



CLIMATE CHANGE STATEMENT



JULY 2021

Statement on Climate Change

As a dynamic global lithium carbonate supplier and an established producer of boron, Orocobre accepts the international scientific consensus of the Intergovernmental Panel on Climate Change (IPCC), recognises the 2015 Paris Agreement, and supports its commitment to limit global average temperature rise to below 2°C and pursue 1.5°C. This requires immediate systematic reductions in global CO₂ emissions, to reach carbon neutrality by 2050.

Orocobre acknowledges that climate change is a shared global challenge that requires collaborative action and engagement. Orocobre is committed to the reduction of global greenhouse gas emissions and the transition of its business to net-zero emissions by 2035 considering scope 1 and 2 emissions.

Orocobre's products, operations and communities are impacted by the physical and transitional risks and opportunities presented by a changing climate. These include:



Demand for lithium products growing with increased demand for electric vehicles and energy storage systems.



Changing weather patterns could impact areas of food production, generating higher demand for fertiliser that uses borates produced by the Company.



Natural evaporation forms a critical part of Orocobre's lithium production process, making the Company's productivity naturally dependent on climatic variables including solar energy availability.



Increasing expectations from investors, communities and other stakeholders to better understand operations' impact and response to climate change, generating higher demand for information and improved communication to maintain reputation.

Notwithstanding the physical and transitional risks that a changing climate presents, Orocobre identifies climate change as a strategic opportunity to support the world's increasing requirements for clean, secure and affordable energy.

As a lithium and boron chemical producer supporting the transition to a low-carbon economy, Orocobre recognises the need for large reductions in global greenhouse gas emissions and will be seeking ongoing opportunities to reduce the emissions-profile of the Company's activities.

Orocobre's greenhouse gas emissions data and progress towards reduction targets are disclosed annually in the [Environmental Performance Data](#).

Task Force on Climate-related Financial Disclosures (TCFD)

In 2020, Orocobre developed a roadmap for reporting integrated climate change risks and opportunities in line with the Recommendations of the TCFD. The TCFD provides a framework to better understand physical and transition climate-related risks.

Orocobre has laid solid groundwork for climate management in recent years, establishing emissions inventory procedures and climate due diligence processes in alignment with global methodologies and best practice. Over the next three years Orocobre will work to: strengthen the foundations of its climate risk approach; embed and integrate climate-related risks, targets and metrics into cross-departmental systems and processes; and innovate, mitigate and adapt to enhance the Company's strategic and operational resilience to climate change.

In May 2021, Orocobre declared its support for the Task Force on Climate-related Financial Disclosures (TCFD), joining more than 2,000 organizations in demonstrating a commitment to building a more resilient financial system and safeguarding against climate risk through better disclosures.

Annual updates on the Company's climate-related actions and initiatives are disclosed in Orocobre's [Climate Management Approach Disclosure](#), with any material risks and opportunities disclosed in the [Annual Report](#).