CHANGING THE WORLD WITH LITHIUM
Prologue

Mr. Jiang Weiping

Letter from the chairman

—“Improving ecological environment” is our common objective.

In order to achieve the Paris Agreement’s major goal by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels, many countries around the world have formulated strategies based on green development, acted to protect the ecology, and ensured the shared future for mankind with sustainable development. Environmental protection, low-carbon, electrification and digitization will lead to profound changes in the global energy landscape. The development of new energy vehicles is an important way to optimize the energy mix and an inevitable choice to alleviate environmental pressures.

As the basic element of the lithium-ion battery industry, lithium is praised as an “energy metal” and the “element that advances the world’s development” in the 21st century. In recent years, the rapidly growing demand for new energy (electric) vehicles and energy storage around the world has ushered in a golden period of development for the global lithium battery industry, especially the power lithium battery segment.

Tianqi Lithium is committed to becoming the global leader for the new energy material industry that is centered upon the lithium industry. Keeping pace with the times, the Company has anchored “technology transformation”. Aiming to improve the efficiency of energy conversion and storage, and safety to develop high-quality, energy-saving and environmental-friendly new energy materials, Tianqi Lithium endeavors to change how people use energy in everyday life, and contributes to alleviating reliance on petrochemicals.

Tianqi Lithium, a staunch advocate, practitioner, and beneficiary of the philosophy of "creating unique value", knows that except for the advantages of a rigorous production quality control system and an array of high-quality products featuring safety and reliability, the ability to create sustainable value and development is more fundamental for us to become a world-leading company. We will promote industrial integration and upgrade on a global scale to build a new international image for Chinese companies. We bear in mind the corporate development philosophy that “To achieve growth at no expense of the environment, health and safety” and consistently implement the Company’s green development strategy in domestic and abroad bases. We strive to maximize the interests of all related parties by sincerely engaging with our employees, investors, customers, communities and other stakeholders, paying attention to the interests and concerns of all parties and forming a virtuous interaction.

As a builder and pursuer of a better life, we believe that happiness comes from hard work. The journey of Tianqi, 20 years of development from weak to strong and from small to large, is a history of entrepreneurial and persistent endeavors by and developmental progress of all Tianqi’s staffs. We are deeply trusted by all shareholders and employees, and will continue our pragmatism, efficiency and excellency. We’ll increase investment in technology, perfect the research and development system, strive for deep synergies between domestic and overseas bases, sharpen the cost and quality advantage, enhance core competencies, strengthen our position in the market, and lead industry changes.

Looking into the future, Tianqi will commit to supporting the development and utilization of various clean energy sources, and to creating more unique economic values for shareholders, staffs and the society. We promise we will improve the ecological environment in a steadfast way.
About Tianqi Lithium

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.
Over the past 20 years, Tianqi Lithium has gone through many stages such as enterprise restructuring, reform, and global capital acquisition. In the following two decades, Tianqi Lithium will keep international operation as its core strategy, and continue to focus on the sustainable and stable development of lithium as well as other innovative energy storage materials and business.

Tianqi Lithium is committed to value creation through openness and cooperation in enterprise philosophy, management team, R&D, product quality, financing, corporate culture, and social responsibility, achieving global resource allocation, adhering to international standards, operating under international rules, and becoming a promoter of global energy reform.

Our main business bases and operations

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The core of corporate philosophy

To achieve the mission of “Changing the World with Lithium”, the Company endeavors to become an international leader in the new energy material industry centered on lithium with the support of our corporate culture – being pragmatic, efficient and excellent, persisting in hard work, leading changes, respecting stakeholders and creating unique value.

Economic and market performance

<table>
<thead>
<tr>
<th></th>
<th>Revenue</th>
<th>Sales volume of lithium compounds and derivatives</th>
<th>Sales volume of lithium concentrate</th>
<th>Total assets</th>
<th>Net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$910.08 mUSD</td>
<td>37,700 tons</td>
<td>434,500 tons</td>
<td>6505.41 mUSD</td>
<td>1739.85 mUSD</td>
</tr>
<tr>
<td>Net profit attributable to shareholders of listed company</td>
<td>$320.66 mUSD</td>
<td>$527.92 mUSD</td>
<td>$592.34 mUSD</td>
<td>610.89 mUSD</td>
<td>137.85 mUSD</td>
</tr>
</tbody>
</table>

USD: RMB=6.8609 as of Dec. 31st 2018
2018 is the “Year Of Responsibility” for Tianqi. On the Company’s path to sustainable development, everyone working at Tianqi is pragmatic, efficient and excellent, and persisting in hard work, and through continuous efforts, they have made positive progress and major breakthroughs in corporate governance, compliance operation, environmental protection, employees’ rights and interests, and community development, fulfilling corporate citizenship obligations and demonstrating their responsibilities.

Social responsibility goes deep into corporate governance and effectively protects shareholders’ rights. Through the formulation and promulgation of codes of conduct, framework system, process standards, management plans, etc., responsibilities for environment, safety and health are fully integrated into the company’s management innovation, and the social responsibility management system is gradually improved. We strictly abide by the requirements of information disclosure to protect shareholders’ rights and interests, and we are rated as A grade by Shenzhen Stock Exchange, and organized more than 10 investor activities.

The project construction progressed steadily, and the shareholding giant strengthened the overseas layout. The construction of the second chemical-grade lithium concentrate production base of Talison Lithium Industry was smoothly and the third of such production base was officially launched. The Kwinana Production Base was unveiled in Western Australia, and the Company’s battery-grade lithium carbonate factory in Anju, Sichuan officially started construction. The global R&D center and new energy industry investment headquarters of Tianqi Lithium broke ground in Xinglong Lake, Chengdu. We successfully won the bid for the 23.77% stake of Sociedad Quimica y Minera de Chile S.A. (SQM), the world’s lithium giant, gaining a sustainable resource advantage.

Pursue high standards in EHS management, and promote energy saving and consumption reduction through technological renovation. Jiangsu Zhangjiagang Production Base has been recognized as “Transformation and upgrade of demonstration enterprises” for two consecutive years. Chongqing Tongliang Production Base completed the design of lithium metal and automation transformation project. Sichuan Shehong Production Base has completed “coal to natural gas” transformation, realizing energy saving and consumption reduction through technical renovation, and taking a big step toward cleaner production.

Tianqi’s public welfare management is marching towards the profession with the aim of teaching a man how to fish instead of giving a man a fish. Tianqi has continued to promote the “Three Major Projects” of Poverty Alleviation in better health care in the second phase in Suining City, and effectively benefited the local people. On the 33rd International Volunteer Day, Tianqi volunteer team was officially established. Each base simultaneously launched volunteer service activities on the theme of Cultivating Virtue and Morality, Giving Priority to Love, Building a platform for everyone to participate in public welfare to enhance team cohesion and carry forward volunteerism.
Materiality

Stakeholder communication and engagement

We have established different communication channels and maintained close and regular communication with customers, employees, shareholders, governments and regulatory entities, communities, suppliers, and others. During the preparation of this report, the Company communicated with different stakeholders and fully respected the interests of all parties concerned.

This report focuses on substantive environmental, social and governance issues that concern stakeholders. In order to better understand the demands and concerns of stakeholders, and determine the direction of the report, we surveyed among government and regulators, shareholders, customers, suppliers, employees, communities and other stakeholders. 144 effective questionnaires in total were returned, including 14 from overseas stakeholders. The questionnaire covered 24 material topics, covering corporate governance, economy, operation, labor and employment, and community.

We analyzed the results and identified the key stakeholders of Tianqi Lithium. On this basis, we screened the demands of stakeholders, summarized 24 topics involved in the questionnaire, and finally confirmed 20 material topics that are of special concern of stakeholders.

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Key interests</th>
<th>Our response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>Customer requirement, R&amp;D capability and technology upgrade, Product responsibility</td>
<td>Industry conferences, Product R&amp;D and innovation, Customer satisfaction survey</td>
</tr>
<tr>
<td>Employees</td>
<td>Female leadership, Protection of employee interests, Career development, Occupational health and safety, Humanistic care</td>
<td>Training mechanisms, Employee communication and feedback mechanisms</td>
</tr>
<tr>
<td>Shareholders</td>
<td>Protection of shareholders/investor interests, Corporate governance, Anti-fraud and anti-commercial bribery, Information disclosure, Economic performance, Overseas investment achievements</td>
<td>Shareholder meeting, Press releases and announcement, Complaint and reporting mechanisms, Information from company website, Annual report</td>
</tr>
<tr>
<td>Government and regulators</td>
<td>Compliance management, Pay taxes in accordance with the law, Industrial development, Safe production, Emission Management</td>
<td>Compliance report, Timely Tax Filing, Attending industry seminars, Safe production management system, “Three wastes” discharge compliance/implementation of emission reduction</td>
</tr>
<tr>
<td>Communities</td>
<td>Public welfare and charity, Community Engagement, Resource protection, Biodiversity, Livelihood restoration</td>
<td>Community initiative programs, Community and open house day, Energy-saving resources, Conservation of biodiversity, Making plans for livelihood rehabilitation and restoration</td>
</tr>
<tr>
<td>Suppliers</td>
<td>Supplier access, Supplier evaluation, Protection of suppliers’ rights</td>
<td>Fulfillment of contracts according to the law, Transparent procurement system, Fair bidding</td>
</tr>
</tbody>
</table>
Stakeholders identification and analysis

Under the ESG Reporting Guide, relevant guidelines and standards set out in Appendix 27 of the Main Board Listing Rules of the Stock Exchange of Hong Kong Limited, we used the stakeholder model to evaluate the different levels of influence and dependence of stakeholders.

