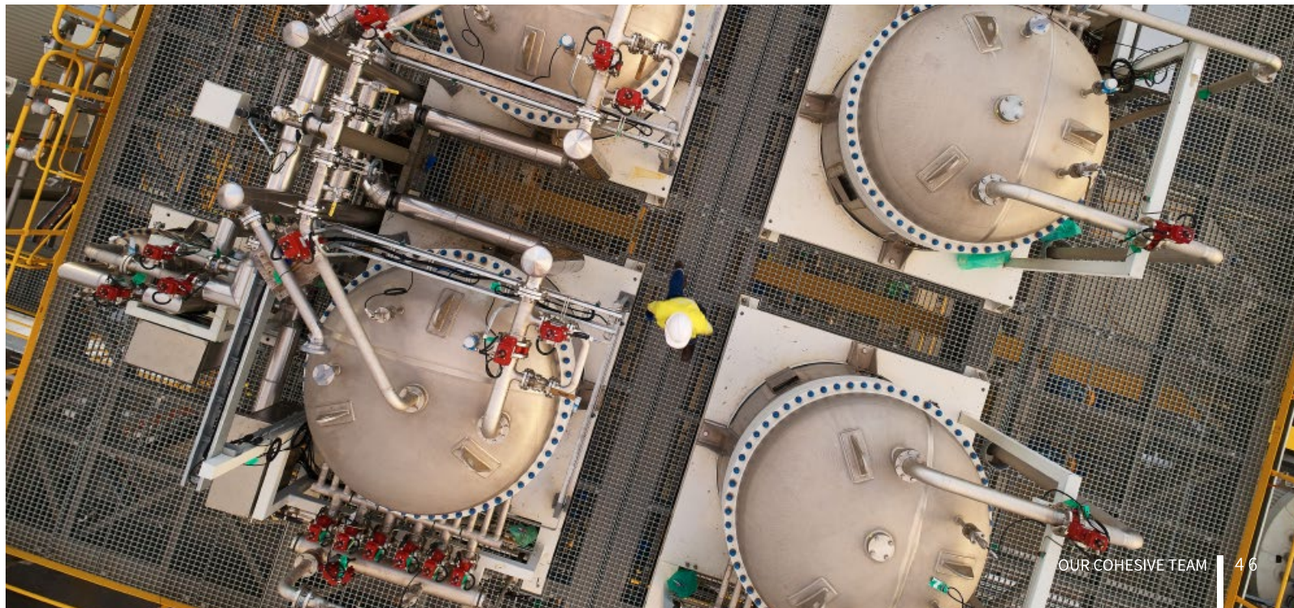
Our primary goal is to ensure occupational health and safety for our employees during production and operation. We act in strict accordance with laws, regulations and standards on occupational health and safety including the Work Safety Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, and the Provisions on the Supervision and Administration of Occupational Health at Work Sites. We developed our Quality, Environment, Occupational Health and Safety Management Handbook based on GB/T 19001-2016, GB/T 24001-2016, and GB/T 28001-2011.

Shehong plant
Zhangjiagang plant
Tongliang plant
Chengdu Tianqi

have all obtained the **OHSAS18001** certification or **ISO45001** certification.

Work Safety

We strengthened our safety management by establishing EHS Department and SESC (Safety and Environmental Protection Committee). The committee comprises general managers from our plants who supports the Department and is also in charge of the EHS working group. We also developed the EHS Incident and Accident Statistics Standard, introduced internationally recognized Loss Time Injury Frequency Rate (LTIFR) to all plants, and set KPI requirements for each plant based on current EHS performance. During the reporting period, The LTIFR of the Greenbushes mine and the Shehong plants are 1.8 and 1.45 respectively while Zhangjiagang, Tongliang and Kwinana plants have achieved results for LTIFR of 0. There were no work-related fatalities.



We created a series of emergency plans including the Comprehensive Response Plan for Production Safety Accidents and Response Plan for Environmental Emergencies. We also developed the Management Procedure for Chemicals, Management Processes for Chemicals, and Management Procedure for Hazardous Waste to conduct the effective management of chemicals and hazardous waste. We handled the waste chemicals in accordance with relevant processes to minimize potential human injuries, property damage, and environmental impacts. During the reporting period, we conducted a series of EHS emergency drills to improve employees' awareness of safety precautions and their ability to respond to accidents.

