

EMPLOYEE ENGAGEMENT

Strategic Significance

Orocobre acknowledges that the key to achieving a sustainable competitive advantage is through an engaged and productive workforce. Orocobre's Olaroz Lithium Facility is in a region known for its isolation and harsh conditions. Attracting and retaining quality employees is critical for the Company's performance in the short-, medium- and long-term, and so ensuring a high degree of employee engagement remains a key focus for Orocobre.

Committed to being the Employer of Choice in north-west Argentina, Orocobre inspires employee engagement through a positive workplace culture, continuous learning opportunities and competitive employee benefits.

Orocobre understands the importance of sense of belonging and appreciates the benefits of developing productive, passionate and inspired employees. The Company endeavours to create a desirable place to work through strategic engagement initiatives at all levels of the organization that are aligned with Orocobre's culture and values.

Impact Boundary

Orocobre fosters employee engagement across all parts of its business.

Information provided in this management approach relates particularly to Sales de Jujuy operation and the actions and initiatives taken to promote greater employee engagement across offices and at the Olaroz Lithium Facility.

Given the significant proportion of community employees many initiatives are aimed to encourage and engage this cohort. These are referred to in the [Community Engagement](#) management approach disclosure.

Management Approach

Commitment

Orocobre has several policies that support employee engagement and reinforce its culture and values:

- [Human Rights Policy](#)
- [Diversity Policy](#)
- [Community Policy](#)
- [Code of Conduct](#)
- [Anti-bribery and corruption policy](#)
- [Health and Safety Policy](#)
- Parental Leave Policy
- People Policy

In accordance with Orocobre's commitment to the UN Sustainable Development Goals, and in line with [Goal 8: Decent Work and Economic Growth](#), the Company works to ensure full and productive employment and decent work for all employees promoting inclusive employment practices and safe and secure working environments across all its sites and offices.

Management Systems

Orocobre has always maintained a key focus on the development and retention of its workforce and this will become increasingly significant in future years as other large-scale operators move into the region. Given the highly skilled labour required to support Stage 2 Expansion and critical functions across the Company's

operations, Orocobre is working to position itself as an employer of choice in the region by enhancing its management of three key areas:

- **Talent Management:** identifying critical talent, key positions and organizational needs, and defining strategic development paths for critical people based on organizational needs.
- **Strategic Recruitment:** attracting external talent to fill critical strategic and operational positions.
- **Employee Engagement:** ensuring employee commitment to the organisation and its objectives, so that they feel passionate about their job.

The Company’s engagement approach goes beyond just annual surveys or a culture evaluation program with other initiatives to promote employee engagement and alignment including:

- **Continuous Improvement Program** which allows all employees and site-based operators to propose opportunities for improved practices enhancing a sense of belonging and contribution.
- **Medical and healthcare services** which are part of the employee-benefit scheme and provide employees and their families with access to quality health services.
- **Health training programs** that ensure health-related issues affecting the employees are addressed not only at work but also at home.
- **Mandatory and voluntary training initiatives** to develop employee knowledge and capability in accordance with defined development plans and enhance career progression within the organization.
- **Favorable conditions for each person** such as particular flexible rosters for young mothers and equal pay for equal work assured across the workforce.
- **Local community engagement and investment** which promotes employees’ sense of contribution to society and pride in the organisation.

More details of these initiatives are detailed in [Health and Safety](#), [Training and Development](#), and [Community Engagement](#) management disclosures.

As engagement is also constructed on strong foundations of transparent and fluent communication, Orocobre’s Human Resources and Communications teams work through various channels and approaches to promote and monitor employee motivation and satisfaction. These include employee consultation meetings, suggestion boxes, employee satisfaction surveys, town hall sessions with executive leadership across sites/offices and anonymous hotline communication channels for the resolution of grievances.

Culture and Values

To maintain a positive, safe and productive workplace Orocobre has adopted a set of behavioral standards, developed via workshop process with operational management and defined in the Company’s Code of Conduct, which reflect the Company’s culture and values.

 <p>Responsibility We assume responsibility for our actions and commitments</p>	 <p>Honesty We behave and engage with sincerity and consistency</p>	 <p>Integrity We act with integrity in every situation</p>
 <p>Respect We recognize and promote all without distinction of age, sex or position, maintaining attitudes and actions that help our community and improve our environment</p>	 <p>Commitment We convert our different opinions into shared convictions to achieve a common vision</p>	 <p>Solidarity We strive for the common good, acknowledging that we are all responsible for our collective wellbeing</p>

The Company understands that when all employees adhere to these core values it has a beneficial impact on internal and external relationships, employee satisfaction, and overall productivity of the workforce.

Monitoring and Reporting

Monitoring and evaluation of employee-related metrics provides a valuable platform through which the Company can develop and implement more robust managerial approaches to employee engagement, career development, succession planning and objectives-based performance evaluation and remuneration.

Management is required to develop measurable engagement objectives and KPIs which are reported annually in the Company's Sustainability report.

Grievance Mechanisms

The Company does not tolerate discrimination, harassment, vilification or victimization of any employee of the Company or group member. There is an employee hotline and whistleblower policy to enable grievances to be raised either directly or anonymously.

Responsibility

The Chief Human Resources Officer is responsible for safeguarding, fostering and promoting engagement across the Group's activities.

At an operational level, engagement initiatives are the responsibility of the Human Resources Manager. The manager of each business area is responsible for promoting and enhancing engagement in their teams.

Accountability

Accountability for engagement sits with the Chief Human Resources Officer supported by the broader Executive Team and with oversight from the Board.

FY19 Update

In FY18, Orocobre noted that while employee engagement scores were increasing, employee participation in the survey was low. Rather than undertaking another survey in FY19, Orocobre decided to undertake a detailed evaluation of workplace culture to identify issues contributing to the decline of participation rates.

The evaluation, facilitated through external consultants, comprised two components:

- A qualitative component which involved interviews with employees across all parts of the Company
- A quantitative component which required employees to respond to a series of questions that indicate the perceived cultural performance of the Company against an established benchmark

The Cultural evaluation indicated shared values of loyalty, commitment, respect and teamwork all contribute positively to the Company's corporate culture. Areas identified as requiring greater focus in FY20 included: the creation of a 'one team' mentality to unite all departments and activities; greater transparency regarding performance, decision making and opportunities; enhanced safety focus; and performance management.

The employee interviews identified the existing culture of the organisation and values (both positive and negative) that underpin that culture.

In FY20, the Company will continue a focus on employee engagement to achieve greater satisfaction, development of employees and workforce productivity. KPIs/targets and objectives will be incorporated into annual performance reviews during the year which will also address succession planning.

INDICATOR	CURRENT	PRELIMINARY TARGETS (to be finalised in FY20)		
	FY19	FY20	FY25	FY30
Voluntary turnover rate	5,1%	5%	4%	<4%

For more data regarding Employee Engagement, refer to the [People Performance Data](#).