Material topics

Considering the importance of stakeholders to Tianqi Lithium, as well as the disclosure requirements of the ESG Reporting Guide, we scored and ranked the material topics of concern for stakeholders through a survey, and classified them by materiality, to better respond to the expectations and demands of stakeholders.

In the following sections, we will present the Company’s work carried out according to the above-mentioned material topics respectively in the five areas of Governance, Operation, Environment, Employee And Community, and elaborate to different levels of detail according to the importance of material topics in order to meet the needs of all stakeholders.
We continue to establish and improve corporate environmental, social and governance management system and set up a social responsibility department within the Company. We are committed to protecting shareholders’ rights and interests, paying attention to the interests of minority shareholders, proactively managing and maintaining investor relations, and building a platform for communication with investors.

Responsible governance
Governance integrity

In 2018, Tianqi Lithium established a modern governance structure of “three boards and one management” following the requirements of the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, China Securities Regulatory Commission’s Code of Corporate Governance for Listed Companies, as well as other regulations and directives. Specifically, the shareholders’ general meeting is the highest decision-making body of the Company, which standardizes the rules of procedures. Through on-site and online voting mechanisms, the general meeting allows all shareholders to exercise their rights fully. The board of directors implements the will of the shareholders’ general meeting, oversees the implementation of the resolutions, and exercise decision-making rights. The directors were appointed and hired in accordance with the Articles of Association of the Company, and the number and structure of the board all comply with relevant laws and regulations. The board supervises four committees, namely the nomination and governance committee, compensation and assessment committee, audit and risk committee, and strategy and investment committee. It also sets up independent meeting systems for directors and the chairman to support the decision-making of the board. The supervisory board, according to the Rule of Procedure of the Supervisory Board, will attend the shareholders’ general meeting and sit in on the meetings of the board of directors. It will, supervise the decision-making process, corporate policies and operation, as well as safeguard the interests of the Company and all shareholders, ensuring the compliance with the Code of Corporate Governance for Listed Companies.

To systematically work on the Company’s environmental, social and governance goals, a full-time social responsibility department with three designated professionals has been formed, under the direct leadership of the president, to carry out strategic planning and routine management. In 2018, the department developed the corporate social responsibility strategy with risk prevention and control as the basis, value creation as the internal driving force, and brand impact as the outward influence. A management system for social responsibility was established under the guidance of an external advisor. With clear department responsibility of “internal management and external communication”, the department works to integrate ESG into daily corporate operations through long-term, effective communication and collaboration with all other departments.

To timely and effectively communicate with all stakeholders, in addition to regular reporting, ESG-related work will be included into the Annual Summary of Social Responsibility Work, which will be reported to the management by the president and disclosed to external stakeholders through Tianqi Lithium Sustainability Report and Tianqi Lithium Social Responsibility Report.

As of 2018, the Company’s domestic and foreign production bases have invested a total of 8.65m USD in designated funds for safety and environmental protection, and 0.82m USD in occupational health. (RMB USD=6.8609 as of Dec. 31st 2018)
Compliance management

Anti-fraud and anti-commercial bribery

We abide by commercial ethics, international laws and regulations, and set high standards for our business practices. According to the Anti-corruption Law of the People’s Republic of China, we have formulated the corporate Anti-fraud and Reporting System. The Company also carries out interdepartmental checks, management and operation control, construction of information system, clear job responsibilities, review procedures improvement and other measures to further reduce the risk of fraud.

We promise to conduct business in good faith, adopt a “zero tolerance” attitude towards commercial bribery, preserve fair competition, and assign disciplinary inspection and complaints to the audit department, which functions as a full-time body. We supervise and inspect the internal sensitive matters according to the regulations. At the same time, we conduct integrity promotion, establish the values of integrity and self-discipline, require key project personnel to sign Integrity Commitment Letters to prevent potential fraud risks. In 2018, there was not any commercial bribery or fraud to our knowledge.

Information disclosure

We actively fulfill the obligation of information disclosure, by constantly improving the information transparency, observing and implementing relevant regulations of China Securities Regulatory Commission and Shenzhen Stock Exchange, to ensure fair and impartial disclosure and improve the reliability, integrity, and timeliness of the information. In 2018, we have published 4 periodic reports, released 247 documents on Cninfo Website and 2 documents through the Hong Kong Stock Exchange. The Company did not have any questionable matter to be clarified or explained and gained the A grade in information disclosure assessment conducted by Shenzhen Stock Exchange.

Protection of shareholder interests

Maintain minority shareholders’ equity

We value the rights and interests of minority shareholders, and actively organize shareholders’ general meetings, production base investigations and reverse roadshows. For proposals that affect the interests of small and medium investors in the general meeting, we will count the votes of these groups separately and disclose the results promptly according to relevant provisions of China Securities Regulatory Commission (CSRC) and Shenzhen Stock Exchange. In 2018, Tianqi Lithium was awarded as one of the Most Respected Listed Companies by Investors by China Securities Investor Service Center and other institutions.

Investor relationship management

Continuously optimize the organizational support system

In 2018, the board of directors paid close attention to the management of the investor relations, and the Firm’s improved organization support system. According to the requirements of the corporate Standardized Operation Guidelines, the chairman is the first person responsible for the management, the secretary of the board is the principal person-in-charge, and the board office is the dedicated body for investor relations management, with full-time positions for relationship maintenance.
Adhere to value-oriented work ideas

The State Council issued Several Opinions on Further Promoting the Healthy Development of the Capital Market, encouraging listed companies to establish market value management system. Given this, the board of directors adopts the right value orientation according to laws and regulations and carries out orderly and effective exploration. While making the business stronger and larger, the Company also pays attention to investors’ sustained returns and reasonably guides their expectations.

Respect the market and rules, and be honest with investors

In 2018, the Company closely followed the market and rules, and built a platform for investors to have an in-depth understanding of the Company’s governance and operation through online and offline activities such as online media, Open House Day of Tianqi, annual performance presentation, planned H-share roadshow and reverse roadshows, actively building a mutual trust and harmonious investor relationship.

At the same time, we actively responded to media reports and visit by different associations. kept open and transparent benign interactions with the public and society. We built a new image of excellent private-owned enterprise in response to the national strategy, deeply developed the market of new energy materials, contributed to social responsibility, and lead the development of the industry.

Shehong Production Base warmly welcomed the investors of the “Deep Into Listed Companies” during the Open House Day, hosted by the Association for Public Companies and the Securities and Futures Association of Sichuan Province. We accompanied the small and medium sized investors in the delegation to visit the production workshops. By answering their inquiries about corporate operation and development, we hoped that the investors could gain more information and develop a better impression of the Company.

In 2018, Tianqi Lithium carried out meetings, which attracted nearly 30 famous investment agencies from home and abroad, to communicate with investors. The investment agencies jointly discussed the plans to boost the development of the entire lithium battery industry chain.
In 2018, Tianqi Lithium won multiple awards and recognition from all walks of life for its outstanding performance in environment, society and governance.

Corporate honors

Outstanding private enterprise in Sichuan Province

--Sichuan Provincial Committee of the Communist Party of China, People’s Government of Sichuan Province

Most Respected Listed Company by Investors 2017

--China Association for Public Companies, China Securities Investor Protection Fund Corporation Limited etc.