The Tongliang plant published the EHS Warning Light monthly journal to raise employee awareness of work safety-related issues to reduce accidents and occupational hazards.

Occupational Health

During the reporting period, we assessed the safety requirements for various positions, further improved personal protective equipment (PPE) management procedures and upgraded key equipment accordingly. All plants conducted annual occupational health examinations and occupational hazard audits. The coverage rate of employees' medical examination and occupational health file is 100%. During the reporting period, we invested USD 889.11 thousand in occupational health improvement and there were no cases of occupational disease.

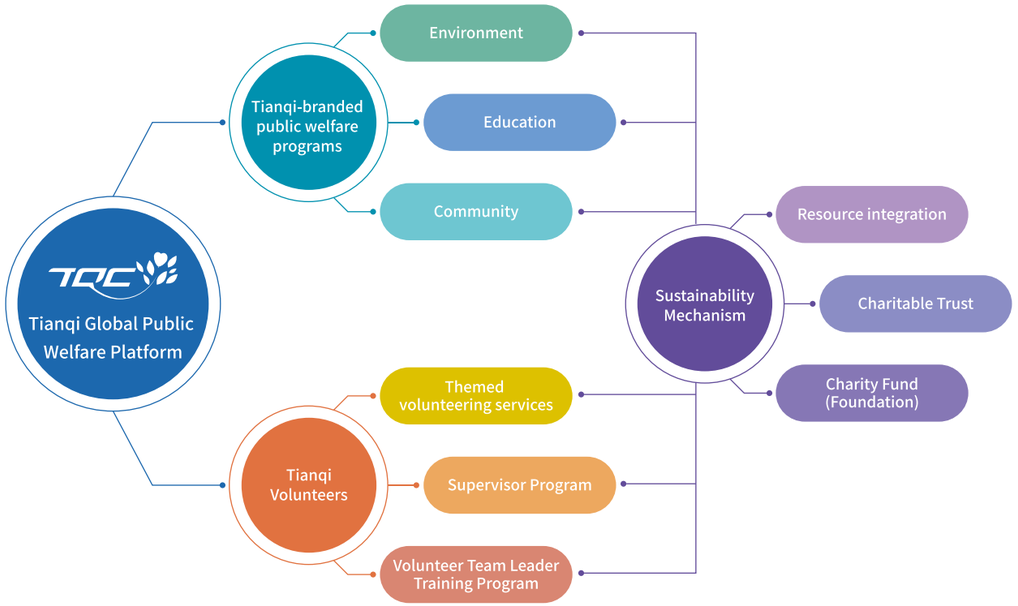
EHS Awareness Week

We organized the first EHS Awareness Week in November 2019 to help employees put health and safety theory into practice. Our Chengdu headquarter, Shehong, Zhangjiagang, and Tongliang plants organized joint training on safety compliance, occupational health, and social responsibility. The activities included fire drills, fun quizzes, and free medical consultations. We also launched Your EHS Slogan on social media to help spread EHS knowledge. It helped employees develop stronger EHS management awareness, safe operation abilities, and emergency response capabilities for a safer, more environmentally friendly, and more responsible work environment.

Community Engagement

As a corporate citizen, we strive for social responsibility with our employees and partners to build a better community. During the reporting period, we improved our public welfare strategy based on the Tianqi Global Public Welfare Platform, focusing on education, environmental protection, and community well-being (hereinafter referred to as the three undertakings). We continued with our Tianqi-branded public welfare programs and organized our volunteer team, which we call Tianqi Volunteers, encouraging employees to participate in volunteering. We also integrated internal and external resources to explore ways to sustainably develop the platform.

Tianqi Lithium's Public Welfare Strategy Framework



USD **14.21** thousand invested in environmental protection programs

USD **112.30** thousand invested in education programs

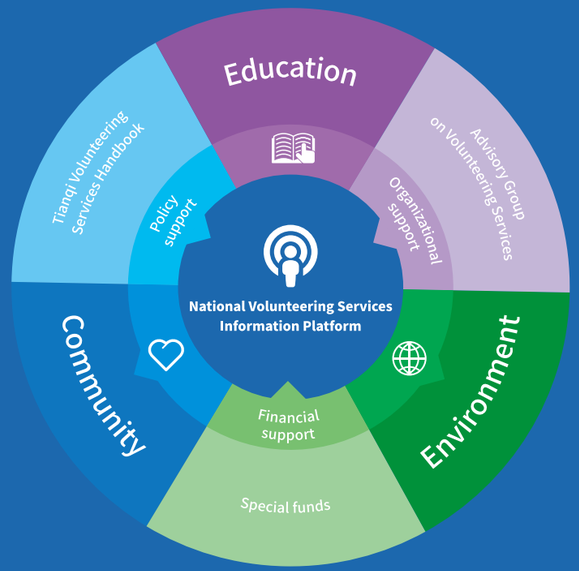
USD **942.81** thousand invested in community well-being programs

