

# TRAINING AND DEVELOPMENT

## Strategic Significance

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The Olaroz Lithium Facility is located approximately 4,000m above sea level in a region known for its harsh conditions. This makes it challenging to attract people to live and work in the region. To establish and retain a competent, committed and engaged workforce for the long-term, the Company places great focus on training and developing local employees to operate, supervise and manage the operations.

Orocobre has been preparing the local communities for direct and indirect employment opportunities at the Olaroz Lithium Facility since its arrival in the region. Even though very few of the working population had completed primary or secondary education in 2007 the Company was able to commence lithium carbonate production in 2015 drawing close to forty percent of its workforce from the local communities.

Training and development activities prepare Orocobre's people not only for the role they are performing today, but also for the role the Company requires them to perform in future. Ensuring that people have the skills and capabilities to perform their jobs safely, efficiently and effectively is paramount to Orocobre's success as an organization. This requires not only technical training, but also specific personal development and capacity building programs tailored to both the work context and the individual.

## Impact Boundary

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This management approach disclosure refers exclusively to Sales de Jujuy S.A. and its activities.

The data and information provided regarding training and development of the Company's workforce relates specifically to Sales de Jujuy employees.

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

While many training and development activities are conducted in the local communities to prepare for future employment, these are covered in the [Community Empowerment](#) disclosures as education for the Company's local communities rather than training and development for the Company's employees.

## Management Approach

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### Commitment

Sales de Jujuy's commitment to Training and Development is outlined in the following policies:

- Training and Development Policy
- People Policy

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

Sales de Jujuy's Training and Development Policy distinguishes between formal training – official courses that are planned, regulated and result in a certification – and informal training – courses that are not official or certified, but structured and delivered to meet specific objectives.

## Management Systems

There are several elements that contribute to defined training and development activities:

- **Talent Management:** the mapping of current and future resource requirements for the organisation.
- **Performance Reviews:** areas identified as required skillsets or improvements for individual employees.
- **Development Plans:** supporting progression of employees into new roles or career paths.

Management of training and development is structured around the specific needs of the business areas with supervisors being directly responsible for identifying the training needs of people in their team.

Supervisors are required to develop an annual training plan, ensure the inclusion of training costs in the budget, comply with the plan, ensure team attendance at training programs and conduct the necessary reviews to evaluate effectiveness of the training delivered.

In accordance with the Company's Training and Development policy supervisors are required to consider the following when developing annual training and development plans for their teams:

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

Training plans equally allow for non-planned training activities that might arise as a requirement after the annual plan has been defined and approved.

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

All certifications and diplomas achieved are kept by Human Resources in the respective employee's file.

## Monitoring and Reporting

Within two months of starting the training program (depending on the nature and duration of the study plan) supervisors are required to follow-up with the employee undergoing training. Based on the observed changes in performance and capability of the employee, the supervisor evaluates the effectiveness of the training program. This evaluation is included in the training register with details of the evaluation method employed, the results and the date the evaluation was undertaken.

Training information from each area is communicated to the Human Resources department to support the Company's annual reporting of training and development hours and investment.

## Responsibility

At group level, the Chief Human Resources Officer is responsible for ensuring training and development activity is strategically aligned with the Talent Management plan and supporting the broader performance of the operational teams.

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

Responsibility for the planning and delivery of training and development plans and programs across the business rests with the Managers of each department.

## Accountability

The manager of each business area is accountable for ensuring that training and development plans and registers are effectively planned, evaluated and maintained.

## FY19 Update

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Sales de Jujuy's training program is diverse, dynamic and friendly, and provides employees with the knowledge, skills and capabilities they need to develop professionally and personally.

The Company supports the financial costs of further study for employees irrespective of relevance to their current role, acknowledging that learning and development contributes to better personal and professional performance. English proficiency is also encouraged for key positions, with in-company, e-learning, and personalized courses provided in accordance with employee needs and job requirements.

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

In FY19, Defensive Driving courses were delivered for employees who are required to drive as part of their role. 80% of total drivers were trained and certified as Safe Drivers with six Sales de Jujuy staff certified as Instructors to train other employees and contractors.

Also in FY19, as part of the ongoing Safety Culture Change program with DuPont, training was provided to operators, supervisors, middle managers and managers, focusing on visible and demonstrated leadership. Following this training program action plans were developed for continuous improvement.

Acknowledging the need to provide development on demand, the Company launched Aula Corporativa in FY19. This virtual space provides SDJ's workforce with the possibility of studying in e-learning mode and includes formal training programs on a variety of topics. The online training programs activated in FY19 include courses in Excel and PowerPoint as well as Health, Safety and Environment training and induction for new hires and contractors. New courses and programs will be developed and made available via the platform over coming years.

SDJ's training and development program also benefits from established agreements with academic institutions such as UCASAL, UNJu, UES 21, UNT, AUSTRAL, BLAS PASCAL and FASTA University. These institutions provide a valuable academic offer for its employees, largely through delivery of undergraduate and graduate studies.

Since 2016, a reciprocal cooperation agreement between SDJ and the Faculty of Engineering of the National University of Jujuy has enabled capability building of current and future employees from the local communities. Students are trained in basic mathematics, chemistry, sampling and sample preparation.

This agreement gave rise to a new Framework Agreement for collaboration between the Ministry of Education and SDJ for the development of vocational training focused on occupational health and safety for its employees and contractors. This agreement was finalized in FY19 and training will commence in FY20.

In total, 40 new external courses have been incorporated into SDJ's training and development program including undergraduate careers, soft skills development workshops, safety and quality training, and others. More than 1,000 hours of training were conducted to the Company's employees during FY19 with an average on 2.17 hour per employee.

In FY20, SDJ will be further developing its training and development program, developing skills matrices across all teams that identify skill gaps and between the position requirements and employee capability to better target and tailor workforce training programs and schedules.

For specific Training and Development data refer to the [People Performance Data](#).