The 14th special contribution award for board governance of listed companies in China

--Directors & Boards (a Chinese magazine)

Top 10 best performing list firm of the year

--GG - Lithium Battery (an authoritative website of lithium battery industry in China)

The 20th Golden Bull Award for most valuable investment

--China Securities Journal (a Chinese newspaper)

Golden Wisdom Award for the outstanding management teams of listed companies

--JRJ.com (a Chinese newspaper)

Most valuable listed companies for long-term investment in 2018

--JRJ.com

Top 50 Value and Top 10 Management Teams among small- and medium-sized listed companies

--Securities Times (a Chinese newspaper)

Selected as a constituent stock of 2018 SGX ESG50 Index (Good ESG Firms Index)

--CAI Data, S&P/SGX DF

The first listed firm in China included the MSCI Index system and FTSE Global Equity Index

--MSCI, FTSE Russell

Social responsibility

Corporate Social Responsibility Award 2018

--Organizing Committee of China International Philanthropic Movie Festival

Best Responsibility Report Award at the 10th Annual Conference on Corporate Social Responsibility in China

--Southern Weekly (a Chinese newspaper)

Young People and the Arts Partnership

--Government of Western Australia

Sustainable Development Capacity Building Award 2018

--Organizing Committee of Research Report on Sustainable Competitiveness of Sichuan Enterprises in Sichuan

Overseas sustainability excellence award

--The Chinese Institute of Business Administration and Committee of Social Responsibility of Beijing Rongzhi Corporate Social Responsibility Institute

Ranked 12th on the 2018 Corporate Social Responsibility List of all listed firms in China

--Southern Weekly

R&D

Certified as a National Technological Innovation Demonstrative Enterprise

--Ministry of Industry and Information Technology and Ministry of Finance the People’s Republic of China

Second prize for Key Technologies and Industrialization of Lithium Material Production for Electric Vehicles

--Science and Technology Bureau of Sichuan Province

Inorganic Salt Chemical Science and Technology Progress Award

--Chemical Industry and Engineering Society of China

Human resources

Nominated China best employer of the year 2017/2018

--Zhaopin.com (a major Chinese website for human resources)

Best Employer for Health and Well-being Award 2017/2018

--CAS Human Resource Management Association, Chinese Academy of Sciences

China Employee Relationship Management Practice Model Enterprise Award 2017/2018

--Shanghai Laboroot (a consulting firm)
Responsible operation

As the world’s leading supplier of lithium products, the Company attaches importance to domestic and overseas compliance operations while promoting the process of globalization. We pay attention to the research, development, innovation and industrial application of science and technology, taking the initiative to lead the development of the industry. We constantly improve product quality and safety, and work with stakeholders at home and abroad to create economic and social value.
Promoting technological innovation

R&D projects

We committed to R&D and innovation to support and guarantee the development of new technologies and products. Through independent and persistent R&D, as well as technology acquisition and cooperation with other firms, we have accumulated a series of lithium production technologies with independent intellectual property rights to solve the industry’s common problems and enable sustainable and rapid development.

In 2018, we initiated six major projects concerning R&D, technology support, frontier technology exploration and foreign cooperation, including battery recycling and pilot scale, development of the next generation ultra-thin lithium ribbon, removal of potassium in lithium chloride. In this way, we sustained the stream of platform building for innovation and capacity enhancement. In 2018, our total investment in R&D was about 9.04m USD, accounting for 1.2% of the annual operating revenue, and the investment increased by 120% from the previous year.

Maintaining compliance at home and abroad

Since its establishment, the Company has strictly complied with the requirements of national laws and regulations, adhered to legal compliance, and pursued high standards regarding of safety, environmental protection and health. In the process of internationalization, we adhere to the legal bottom line and bring compliance operations overseas.

In 2018, when bidding for the equity of SQM, we actively cooperated with the regulatory requirements of the Chilean National Economic Inspection Office and listened to the opinions of experts in relevant fields in the local area, fully demonstrating our attention to local regulatory agencies, local laws and regulations, and local people’s opinions. In the end, we responded to the suspicions and concerns of some opponents by adhering to the highest corporate governance standards and the determination of acting as a compliant corporate citizen. We successfully obtained the support of the Chilean Free Competition Protection Court and the Chilean Constitutional Court and are welcomed by all parties to this investment with an open, transparent, and candid cooperation.

When designing and constructing the Kwinana Production Base in Australia, we fully consider the requirements of local cultural practices laws and regulations. From the feasibility study, detailed design to the construction stage, the highest environmental, safety and occupational health standards in Australia were our basic principles. We strictly followed and implemented these principles in technological design and key equipment selection stages. At the same time, we recruit local employees in strict accordance with local employment requirements. The series of initiatives has contributed to local employment and economic development, and good cooperative relations with local communities and residents.

Establish the laboratory for next generation ultra-thin lithium ribbon

The application of ultra-thin metal lithium ribbon can greatly improve the energy density and safety of conventional lithium batteries. Therefore, we began developing ultra-thin metal lithium ribbon for the next generation high energy density lithium batteries. We transformed the existing facilities into a reasonable combination of R&D laboratory and production area. In 2018, the Company built a laboratory for synthesizing and testing basic materials of lithium-ion battery.

The pilot-scale battery recycling project

The first batch of power lithium batteries is about to retire. Waste lithium batteries may pollute the environment, or enter the human body through the food chain, seriously threatening the environment and human health. Based on the comprehensive consideration of the environmental and economic benefits of recycling waste batteries, in 2018, we have established the required technologies and processes for cathode material recycling and a set of automatic scale-up equipment, providing a solid theoretical and practical basis for subsequent pilot and mass application. This project marks the Company’s close integration of technology and sustainable development, and the construction of whole value chaine while reducing environmental impact.

Normative management is crucial to the success of R&D projects. The Company’s R&D center established a series of project approval processes and management implementation methods, including but not limited to the R&D Project Management Norms, Technology Management Practices Technology Project Appraisal (Review) Management Practices, and the Assessment, Promotion and Reward Mechanism for Technological Advances. These management systems ensure proper control of the process, ranging from the project approval to conclusion and thus efficient implementation and output of R&D.

We stress the environment, health and safety management during R&D, and formulated the Laboratory Safety Code, Instructions of Safe Operation in Laboratory, Laboratory Safety Management and Emergency Plan and other instructive documents. We have defined the person in charge of laboratory safety and the corresponding responsibility and authority. The onsite management was standardized, including the use of the laboratory instruments, equipment and reagents, PPE requirements, sampling and disposal of hazardous materials, collection and disposal of liquid waste, first-aid measures, and prohibitions. Further, we have strengthened the laboratory emergency management mechanism, organized regular sessions of safety inspection and hazard identification, timely eliminated the hidden danger of laboratory safety, and made corresponding emergency plans. For management of chemicals, the R&D center has set up the Chemical Identification and Classification Table, Chemical Census Form, List of Laboratory Chemical Reagent Categories and the Archives of Hazardous Chemicals. We have also defined the scope of hazardous chemicals and the key junctures during the process of chemicals management to strengthen safety and control, effectively ensuring the compliant and efficient management of chemicals during R&D.

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We contribute to solving common problems facing the industry by actively participating in national and international academic exchanges. In 2018, over 60 professionals at the R&D center attended more than 30 academic or industrial conferences at home and abroad.

As one of the founders of the Lithium Industry Branch of China Nonferrous Metals Industry Association, we actively provide advice on national and industrial standards. As of December 31, 2018, we have led or participated in the drafting and compilation of six national or industrial standards, etc.

Establishment of the R&D team

The innovative projects cannot be implemented without a professional R&D team. Our R&D team helps promote the long-term development of the enterprise. As of December 31, 2018, the R&D center has 67 professionals, including 44 with a master’s degree, 7 have doctor’s degree, and the rest being undergraduates.

In 2018, our R&D staff actively engaged in production, capability and quality training, the academic discussion with external specialists and other activities. These events have improved their personal ability and the integral R&D capacity of the team, paving the way for subsequent R&D work.

Protection of intellectual property right (IPR)

In 2018, the R&D center further revised and improved the handbook and program documents of the IPR management system, based on the previous years’ work, to standardize and scientifically manage technology innovation and IPR. Through the transition from quantity to quality and efficiency, we actively explored the governance mechanism that could organically combine IPR and the enterprise’s R&D, production, operation, and sales.

The R&D center submitted 26 patent applications totally, including 22 inventions and 4 utility models. As of December 31, 2018, the Company owns 146 patents, including 50 inventions, 70 utility models and 26 industrial designs. Another two inventions and one utility model are under registration and 69 applications are under review.
Win-win cooperation

Responsible procurement

We have constructed a scientific supply chain management system, with the Supplier Management Standards, Bidding and Tendering Management System and other supporting system documents, to standardize supplier selection and evaluation, procurement contract signing and other related procurement processes to ensure procurement compliance, and strengthen supplier accountability.

In 2018, we established a complete procurement management system by issuing a series of new rules, including the Procurement Management Standards, Bidding Management Procedure, Purchasing Order Management Procedure, and the Purchasing Return and Exchange Management Procedure, to further standardize the Company’s procurement work. The system clearly defines the specific implementation of production/non-production purchasing plans and the selection criteria of procurement modes, breaks down the process nodes of procurement order management and long-term agreement maintenance, standardizes the procurement process of electronic products and outsourced processing materials, and strengthens the examination and review of quality responsibility for returned and replaced goods.

For the selection of suppliers, we have set multi-dimensional standards. We consider not only the quality of products or services provided but social responsibility indicators such as environmental protection and the bottom line of business ethics. Meanwhile, we actively support small suppliers and local quality suppliers to seek common development.

We have extremely rigorous standards for the management of qualified suppliers, and monitor their comprehensive capabilities in real time during cooperation. With a full-fledged elimination mechanism, we carry out regular assessments on suppliers in respect of their supply capacity, price of the product, quality stability, etc. The unqualified suppliers will be eliminated after a comprehensive assessment. We pay close attention to how the suppliers perform social responsibility. An emergency elimination mechanism will be triggered if serious accidents related to safety and legal operations happen and the supplier fails to rectify as required. In 2018, the supplier assessment coverage was 100%, with environmental and social factors accounting for about 60.6% of the assessment.