Organizing Volunteering Services

Based on the Tianqi Global Public Welfare Platform, we carried out volunteering service around the three themes of Environment, Education and Community. We improved our volunteering service by digitizing whole-process management using online tools. Our new Supervisor Program encourages employees to participate in the execution and evaluation of our public welfare programs. We also launched the Volunteer Team Leader Training Program to create a volunteering culture that engages and empowers everyone.

Structure of Tianqi Lithium's Volunteer Teams

Tianqi Lithium's Measures to Support Volunteering Services



Volunteering Programs in 2019

Environment

Tree Planting: Our volunteer teams planted trees in Chengdu, Shehong, Zhangjiagang, and Chongqing.

Water Map Program: Our volunteers observed the ecosystem within one kilometre of each plant and drew a water map to raise the biodiversity awareness.

Education

Lithium Technology program: Tianqi volunteers brought our independently designed STEM curriculum to four schools to teach students about lithium.

Community

Nursing Home Program: Our volunteers and their families went to the Tiansui Clinic (Guihua Medical Centre) in Jinjing Village, Guihua Town to visit local aged people and families receiving minimum social security benefits.

Facts about Tianqi's Volunteering Services[4]

Registered volunteers
242

Total participants
474

Volunteering activities
21

Total hours of volunteering services
1,632.50

Value of volunteering hours
USD 4,425.31

Donation
USD 31,283.76

Volunteering programs
9

NGOs Partners
9

Cooperation on
17 programs

[4] Data coverage from 5 December 2018 to 31 December 2019. The value of volunteer time is calculated by multiplying the number of volunteer hours by the minimum non-full-time wage of USD 2.71/hour.

Expanding Health and Poverty Alleviation Projects

We are responding to the call for Targeted Poverty Alleviation Strategy. Since 2016, we have donated a total of USD 1.74 million to the People' s Government of Suining City to promote the Three Major Projects initiative, including Demonstration Joint Village Clinics, and Volunteer Medical Professionals and Village Doctor Capacity Building . During the reporting period, we continued with the third phase of Three Major Projects to improve access to healthcare for residents, reducing the risk of poverty-caused illness.

Three Major Projects

Demonstration Joint Village Clinics Improves access to medical services in poor areas and brings basic public health services to villagers so that they do not need to travel far to deal with minor illnesses.	**30** proposed clinics **20** clinics opened in Phase I and II, benefiting over **100** villages and around **280,000** people **1** clinic opened and **4** in trial operation in Phase III
Volunteer Medical Services Improves the quality of local medical services. Sends medical professionals to poor villagers to provide medical support.	Sent **116** professionals to rural areas in Phase III Engaged **1,244** healthcare professionals Offered free medical consultation for **12,939** people
Village Doctor Capacity Building Enhances local healthcare with technical assistance and guidance for rural medical practitioners.	Offered **14** days of full-time training in each phase Phase III engaged **107** rural doctors Trained **316** rural doctors benefiting **300** villages

Contributing to the Community

We are committed to the well-being of the community. As a leader in the new energy industry with an international presence, we pay attention to infrastructure and public services in the communities where we operate, promote Sino-foreign cultural exchanges, and strive for the common development of enterprise and society.

Promote cultural integration in Australia

As a company with a strong Australian presence, we have sought to contribute to the local community where we operate. We are a significant sponsor of the new Western Australian (WA) Museum and are proud to support the Connections Gallery, curatorial research, and high-calibre and world-renowned exhibitions from China. The Connections Gallery, located on the upper level of the new museum, will examine diasporas, defence, refugees and asylum seekers in relation to WA. For the last two years we have supported the Mandarin language and cultural program at Calista Primary School located close to our lithium hydroxide plant in Kwinana 30 km south of Perth, the capital city of WA. Our focus on Kwinana extends to sponsoring the delivery of arts and music programs in primary and secondary public schools.