Meanwhile, we have planned to implement the practice of segmented procurement for higher overall efficiency and lower overall cost of the procurement department, thus to integrating resources efficiently. In the future, we will build a centralized and all-around platform by establishing a procurement center, strengthening the training of procurement personnel, and attracting professionals with experience of international procurement and supply chain.
Increasing customer value

We have developed a sound sales management system and standardized the pre-sales, in-sales, after-sales services to meet the legitimate and reasonable demands of customers, making the Company more influential and competitive to achieve mutual benefit and win-win.

Management of customer satisfaction and complaints

During close communication with customers, Tianqi Lithium actively listens to customers’ opinions to understand their needs. With departmental cooperation, the Company conducts one survey of customer satisfaction yearly. The survey mainly includes three aspects: product (quality, price and delivery date), service (after-sales service, consulting and service attitude, service timeliness), and others (satisfaction with the Company’s product environment, occupational health and safety, measurement, and intellectual property system). The Company collects customer’s advice and feedback to improve the quality of work and products. According to the survey, customer satisfaction of each production base in 2018 is higher than 90%.

<table>
<thead>
<tr>
<th>Production Base</th>
<th>2018 Satisfaction Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sichuan Shehong</td>
<td>96.6%</td>
</tr>
<tr>
<td>Jiangsu Zhangjiagang</td>
<td>96.1%</td>
</tr>
<tr>
<td>Chongqing Tongliang</td>
<td>97.4%</td>
</tr>
</tbody>
</table>

We have established a standard and efficient mechanism to deal with customer complaints and revised the Customer Complaint Dealing Process, and further regulate the process. First, the sales department actively responds to customers’ feedback and complaints. Second, the relevant departments, according to the content of complaints and the Company’s policies, cooperate to conduct the investigation, analysis, and processing of the complaints. After that, they provide the customers with solutions or customized measures in time, and accordingly issue written documents such as quality testing and investigation reports.

Customer privacy information protection

Tianqi Lithium values the protection for customer privacy. In 2018, the Company established a new System of Confidentiality Management, classifying customers’ profiles as confidential information. Customer privacy is in the scope of corporate trade secrets. We actively protect such information by signing non-disclosure agreements with customers and strictly abiding by the requirements of trade secret protection.

Product Quality and Safety improvement

We keeps providing high quality products for customers by improving the management system and standardizing the appraisal and recycling process. In 2018, we strictly implemented the ISO 9000:2015 quality management system and reviewed the workflow. According to the actual situation of the Company, we revised institutional documents and operational procedures such as the Quality Inspection Plan for Finished Products, Quality Inspection Plan for In-process Products, Quality Master Data Management System, Quality Accident Management System, and the Quality Risk Record Keeping Management System. They serve as institutional support to further regulate and strengthen the Company’s quality and safety control, by clarifying the inspection scope, testing methods, analysis and judgment basis for different types of products, with clear and detailed rules for maintaining quality master data, requirements for product packaging and warranty, as well as quality risk filing process.

There are full-time quality management departments in all production bases. We established a strict product quality control and inspection system to standardize quality management with clear workflow including critical control points, testing, accident handling and others. We also implement measures such as daily patrol, regular meetings, internal and external audits to ensure stable and reliable product quality. There was no serious quality or safety accidents in 2018.

Improve the safety and timeliness of logistics through high-risk special-purpose vehicles and real-time tracking

As the sales of hazardous chemicals rise exponentially, we must fulfill corporate responsibility, strengthen standard operations, and prevent operational risks to provide customers with quality and safe after-sales services. Tianqi Lithium tightened the control strictly in accordance with the requirements of the national dangerous products system over transportation of high-risk products: 100% of metal lithium is transported by high-risk special-purpose vehicles, and lithium hydroxide is transported in compliance to avoid hidden dangers in logistics.

Meanwhile, our logistics database for hazardous chemicals can intervene in advance to ensure the legitimate source of the vehicle, and strengthen tracking from the delivery of goods to the customer signing with one-on-one information verification. After one year’s implementation feedback, the whole process of high-risk products transportation is effectively controlled which greatly controls the risks in the process of product transportation, improves the safety and timeliness of logistics, and greatly raises customer satisfaction.
We pay attention to ecological protection in production and resource sites, and adopting a series of measures to repair mining areas, and protect biodiversity in local. We are committed to building environmental-friendly factories through continuing to increase environmental protection investment, and strive to achieve energy conservation and emission reduction through process improvement and technological transformation measures such as “coal to natural gas” conversion. In this way, we aim to mitigate the Company’s negative impact on the environment, achieving the goal of energy saving and emission reduction.

By strictly implementing ISO14001 and other environmental management system standards, we have established a scientific and full-fledged environmental management system, and delineated the organizational structure of the corporate Safety and Environmental Protection Committee. We have set up EHS departments in all production bases, which are responsible for environmental protection, employee occupational health and safe production, and other related issues.
Emissions management

Complained to national policies and regulations, we have formulated internal policies, including the Responsibility System for Prevention and Control of Hazardous Wastes, Management Practices for Waste Gas Emission Control, Management Practices for Wastewater Discharge, Management Practices for Solid Waste Disposal, Management Practices for Hazardous Waste Disposal, Management Practices for Energy Conservation and Emission Reduction, etc., to regulate the company's waste discharge in an institutionalized way. In 2018, the discharges of main pollutants such as wastewater, greenhouse gas, and solid waste were within the permitted scope of national regulations on environmental protection. All production bases strictly implement management measures, continuously reducing waste discharges and emissions.

Reduce wastewater discharge through recycling

The wastewater of the company includes production wastewater generated during the operation and office building wastewater. All locations adopt many kinds of reuse measures to reduce discharging wastewater, and strictly obey national standards for discharging wastewater. For example, in 2018, Zhangjiagang Production Base carried out a battery-grade lithium carbonate technical transformation project, which significantly reduced the total annual wastewater discharge. The measures, reduce wastewater by 10.2% compared with in 2017.

Reduce emissions by upgrading equipment and modifying production processes

We reduce emissions by upgrading equipment and modifying production processes. Natural gas, which can reduce emissions of sulfur dioxide and dust by nearly 100% and nitrogen oxide by about 70% compared with traditional fossil fuels, is the only combustible energy used by the Zhangjiagang Production Base. Meanwhile, through the lithium carbonate technical transformation project, we made technical transformation of the existing production equipment, optimized the exhaust treatment to ensure the highest energy use efficiency possible and compliant exhaust emission. The Tongliang Production Base treated exhaust comprehensively and efficiently according to the actual production status. By taking advantage of sodium hypochlorite, a disinfectant with widespread demand in the market, it eliminated the exhaust emissions while improving the comprehensive utilization of resources. The Shehong Production Base put into use a new desulfurization and denitrification system, which significantly reduces the emission of nitrogen, sulfur oxides and sulfuric acid mist. Total emissions is far below the China’s latest comprehensive emission standards for atmospheric pollutants.

Management of solid waste discharge

Our main solid waste includes lithium slag, cinder, scrap iron and other domestic waste. In 2018, all production bases carried out proper, compliant classification and collection of waste and stocked hazardous and general wastes separately, complying environmental protection regulations and corporate requirements on solid waste treatment. We sold the recyclable waste once the relevant testing department ensured that it is non-toxic and harmless. In 2018, the recyclable waste boasted an economic value of about 2.33 mUSD. The non-recyclable waste entrusted to a qualified third-party organization for disposal.

Improving the environment of the production base area

All production bases dedicated to improving the environment of the plant area, by building sealed raw material warehouses and conveyor belts, as well as other environmentally friendly equipment.

For example, Zhangjiagang Production Base added a conveying system for raw material airflow to collect the ground material to avoid the diffusion of dust and reduce the pollution due to unorganized discharge at the production site.

In 2018, the Shehong Production Base carried out environmental protection and improvement projects including the investment into a greening project to renovate the overall environment, and the renovation of a road surface with asphalt to reduce dust in the production base area.
Shehong production base achieved both environmental and economic benefits through “coal to natural gas” conversion

The Shehong Production base is green and environmentally friendly, replacing all coal based heating with that of natural gas, and upgrarding some of the workshop equipment, including steam boilers, rotary kiln, acidizing kiln, lithium chloride drying and Yuanming powder drying.

After the implementation of the project, it effectively reduced the emission of harmful substances such as sulfur dioxide, nitrogen oxide and dusts, and the resulting risks of occupational health, achieving the goal of environmental protection and cleaner production.

The stability of the rotary kiln combustion process strengthens the control of dust in the kiln’s hood section. The combustion of hot air furnace of the acidification kiln is more stable, the process control is more delicate, with a growing acidification rate. And no more cinder is produced in the hot air furnace, which saves the process of cleaning cider and increases operational efficiency. It exerts a positive influence on production at all links during the ensuing period.

Meanwhile, the production base utilized an environmentally friendly approach—the technology of mechanical vapor recompression (MVR)—during production, establishing a complete thermal energy cycle, which reduces the demand for energy and greatly lowers the consumption of natural gas throughout the year, achieving effective energy conversion. (The MVR evaporator saves 10,086,000 cubic meters of natural gas per year).

Zhangjiagang Production Base has improved the utilization rate of raw materials and reduced the consumption of water through the recycling of lithium oxide in the calcium slag and the reuse of hot water. Meanwhile, natural gas used in the four rotary kilns in the base. In 2018, the unit consumption of natural gas decreased by 15.2% year-on-year.

Tongliang Production Base aims to recycle lithium resources, through the project of Metal Lithium—Automation Transformation, achieving the integration of safety, energy conservation, and green manufacturing.

Resource utilization

Tianqi Lithium actively promotes the conservation and recycling of resources in all aspects and optimizes resource utilization to lower energy consumption. In daily office work, we advocate green, paperless office, and recycling stationeries and set a uniform energy-conservation logo in the office area. In production and operations, all production bases stick to the principle of maximizing resource utilization efficiency, reducing energy consumption during production and processing by improving the energy mix and production processes.

Shehong Production Base improved the energy consumption mix by completing the “coal to natural gas” transformation. During the 13th Five-Year Plan period, it achieved the energy conservation target by saving over 5,000 tons of standard coal, reducing NOx emissions by more than 200 tons, sulfur dioxide by about 100 tons.

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Tongliang Production Base aims to recycle lithium resources, through the project of Metal Lithium—Automation Transformation, achieving the integration of safety, energy conservation, and green manufacturing.
In 2018, all production bases invested and implemented the projects of technical reforms in energy conservation and emission cut, achieving following remarkable results:

**Ecological conservation**

**Mined area restoration**

Restoration of mining areas is an important measure to ensure the rehabilitation of the ecosystem. A complete engineering, safety and environmental plan can minimize the risks faced by local communities and the mining area in handling risks at the end.

In addition to the strict implementation of the requirements for the ISO14001 environmental management systems certified by the BVQI, our Greenbushes mining area in Western Australia has been actively cooperating and communicating with the local regulatory authorities regarding the livelihood restoration. We have established key indicators, including the specific goals for the restoration of the ecosystem, surface features, and hydrological system at each stage.

**Biodiversity support**

Before the implementation of the new, modified and expanded projects, we evaluated the impact of the project on the environment and that on local biodiversity. In the assessment report, we formulated protective measures for biodiversity during the whole project process from the exploration to development, operation, and finishing. Our assessment covers the composition of local species and key species, as well as their local, regional habitats and even global potential sites. Based on the results, we determined the level of mitigation for the project’s impact, and made a targeted biodiversity management plan following the steps of “avoidance, reduction, mitigation and offset”.

### Zhangjiagang Production Base (Jiangsu)

- Adding denitrification device for roasting kiln tail gas

<table>
<thead>
<tr>
<th>National standards</th>
<th>Before technical reform</th>
<th>After technical reform</th>
</tr>
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<tbody>
<tr>
<td>Unit: mg/m³</td>
<td></td>
<td></td>
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<tr>
<td>National standards: Emission Standards of Pollutants for Inorganic Chemistry Industry GB31573-2015 (Table 4)</td>
<td>7.6</td>
<td>6.97</td>
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<tr>
<td>Particulate matter</td>
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</table>

### Shehong Production Base (Sichuan)

- Rotary kiln denitrification system transformation
- Rotary kiln combustion system “coal to gas” transformation
- Acidification kiln hot-air furnace “coal to gas” transformation

<table>
<thead>
<tr>
<th>National standards</th>
<th>Before technical reform</th>
<th>After technical reform</th>
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<tbody>
<tr>
<td>Unit: mg/m³</td>
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<tr>
<td>National standards: Emission Standards of Pollutants for Inorganic Chemistry Industry GB31573-2015 (Table 4)</td>
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<td>7.72</td>
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</table>

### Shehong Production Base (Sichuan)

- Boiler system “coal to gas” transformation

<table>
<thead>
<tr>
<th>National standards</th>
<th>Before technical reform</th>
<th>After technical reform</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit: mg/m³</td>
<td></td>
<td></td>
</tr>
<tr>
<td>National standards: Emission Standards of Air Pollutants for Coal-burning, Oil-burning and Gas-fired Boilers GB13271-2014 (Table 2)</td>
<td>20</td>
<td>14.04</td>
</tr>
<tr>
<td>Particulate matter</td>
<td></td>
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</tbody>
</table>
We always adhere to humanistic principle and create a safe and comfortable working environment. We guarantee the rights and interests of employees, the Company formulate an equal and standardized employment system, establish a competitive salary system and pay attention to the occupational health and safety of employees. We also create a scientific career development platform, talent development program and training system, and provide assistances to employees and organize employee activities, helping employees to better balance work and life and grow together with the Company.
Respecting employee rights

Safeguarding employees’ basic rights

Following the Labor Law of the People’s Republic of China, the Labor Contract Law of the People’s Republic of China, The Fair Work Act 2009, and other policies in the countries and regions where we operate, Tianqi Lithium has established a sound employment system to protect employees’ human rights and resist child labor and forced labor. The Company values talent and provides equal job opportunities regardless of gender, creates a diversified work environment, and treats employees from different countries and in different ethnicities equally.

Tianqi Lithium promotes gender equality in the workplace

We advocate an equal and benign competition platform for female employees to help them achieve breakthroughs and success in the workplace.

Luckily, in the corporate governance layer, we have 2 women in the 7 members of the board of directors and 2 women in the 3 members of the board of supervisors, which brings different perspectives to corporate governance. We have outstanding female business elites and management teams in strong professional fields such as R&D department, technical department and market department. With continuous effort and enterprise, and through leading by example and creating value for the Company with their accumulated knowledge and skill, female employees set benchmarks for all employees of the Company and establish a positive new image of “workplace women”.

We will continue to advocate gender equality in the workplace, ensure women equal opportunities in the recruitment and promotion, and equal pay with men in the same position.

In my 20-year career of Tianqi, the Company attaches importance to providing equal opportunities for career advancement for women, and promote me from a normal running operator to a production supervisor step by step. With the rapid development of the Company, the environment, safety, and employee occupational health systems are also constantly pursuing higher standards. I volunteered to take the challenge to work in the workshop and join the management talent replacement. Thanks to the company for providing platform and resource support, the whole team can continuously carry out many tasks such as process optimization, equipment transformation, one-post with multi-functions and talent echelon construction, and gain much progress while achieving gratifying results. Tianqi Lithium’s encouragement to junior employees and the affirmation of junior employees management innovation have made me confident and enthusiastic about my work, and I feel the glory and pride of being an optimistic, kind and independent working woman.

I joined in Tianqi Lithium after graduating in 2012. Under Tianqi’s development philosophy of insisting on technology as the core motivation, I grew up as an R&D engineer from an inexperienced intern with great gains through work. “Great just isn’t good enough.” is my motto. After the consistent trials and efforts on R&D projects, our R&D team provided new methods for the improvement of production process, and better technical solutions for energy saving and consumption reduction for factories. This is inseparable from the enthusiasm of colleagues and the support of leaders in Tianqi Lithium.

Trying to do every simple thing well is not easy.

Great just isn’t good enough!

I am responsible for the implementation of the SAP system to achieve comprehensive information management. The IT industry is a challenging industry. When faced with difficulties and obstacles, I will recall what the department leaders said in the interviews: you can communicate directly with me if you have any doubts at work, and if the request is reasonable, I will do my best to provide you with conditions and support. This commitment has become my driving force. Especially after becoming a mom, it is more important to balance family and work as emotional management ability determines my happiness index. We need to use the enthusiasm of fire to inspire ourselves, anneal ourselves, and face high-strength and high pressured works by working efficiently. We also need to use the calm of ice to reflect on the past, sum up experience, and adjust our mentality to start with new goals.

The power of ice and fire, sometimes calm and sometimes ardent.
Compensation and benefits

Compensation management is an important cornerstone of Tianqi Lithium’s international operation. In 2018, we established a global unified cross-regional and cross-business job grade and completed the rank map and internal promotion channels at the headquarters and the production bases around the world. According to job grade, market remuneration report, and corporate compensation strategy, we established the compensation management system based on the value created by the position, employee ability and performance to attract and retain excellent employees. We enhanced the compensation system of the Company by integrating compensation structures in headquarters and production bases, as well as improving the performance mechanism for the executives and the R&D team.

We have also established a diversified employee benefits system in addition to the job grade and compensation system. In 2018, we revised the Employee Handbook and the Employee Attendance and Leave Management System to improve the leave system and relevant enforcement procedures, implementing paid leave, marriage leave, maternity leave, and funeral leave to release work pressure. Our employees enjoy various benefits such as annual health check-up and holiday allowances. We respect the employees’ personal decision of resignation and advise the employee of formal procedures according to the law when they resign. Meanwhile, we have a sound social security system, which provides a supplementary commercial insurance benefit plan for employees since 2018 besides the State required five social insurances and housing fund.