Join hands to fight the coronavirus

At the beginning of 2020, the COVID-19 outbreak concerned all Chinese people. We dedicated ourselves to the battle against the coronavirus and quickly responded to disease prevention and control needs. Our plant in Tongliang, Chongqing worked with the Tongliang Branch and Sichuan Branch of the Red Cross Society of China (RCSC) and the Chengdu Municipal Spiritual Civilization Construction Office (Chengdu Volunteering Services Federation) to donate 60 tons of sodium hypochlorite (disinfectant stock solution) to healthcare facilities, industrial parks, and communities in Sichuan and Chongqing.

We also purchased protective goods through domestic and overseas channels, donating 475 protective suits and 230,000 protective masks to Sichuan University West China Hospital, AVIC Hospital 363, Chengdu Shuangliu International Airport Aviation Ground Service Co., Ltd, Shehong Centre for Disease Control and Embassy of Chile in China. Zhangjiagang plant donated protective goggles to healthcare professionals through the Red Avenue Foundation to help fight the epidemic.

Light up
the community
with
smiles

Choose to ***Shine***

Building Our Future

In 2019 we made a concerted effort with stakeholders despite the changing global situation and intensified industry competition. We will continue to work hard in the future to build a sustainable ecosystem that brings each stakeholder more long-term value.

Action better than ***fantasy***

Optimizing internal governance and development through cooperation

We will continue to improve our responsibility governance system and further align our corporate social responsibility practice with our overall strategies. We will strengthen our responsibility management structure and improve our risk management and control capabilities. We will also enhance communication with external stakeholders.

Emphasizing R&D and innovation for the future of the industry

We will continue to improve our R&D capabilities, partnering with research institutions and upstream and downstream partners. We will explore trends and breakthrough technologies in new energy materials to find industrialization opportunities that create unique value for the new energy industry.

Improving quality and creating more value

We will enhance our quality management system throughout the entire production chain. We will continue to improve product consistency and reliability through process informatization, automation and intelligence, so that help bring high-quality efficient products and services to customers.

Promoting environment-friendly operation to ensure harmony with nature

We will assess the environmental impact of our production operations before, during, and after each project. We will draw on eco-friendly design, technology, awareness cultivation, monitoring, and analysis for efficient resource usage and emissions reduction.

Building a high-performance team as our driving force

We will respect diverse development and provide employees with a caring, ethical, and cohesive workplace. We will empower employees by cultivating a vibrant, future-ready team that leads changes. This will be our driving force for future development.

Establishing a responsibility platform and contributing to a better society

Based on Tianqi's Global Public Welfare Platform, we will further integrate external and internal resources to improve our brand influence and support volunteering services. We will contribute to a more sustainable developed community with regular public welfare efforts.

About This Report

Reporting Period
This Report covers the Company's performance from 1 January 2019 to 31 December 2019 (hereinafter referred to as the "reporting period"), whereas some information may relate to previous years or to the first quarter of 2020.

Reporting Scope
This Report covers Tianqi Lithium Corporation and its affiliates. For the convenience of readers, Tianqi Lithium Corporation and its affiliates are collectively referred to as “Tianqi Lithium”, the “Company” or “we” herein.

Basis of Preparation
This Report is prepared with reference to the Environmental, Social and Governance Reporting Guide and its revision summary set out in Appendix 27 of the Main Board Listing Rules of the Stock Exchange of Hong Kong Limited (HKEX), the Shenzhen Stock Exchange Social Responsibility Instructions to Listed Companies and GRI Standards published by Global Reporting Initiative (GRI) in 2016.

Selection of Indicators
This Report mainly considers the quantitative, materiality, balance, and consistency of each specific indicator related to the performance disclosure of the main issues. We will adjust and optimise the disclosure indicators in future reports.

Source of Data
All qualitative and quantitative information used in this Report is from the publicly available information, internal documents, and relevant statistical data of Tianqi Lithium. Unless otherwise stated, all references to monetary values herein are in USD.

Release
This Report is published in the electronic format online.
You may access and download the electronic version of this Report at the official website of Tianqi Lithium Corporation (www.tianqilithium.com).