Occupational safety and health

Tianqi Lithium has always put the employees’ health and safety in the first place in terms of production management. Complying with the relevant laws and regulations on the prevention and control of occupational diseases promulgated by the government and regulators, we have compiled the Identification and Compliance Evaluation Checklist of Laws and Regulations on Occupational Health and Safety to identify and manage the potential risk of occupational diseases, as well as provide corresponding control measures. We provide employees with protective equipment at work in line with the national regulations and regular occupational health examinations to protect them from occupational diseases. During the 2015-2018 period, Tianqi Lithium has experienced zero occupational disease for four consecutive years.

Safety drills organized by production bases

In order to enhance employees’ awareness of occupational safety and health, we have established a training and education system for safety, environment and health to ensure adequate, effective training for employees. In 2018, the production bases organized employee safety training. New employees were required to participate in the post-employment third-level safety education to obtain sound knowledge of safe production, and to be familiar with their own position-related hazards, master the safe operation procedures and emergency response measures. Production bases regularly organize operational risk assessment and comprehensive safety drills to identify hazards and potential risks and formulate countermeasures to reduce accident risk. During 2018, the production bases organized 12 safety drills, and there were no work-related fatality reported in 2018.

<table>
<thead>
<tr>
<th>Peggy Jiang, Zhangjiagang, Jiangsu</th>
<th>Shengxia, Sichuan</th>
<th>Chongqing, Tongliang, Chongqing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency drill for exceeding permitted wastewater PH range</td>
<td>Emergency drill for on-site disposal plan of autoignition of lithium slag in the workshop</td>
<td>Emergency fire drill for dangerous chemicals in the warehouse</td>
</tr>
<tr>
<td>Drill for regulated wastewater PH range</td>
<td>Emergency drill for sodium hydroxide (liquid) leakage</td>
<td>Special emergency fire drill</td>
</tr>
<tr>
<td>Concentrated sulfuric acid pipeline leakage drill</td>
<td>Emergency drill for sudden natural gas leakage</td>
<td>Emergency drill for sodium hydroxide leakage</td>
</tr>
<tr>
<td>Fire drill</td>
<td>Emergency drill for lithium combustion and sodium hydroxide leakage</td>
<td>Emergency evacuation drill for chlorine leakage</td>
</tr>
</tbody>
</table>

In accordance with the requirements of Zhangjiagang Safe Production Supervision and Administration Bureau, Zhangjiagang Production Base has established double risk prevention mechanisms including graded safety risk control and potential risk identification since July 2018. In December, it was awarded as a Demonstrative Enterprise for Double Risk Prevention Mechanisms in the expert review organized by the Bureau.
Career development of employees

Combined with the company’s future strategic planning, we created a broad career platform for our employees, improved all sequences of career development paths, improved our talent talent development plan, and invested more on the training and capacity development of employees at home and abroad.

Based on the global unified job grade, we have improved the career development maps of management sequences, R&D sequences, sales sequences, and production sequences, providing a clear and complete career path for employees in each professional sequence.

In order to improve the construction of talents at all levels, we have implemented a diversified talent development project:

In 2018, we improved our training system including curriculum structure and training model innovation to improve the efficiency of training management. By issuing Training Management Measures, we clarified the training types and forms of the Company and assigned the human resources department to the overall training coordination, while the specific professional skill training organized by each department.

With the trilateral cooperation mechanism with Suining Government and local higher vocational colleges, we have selected excellent college students whose majors are of good match with the Company for internship and long-term cultivation. The pass rate of intern evaluation reached 100%.

We implemented internal exchanges among three production bases in domestic. By efficiently utilizing the automated production platform at Zhangjiagang Production Base, line managers can learn management experience in maintenance, technical skills, EHS, etc. The programs serves to cultivate talent for the operations teams of new production bases, and to improve the professional and management skills of existing managers. As of December 31, 2018, 78% of candidates have completed the programs, generating over 80 learning reports.

To cultivate promising managers systematically and acquire the ability required by current or future operations assistant general managers, we have been selecting candidates for the successor development pool to strengthen the professional ability and leadership required by the post after appraisal, and capacity test etc.

To identify and retain internal talent, and tap into their potential, which fits into the corporate position vacancy, the Company evaluates successions by the standards of excellent, important, potential and talent to be improved.

In line with the principle of humanistic care, Tianqi Lithium provides assistance to staff with difficulties. Through the activities such as Autumn Grant for students, Cooling Care in summer, and Warming Care in winter, we have inspired staff’s sense of identification with and belongingness to Tianqi. The Company also advocates work-life balance, trying to create a pleasant and inclusive working environment. We organized a variety of staff activities such as teambuilding for excellent teams and staff, Lithium in Youth events and others, which enhanced the communication among staff at all levels and the team’s cohesion.

At the same time, the Company regularly organizes Happy Hour activities. During 2018, we held six thematic Happy Hour events, which include welcoming new employees, and celebrating birthdays and holidays. The average attendance rate was about 65%, contributing to a joyful work environment through exciting employee activities. In November 2018, we held a special activity of “Tianqi Thanksgiving Market”, where employees can use old things with exchange value for barter. Through the activity, we hope to advocate the concept of “developing low-carbon sustainable way of life by the recycling of old things.”

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<table>
<thead>
<tr>
<th>Department</th>
<th>General Training</th>
<th>Specific Training</th>
<th>Total Investment for Staff Training in Domestic</th>
<th>Total Investment for Staff Training Overseas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executives</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Manager</td>
<td>553</td>
<td>506</td>
<td>$206.97</td>
<td>$131.18</td>
</tr>
<tr>
<td>Line Manager</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Technician</td>
<td></td>
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</table>

USD: RMB=6.8609 as of Dec. 31st 2018
As a corporate citizen, we leverage our skills, and resources globally to support local community development. This year, we continued to invest in communities programs, such as the “Three Major Projects” program in Suining City, Sichuan Province, focusing on poverty alleviation through improving rural medical conditions; also we built up volunteering team officially to encourage colleagues engaging deeply in community contribution.
We make substantive efforts in poverty alleviation across mainland China in response to the national strategy for targeted poverty reduction, such as the “Three Major Projects” in health care and public assistance. In 2018, we launched 21 philanthropy projects at home and abroad, including the Green Media Research Scholarship Workshop, Poster Campaign of Environmental Protection on June 5, Tianqi Lithium Connection Exhibition Hall in Western Australian Museum, digital education and mandarin course in primary schools in Austrian etc.. Besides, we encourage our staff to participate in public welfare activities. In 2018, we established the Tianqi Volunteer Team and formulated the Tianqi Volunteer Service Manual to promote volunteer services, to better fulfill the Company’s social responsibility and create a positive corporate image.

In 2018, we standardized the Company’s donation policies. Based on the Donation Management System of Tianqi Lithium Corporation, we have improved the Donation Management Procedures of Tianqi Lithium, which clarifies the principle, scope, and the type of donation, as well as the decision-making and operation processes, strengthening the management of charitable donations.

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<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment</td>
<td>217.03 thousand USD</td>
</tr>
<tr>
<td>Education</td>
<td>200.51 thousand USD</td>
</tr>
<tr>
<td>Community</td>
<td>1396.86 thousand USD</td>
</tr>
</tbody>
</table>

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“Three Major Projects”

To systematically improve the quality of community-level medical services where we operate, we signed a formal strategic cooperation agreement with the People’s Government of Suining City in 2016 to sponsor the “Three Major Projects” on health care by three installments in three years. The first phase in 2017 successfully implemented in accordance with the plan. The second phase in 2018 has been progressed sustainably and achieved good social benefits: we initiated the innovative model of combining demonstration joint village clinics, village doctor capacity building, and volunteer medical services. In 2019, we plan to combine the experience gained in the previous two phases to further promote quality medical resources extending into villages and improve the comprehensive business capabilities of village medical staff, enhancing the level of medical and health services.

Demonstration Joint Village Clinics

We have broken through the traditional model of village clinics in administrative villages, and set up demonstrative joint village clinics centered in areas which across villages, towns and even counties. In 2018, after the first phase ten demonstrative joint village clinics came into use, the local medical conditions are improved and the basic medical function is distributed, and the second phase demonstration joint village clinics has been put into service. By December 2018, 20 demonstration joint village clinics have being operating normally, covering more than 100 villages, and benefiting about 190,000 people. We are actively preparing the third phase of planning to build 10 more joint village demonstrative clinics. The project promotes the implementation of the hierarchical diagnosis and treatment system in rural communities, and provides convenience for the communities to seek medical advice, through providing reasonable allocation of medical resources, effective and sustainable quality medical services.

Volunteer Medical Professionals

In 2018, we organized and appointed medical experts to carry out volunteer services in person. Altogether, 109 medical professionals have volunteered 2,135 times, providing 23,925 services. Compared with the first phase volunteer medical services project, there has been a significant increase in the number of doctors, free clinics, and services that are free or at a discounted price. Next year we will continue arranging more than 100 medical experts to provide medical services in rural areas every month. We will also help improve the operation of the demonstration joint village clinics, and provide assistance to villagers through visiting the needy families and offering them medicines. These activities enable villagers to get quality medical services more conveniently.

Village Doctor Capacity Building

In 2017, after the first phase village doctor capacity building in the poor villages of Suining City, more than 100 village doctors have significantly improved their medical theory and medical service capability. In order to provide more qualified and efficient medical services, in 2018 the village doctor capacity building project provided an intensive full-day training program for 100 village doctors. The 14-day program, covering theories, practical skills and clinical knowledge learning, accelerated the growth of village medical teams and improved the quality of rural medical service. The start-up program of the third phase village doctor capacity building project is under planning, and the training course is scheduled in the second quarter of 2019.

At the same time, we invited a third-party consulting firm to evaluate the effectiveness of the previous projects. The evaluation report shows that the “Three Major Projects” has provided good social impact benefits, and Tianqi Lithium has been in the forefront of the poverty alleviation in health care practice and corporate social responsibility among enterprises.
Tianqi volunteer team was established and launched the first volunteer service

On December 5, the 33rd International Volunteer Day, we officially established the Tianqi Volunteer Team with the theme of “cultivating kindness and virtue, let love be first” in Mao County (Sichuan), Shehong County (Suining City, Sichuan), Zhangjiagang (Jiangsu) and Tongliang County (Chongqing). We brought warmth and hope to the local children. Our volunteers demonstrated selfless dedication in these activities, giving back to the society with activities and love.

Other poverty alleviation projects

Targeted poverty alleviation through enterprise-village pairing assistance

In May 2018, the Tianqi Tongxin Bridge was officially opened, benefiting over 12,000 local villagers of 9 villages with transportation challenge and promoting the rapid development of regional economy.

In August 2018, we held the activity Cooling Care in Summer, providing cooling supplies for poverty-driven rural households in Xinjing Village, Shehong County, Suining City.

Leidadiao Village road restoration project

In 2018, we donated 12,202.74 USD to Leidadiao Village, Heishui County, Aba Tibetan and Qiang Autonomous Prefecture in Sichuan Province to repair the winding mountain roads for mountain villagers with difficulties in transportation.

Utilize the market-oriented innovation advantages

The Three Major Projects is an innovative practice for poverty alleviation. When designing the project, we have fully considered the standardization, reproducibility and sustainability of the project.

Take advantage of business management

We establish a full-time social responsibility department, which comprehensively manages this project. At the same time, we hired a professional evaluation agency to conduct an overall evaluation of the project and propose optimization suggestions, so as to lay a solid foundation for the follow-up operation of these joint village clinics and the development of new rural business model.

Leverage the advantages of resource integration

We solicited funds for civil affairs and health care systems to endow the joint village clinics with new functions. We promoted the joint construction of joint village clinics and nursing center, exploring innovative model of integrated treatment and convalescence, providing integrated services for medical care and nursing. Taking advantage of the channel advantage, we increased the broadcasting of the joint village clinics, and cooperated with other organizations in promoting the construction of integrated rural medical system and creating new rural formats together.

Promote the continuous improvement of the function of the joint village clinics

We selected demonstration joint village clinics, and continued to improve the functions. We provided Internet hospitals services to break the space and time constraints, forming the Internet Plus Telemedicine Medical Service model, which helps patients save time and medical expenses. At present, the First People’s Hospital of Suining City has opened an Air Hospital in the joint village clinic in Tiansuigong City.

Strengthen the link-up between poverty alleviation and rural revitalization

We continued to combine the construction of new countryside, take the joint village clinics as the central support point, improve the functional facilities of centralized resettlement sites, and implement the rural revitalization strategy. In 2019, we are planning to donate 291,51 thousand USD for the implementation of the rural revitalization project in Zhongping Village of Shehong County, the location of the Zhongping joint village clinic in Suining City, promoting the economic development of Zhongping Village and the improvement of people’s livelihood.

Business empowers poverty alleviation and innovative action affects people’s livelihood
Light up the childhood with Smiles
Community engagement

Tianqi Lithium values community construction and communication, and pays attention to the needs of the local neighborhoods during the development. We visit the communities where our production bases are located, and speak with the local people for better understanding, and working together to build harmonious communities through win-win development.

Funding Crescendo music education for kids together with West Australian Symphony Orchestra

Tianqi Lithium has been sponsoring the Crescendo music education project as a business partner since March 2017. The project provides music education for kids from pre-school to grade four of two primary schools in Kwinana and allows them to grow up with music and love. As of December 2018, there have been hundreds of children benefiting from the project. We contribute to the well-being of the local community by helping with the growth of children.

Tianqi Open House Day

At the end of November, we invited 29 students and professors at Schwarzman College of Tsinghua University who come from all over the world to visit Tianqi Lithium. Through the visit, they had a better understanding of our corporate history and culture through the face-to-face communication. The trip also showed those young talents the corporate image of Tianqi Lithium that focuses on cross-cultural exchanges and actively promotes the new energy materials industry.

2018 Sino-Australia Economic and Trade Forum

On June 20, 2018, Tianqi Lithium exclusively sponsored and co-hosted the second Sino-Australia Economic and Trade Forum with the Southwestern University of Finance and Economics to help build an international high-end academic exchange platform and promote more extensive and in-depth economic and trade cooperation between China and Australia.
Looking back on 2018, Tianqi Lithium carried out comprehensive system construction, which put the information management system into service and improved corporate internal management. Through diversified investment and financing projects, we developed downstream resources and new market while stabilizing the upstream sustainable lithium supply. The Company increased production capacity via R&D innovation and technological upgrade, making new production and sales record and establishing our pivotal position in the global new energy industry.

Looking forward to 2019, we continue to uphold the principle of achieving the growth at no expense of the environment, health and safety. We plan to actively implement green development, continuously increase investment in social responsibility, create shared value with stakeholders, and help achieve sustainable and coordinated development of enterprises and economy, society and environment.
Optimize governance structure to enhance the depth and accuracy of governance

We will further improve the governance structure, and integrate the concept of sustainable development into the Company’s management and operation. We will continue to improve the operating mechanism of the “three boards and one management” plus the “four major special committees”, strengthening the team and talent echelon construction, and improve the performance management system.

Legal and compliance operation to enhance the Company’s core competitiveness

We will promote internationalization, ensure compliance operations at home and abroad, and focus on technology and talents. We will continue to strengthen R&D team building to boost industry development. We will expand production of high value-added products to achieve steady increase in output and quality safety and smooth transition from quantity to quality. We will strengthen product quality management and focus on meeting customer needs to increase customer stickiness.

Strengthen energy conservation, emission reduction and ecological environmental protection to promote the health development of the Company

We will continue with technological transformations to promote efficiency improvement, energy conservation and emission reduction, and environmental protection. In the course of operation, we will continue to promote the use of clean energy, comprehensive resource conservation and recycling. We will raise the awareness of EHS management among all employees through training, gradually realizing low carbon green sustainable development.

Guarantee employee’s legal rights and interests and focus on the growth employees to strengthen the internal driving force of the Company

We will listen to the voice of employees via multiple channels, pay attention to the needs of them in occupational health, occupational safety, career development, etc. We will implement the talent development plan to provide employees with a better career development path. We will create sustainable competitiveness by training high-quality talents and team, laying a solid foundation for the future development of the Company.

Realize social responsibility and strive to be the leader in sustainable development of the global new energy industry

We will carry on the corporate mission of Creating a Better World with Lithium. We’ll strengthen the Tianqi Volunteer Team, and build a platform for “everyone can make contribution anytime and anywhere” to public welfare. At the same time, we’ll reach out and integrate external resources, explore the sustainable development mechanism for businesses, and realize the sound growth of the Company.
1. Data review of Environment, Social and Governance Report Indicator

A1.1 The types of emissions and respective emissions data (in tons)

<table>
<thead>
<tr>
<th>Type of Emissions</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total nitrogen oxides emissions</td>
<td>104.29</td>
</tr>
<tr>
<td>Total sulfur oxides emissions</td>
<td>167.39</td>
</tr>
<tr>
<td>Total PM (particulate matter) emissions</td>
<td>14.92</td>
</tr>
<tr>
<td>Sulfuric acid mist</td>
<td>0.12</td>
</tr>
<tr>
<td>Total waste gas emissions</td>
<td>286.72</td>
</tr>
</tbody>
</table>

A1.2 Greenhouse gas emissions (in tons)

<table>
<thead>
<tr>
<th>Type of Emissions</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total greenhouse gas emissions (scope 1 &amp; scope 2)</td>
<td>316,588.07</td>
</tr>
</tbody>
</table>

A1.3 Total hazardous waste produced (in tons)