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Email: csr@tianqilithium.com

Appendix I

Key ESG Data

Subject area	Aspect	KPI	Unit	2019
Economics	Resource reserves	Lithium reserves LCE (Lithium carbonate equivalent)	10,000 ton	1,607
	Output	Output of lithium concentrate	ton	764,571
		Output of lithium chemicals	ton	43,735.98
	Revenue	Total revenue	thousand US dollar[1]	701,690.98
		Domestic revenue	thousand US dollar	514,059.61
		Overseas revenue	thousand US dollar	187,631.37
	Assets	Total assets	thousand US dollar	6,754,635.76
	Gross margin	Integrated gross margin	/	56.56%
		Gross margin of lithium concentrate	/	68.81%
		Gross margin of lithium chemicals	/	48.54%
	Net cash flow	Net cash flow from operating activities	thousand US dollar	341,367.98
	Capacity utilization	Capacity utilization of lithium concentrate	/	>85%
		Capacity utilization of lithium chemicals	/	>95%
Environmental[2]	Environmental protection input	Special funds for safety and environmental protection	thousand US dollar	5,850.94
	Energy consumption	Natural gas	m^3	32,567,193.39
		Coal	ton	47,306.12
		Purchased Electricity	10,000 kWh	17,503.73
		Purchased steam	ton	152,664
		Diesel	ton	72.40
		Gasoline	ton	21.93
		Liquefied petroleum gas	ton	0.24
	Resource consumption	Comprehensive energy consumption[3]	ton of standard coal equivalent	114,643.47
		Surface water	ton	1,216,852
		Tap water	ton	394,190.39
		Third-party water[4]	ton	198,034
		Recycled/reused water[5]	ton	15,203,889
		Total water withdrawal (fresh water)	ton	1,809,076.39

[1] The exchange rate of the US dollar is based on data from the National Bureau of Statistics. The average exchange rate for 2019 is 1 US dollar to RMB 6.8985.
[2] The environmental data cover the three plants in Shehong, Sichuan, Zhangjiagang, Jiangsu, and Tongliang, Chongqing, the Chengdu headquarters, and Tianqi Shenghe Lithium Co., Ltd.
[3] Comprehensive energy consumption reflects the total amount of direct and indirect energy consumption. It was calculated in accordance with the exposure draft of GB/T 2589-2008 General Principles for Calculation of Comprehensive Energy Consumption issued by the Standardization Administration of the People's Republic of China in July 2018.
[4] Third-party water refers to reclaimed water purchased from industrial parks.
[5] Recycled/reused water was estimated based on the water needs satisfied by recycled/reused water.

Subject area	Aspect	KPI	Unit	2019
Environmental	Resource consumption	Packaging material-plastics[6]	ton	1,009.52
		Packaging material-pape[7]	ton	145.82
		Packaging material-metal[8]	ton	103.44
		Total packaging material consumption	ton	1,258.78
	Emissions	Nitrogen oxides emissions	ton	80.08
		Sulfur dioxide emissions	ton	71.58
		PM (particulate matter) emissions	ton	26.04
		Main emissions	ton	177.70
	GHG emissions	Direct (scope 1) GHG emissions	ton CO_2 equivalent	180,592.71
		Energy indirect (scope 2) GHG emissions	ton CO_2 equivalent	146,769.70
		Total (scope1 and scope 2) GHG emissions[9]	ton CO_2 equivalent	327,362.41
	Effluents and wastes	Effluents	ton	334,951.25
		COD (chemical oxygen demand)	ton	8.75
		SS (suspended solids)	ton	0.61
		Ammonia nitrogen	ton	0.12
		Household waste (food waste, office waste, etc.)	ton	544.97
		Lithium slag	ton	438,436.48
		Coal ash and slag	ton	25,198
		Iron scraps	ton	401.87
		Calcium slag	ton	15,508
		Other recyclable waste	ton	356.14
		Used mineral oil (motor oil, lubricating oil, etc.)	ton	16.93
		Waste acid and alkali, waste alcohol	ton	6.57
		Waste contaminated with chemical reagents	ton	4.54
Social	R&D investment	Total R&D investment	thousand US dollar	8,608.89
	Suppliers	Supplier number in China	/	1,257
		Overseas supplier number	/	8
	Products	Customer satisfaction rate	%	96
	Employees	Total employees[10]	person	1,851
		Male employees	person	1,361
		Female employees	person	490
		Chinese employees	person	1,370