<table>
<thead>
<tr>
<th>Type of Waste</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste oil/water, hydrocarbon/water mixture emulsion</td>
<td>251,917.90</td>
</tr>
<tr>
<td>Used mineral oil</td>
<td>23.90</td>
</tr>
<tr>
<td>Spent ion exchange resin</td>
<td>5.34</td>
</tr>
<tr>
<td>Spent ethyl alcohol</td>
<td>0.47</td>
</tr>
<tr>
<td>Waste oil barrels</td>
<td>0.15</td>
</tr>
<tr>
<td>Total hazardous waste emissions</td>
<td>251947.76</td>
</tr>
</tbody>
</table>

A1.4 Total non-hazardous waste produced (in tons)

<table>
<thead>
<tr>
<th>Type of Waste</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household waste (disposable goods, food waste, office paper waste, etc.)</td>
<td>843.70</td>
</tr>
<tr>
<td>Iron scraps</td>
<td>300.04</td>
</tr>
<tr>
<td>Worthless solid waste</td>
<td>230.04</td>
</tr>
<tr>
<td>Recyclable waste (used cardboard bucket, plastic bag, etc.)</td>
<td>121.00</td>
</tr>
<tr>
<td>Swill</td>
<td>29.00</td>
</tr>
<tr>
<td>Total non-hazardous waste emissions</td>
<td>1,523.78</td>
</tr>
</tbody>
</table>

A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in ‘000s)

<table>
<thead>
<tr>
<th>Energy Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coal</td>
<td>439,535.70</td>
</tr>
<tr>
<td>Natural gas</td>
<td>229,454.76</td>
</tr>
<tr>
<td>Electricity</td>
<td>126,032.72</td>
</tr>
<tr>
<td>Diesel oil</td>
<td>890.92</td>
</tr>
<tr>
<td>Gasoline</td>
<td>317.98</td>
</tr>
<tr>
<td>Heating power</td>
<td>131.67</td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>796,363.75</td>
</tr>
</tbody>
</table>

A2.2 Water consumption in total (in cubic meters)

<table>
<thead>
<tr>
<th>Type of Water</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tap water</td>
<td>528,578.49</td>
</tr>
<tr>
<td>Recycled water</td>
<td>242,884.00</td>
</tr>
<tr>
<td>Total water consumption</td>
<td>771,462.49</td>
</tr>
</tbody>
</table>

A2.5 Packaging material consumption (in tons)

<table>
<thead>
<tr>
<th>Type of Material</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexible intermediate bulk container</td>
<td>87.80</td>
</tr>
<tr>
<td>Straight steel barrel</td>
<td>70.00</td>
</tr>
<tr>
<td>25kg Kraft paper bag</td>
<td>38.74</td>
</tr>
<tr>
<td>PE film</td>
<td>30.60</td>
</tr>
<tr>
<td>Aluminum plastic composite bag</td>
<td>1.33</td>
</tr>
<tr>
<td>Total packaging material</td>
<td>228.47</td>
</tr>
</tbody>
</table>
## B1.1 Employment

<table>
<thead>
<tr>
<th></th>
<th>Male employees</th>
<th>Female employees</th>
<th>Total employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male employees</td>
<td>1,177</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female employees</td>
<td>435</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total employees</td>
<td>1,612</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Workforce proportion by age group

| Age: ≤30 (%) | 28%          |
| Age: 30~50 (%) | 62%         |
| Age: ≥50 (%) | 10%          |

## B3.1 The percentage of employees trained by employee category

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior management</td>
<td>3%</td>
</tr>
<tr>
<td>Middle management</td>
<td>24%</td>
</tr>
<tr>
<td>General employees</td>
<td>73%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

## B8.1 Community contribution costs (by field, unit: RMB in '000s)

<table>
<thead>
<tr>
<th>Field</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health</td>
<td>450.00</td>
</tr>
<tr>
<td>Culture and sports</td>
<td>497.97</td>
</tr>
<tr>
<td>Environment</td>
<td>148.90</td>
</tr>
<tr>
<td>Education</td>
<td>137.57</td>
</tr>
<tr>
<td>Other</td>
<td>10.40</td>
</tr>
<tr>
<td>Total</td>
<td>1,244.84</td>
</tr>
</tbody>
</table>

## 2. Index table of Environment, Social and Governance Report Indicator

<table>
<thead>
<tr>
<th>Level</th>
<th>Code</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>Emissions Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</td>
<td>P37-38</td>
</tr>
<tr>
<td>A1.1</td>
<td>The types of emissions and respective emissions data.</td>
<td>P67-68</td>
</tr>
<tr>
<td>A1.2</td>
<td>Greenhouse gas emissions in total (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</td>
<td>P67</td>
</tr>
<tr>
<td>A1.3</td>
<td>Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</td>
<td>P67</td>
</tr>
<tr>
<td>A1.4</td>
<td>Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</td>
<td>P68</td>
</tr>
<tr>
<td>A1.5</td>
<td>Description of measures to mitigate emissions and results achieved.</td>
<td>P38-41</td>
</tr>
<tr>
<td>A1.6</td>
<td>Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.</td>
<td>P38</td>
</tr>
</tbody>
</table>
A2 Use of Resources
Policies on the efficient use of resources, including energy, water and other raw materials.

A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in ’000s) and intensity (e.g. per unit of production volume, per facility).

A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).

A2.3 Description of energy use efficiency initiatives and results achieved.

A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.

A2.5 Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.

A3 The Environment and Natural Resources
Policies on minimising the issuer’s significant impact on the environment and natural resources.

A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.

B1 Employment
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.

B1.1 Total workforce by gender, employment type, age group and geographical region.

B2 Health and Safety
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.

B2.1 Number and rate of work-related fatalities.

B2.3 Description of occupational health and safety measures adopted how they are implemented and monitored.

B3 Training and Development
Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.

B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).
<table>
<thead>
<tr>
<th>Level</th>
<th>Code</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>B Social</td>
<td>B4 Labor Standards</td>
<td>P45</td>
</tr>
<tr>
<td></td>
<td>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.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>B4.1</td>
<td>Description of measures to review employment practices to avoid child and forced labour.</td>
</tr>
<tr>
<td></td>
<td>B4.2</td>
<td>Description of steps taken to eliminate such practices when discovered.</td>
</tr>
<tr>
<td>B Social</td>
<td>B5 Supply Chain Management</td>
<td>P31-32</td>
</tr>
<tr>
<td></td>
<td>Policies on managing environmental and social risks of the supply chain.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>B5.2</td>
<td>Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.</td>
</tr>
<tr>
<td>B Social</td>
<td>B6 Social Responsibility</td>
<td>P33-34</td>
</tr>
<tr>
<td></td>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>B Social</td>
<td>B6.2</td>
<td>Number of products and service related complaints received and how they are dealt with.</td>
</tr>
<tr>
<td></td>
<td>B6.3</td>
<td>Description of practices relating to observing and protecting intellectual property rights.</td>
</tr>
<tr>
<td></td>
<td>B6.4</td>
<td>Description of quality assurance process and recall procedures.</td>
</tr>
<tr>
<td></td>
<td>B6.5</td>
<td>Description of consumer data protection and privacy policies, how they are implemented and monitored.</td>
</tr>
<tr>
<td></td>
<td>B7 Anti-corruption</td>
<td>P19</td>
</tr>
<tr>
<td></td>
<td>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.</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td>B7.1</td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>B7.2</td>
<td>Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.</td>
</tr>
<tr>
<td></td>
<td>B8 Community</td>
<td>P61-62</td>
</tr>
<tr>
<td></td>
<td>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.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>B8.1</td>
<td>Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).</td>
</tr>
<tr>
<td></td>
<td>B8.2</td>
<td>Resources contributed (e.g. money or time) to the focus area.</td>
</tr>
</tbody>
</table>
About this report

Reporting period
The report covers the period from January 1, 2018 to December 31, 2018.

Scope of entities
The report covers Tianqi Lithium Corporation and its affiliates. For the sake of readability, in this report, "Tianqi Lithium Corporation and its affiliates" are referred to as "Tianqi Lithium", "the Company" or "we".

Preparation standards

Indicator selection
The report mainly considers the quantification, importance, balance, and consistency of the specific indicators related to the performance disclosure of the main topics. We will adjust and optimize the disclosure indicators in future reports.

Sources
The qualitative and quantitative information used in the report is from the public information, internal files, and relevant statistical data of Tianqi Lithium Corporation.

Publication
The report is available online at the website of the Shenzhen Stock Exchange (www.szse.cn), the website of the Stock Exchange of Hong Kong Limited (www.hkex.com.hk), and the website of Tianqi Lithium Corporation (www.tianqilithium.com).

Feedback form

Dear Reader,

Thanks for your attention to the 2018 Sustainability Report of Tianqi Lithium. This is the second 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 do 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: 

Please contact us at:

Social Responsibility Department of Tianqi Lithium Corporation
Add: No. 10 East Gaopeng Road, Hi-Tech Development Zone, Chengdu, Sichuan, 610041 China
Tel.: 86 28 8514 6615

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