6 Packaging ma erials - plastics include PE packaging materials such as plastic pallets, ton bags, cover films, backsheet films, wrapping films, and PE films.
7 Packaging materials - paper includes paper-based packaging materials such as kraft paper bags, stickers, and valve bags.
8 Packaging materials - metal includes metal packaging materials such as steel drums.
9 Greenhouse gas emissions (GHG) were calculated in accordance with the provisions of the Average Carbon Dioxide Emission Factors of China's Regional Power Grids in 2011 and 2012 and Greenhouse Gas 6Emissions Accounting Methods and Reporting Guidelines for Enterprises of Other Industries (Trial) issued by the National Development and Reform Commission of the People's Republic of China. Scope 1 GHG emissions are from direct energy consumption, mainly coal, gasoline, diesel, natural gas, and liquefied petroleum gas. Scope 2 GHG emissions are from indirect energy consumption, mainly externally purchased electricity and steam.
10 The total number of employees and the division of gender, region, age, and professional composition cover the number of employees in the parent company and major subsidiaries.

Subject area	Aspect	KPI	Unit	2019
Social	Employees	Australian employees	person	481
		Employees aged 25 and below	person	163
		Employees aged 26-35	person	661
		Employees aged 36-45	person	561
		Employees aged 46 and above	person	466
		Production personnel	person	1,143
		Technical personnel	person	348
		Sales personnel	person	32
		Financial personnel	person	67
		Management and others	person	261
		Training investment[11]	thousand US dollar	487.83
		Total number of trainees	person time	15,248
		Total training hours	hour	66,318
		Average training hours per capita	hour	45.31
		Number of work-related fatalities	person	0
	Intellectual property	Authorized invention patents from overseas	item	3
		Authorized invention patents from domestic	item	55
		Appearance patents	item	12
		Authorized utility model patents	item	75
	Community	Total number of volunteer activities	person time	474
		Volunteer service time	hour	1,632.50
		Volunteer service investment	thousand US dollar	35.71
		Investment in environmental protection programs	thousand US dollar	14.21
		Investment in education programs	thousand US dollar	112.30
		Investment in community well-being programs	thousand US dollar	942.81

11 The scope of training investment, total number of trainees, total training hours and average training hours per capita does not include Windfield.

Appendix II

ESG Reporting Guide Content Index

Subject Areas, Aspects, General Disclosures and KPIs		Page
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KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P65
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KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	P65
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer' s significant impact on the environment and natural resources.	P40
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P40

Subject Areas, Aspects, General Disclosures and KPIs		Page
B. Social		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P43-44
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	P65-66
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	We plan to disclose in details in the future.
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P46-48
KPI B2.1	Number and rate of work-related fatalities.	P66
KPI B2.2	Lost days due to work injury.	We plan to disclose in details in the future.
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	P44-46
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P44
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	We plan to disclose in details in the future.
KPI B3.2	The average training hours completed per employee by gender and employee category.	We plan to disclose in details in the future.
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P43
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	P43
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	There is no child and forced labour.
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	P30
KPI B5.1	Number of suppliers by geographical region.	P65
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	P30

Aspect B6: Product Responsibility		Page
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P31-32
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	P28
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	P32
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	P23
KPI B6.4	Description of quality assurance process and recall procedures.	P28
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	P32
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P17
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	There is no such case.
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	P17
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P51-56
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P51-56
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	P51,54,56

Feedback Form

Dear Reader,

Thanks for your attention to the 2019 Sustainability Report of Tianqi Lithium. This is the third report of our sustainability series. We would like to know your opinions about the report for future improvement. Any comment or suggestion is most welcome.

Close-ended questions (Please answer by ticking the appropriate box):

1.How would you grade the overall quality of this report?

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

2.Do you think the report can reflect the company's major economic, social and environmental impacts?

☐ Yes ☐ No

3.How you find the quality of the information, data and indicators disclosed in the report in terms of clarity, accuracy and completeness?

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

4.How would you rate the structural organization of this report?

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

5.Do you feel the report is reader-friendly in terms of its design and layout?

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

Open-ended questions (Please specify your answer in the blank):

1.Which parts of the report are most satisfying to you?

2.What else information do you need to learn and hope the report disclose further?

3.What are your comments and suggestions on Tianqi Lithium’ s CSR practices?

Please provide your personal information below:

Name: Occupation:

Company: Address:

Postcode: E-mail:

Tel: Fax:

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We will protect your information from being used by any third party and we would be very grateful to your invaluable comments and suggestions.