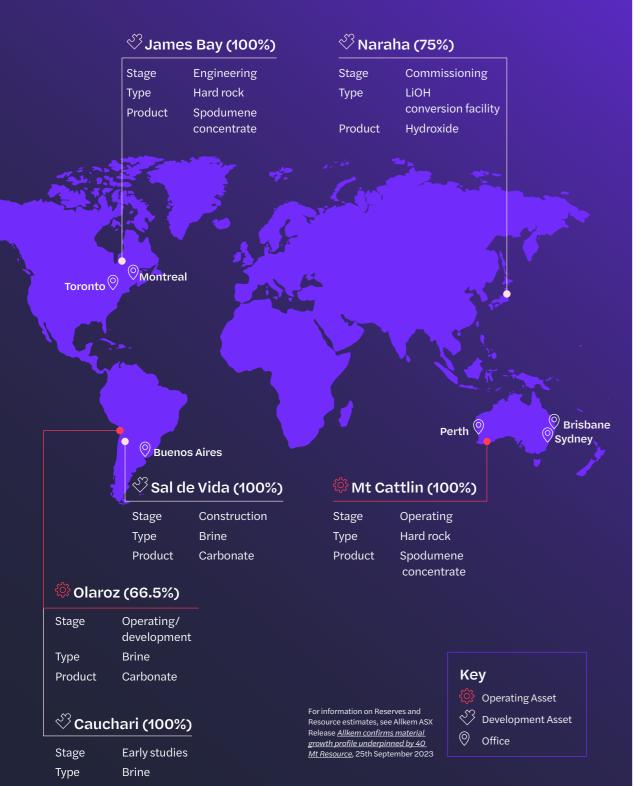


FY23 Sustainability Report **Executive Summary**

Allkem is a speciality lithium company with a diverse global portfolio of high-quality brine and hard rock lithium assets.



Our Impact

99%

of FY23 revenue was from lithium products

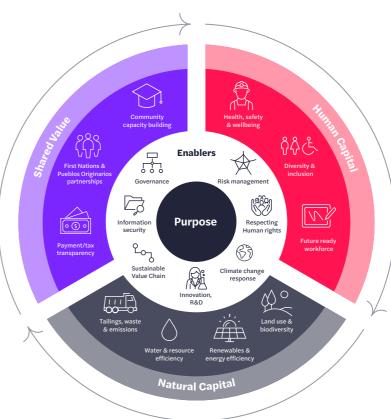
95% of FY23 revenue was from the sale of products that contributed to the energy storage value chain.

Our Strategy to produce lithium sustainably

Allkem's Sustainability Strategy aligns our business activities with our purpose and assists Allkem in creating long term value.

We have defined what success looks like for each of these areas of our strategy and put in place metrics to measure our progress.

Our Purpose is to produce core materials that are fundamental for decarbonisation



To read more about Allkem's FY23 Sustainability Performance, you can access our Full Sustainability Report and Performance Data Spreadsheet here.



FY23 Highlights

This year, Allkem has been included in the S&P Global Sustainability Yearbook. This means that our Corporate Sustainability Assessment score is in the top 15% of the industry.



Allkem Limited





IFC Sustainability Linked and Green Loan for Sal de Vida

Signed just following the end of this reporting period in July 2023. This is the first IFC financing in lithium mining and the first time a greenfield mining project's finance has been structures as a sustainability linked and green loan. This process required extensive external validation of our high ESG standards against IFC's globally recognised environmental and social performance requirements. We have also committed to sustainability performance measures for renewable energy, GHG emissions intensity and workforce diversity during the operational phase of the project.

Developing our Net Zero Plan

Allkem has a Board approved target of Net Zero for scope 1 and 2 GHG emissions by 2035 and during FY23 we developed our first action plan towards achieving this goal. The plan identifies a series of high impact GHG mitigation projects.

Strengthening transportation safety

At Olaroz and Sal de Vida, we created a new department focused on managing road safety risks. This department is implementing improvements in vehicle safety critical controls, new road safety protocols and training for road users from our operations, contractors, and local communities.

Addressing Human Rights and Modern Slavery risk

Allkem's Modern Slavery Working Group, including representatives of sustainability, procurement and compliance teams from Australia, Canada and Argentina, developed Allkem's group level Modern Slavery Standard.

Strengthening Communications and Public Affairs

Established Allkem's Public Affairs Department to support the business establishing strong stakeholder relationships to address regulatory measures relevant to the sector.



FY23 Value Creation

Our performance against key metrics of our sustainability strategy are highlighted below demonstrating how we generate value for our stakeholders, which contributes to the long term sustainability of our business.

Purpose: produce core materials that are fundamental for decarbonisation



Sectors



Inputs

Business Activities

Financial Capital

See Allkem FY23 Annual Report

Shared Value

Payment/tax transparency Community capacity building

First nations & Pueblos Originarios partnerships

Human Capital

Health, safety & wellbeing Diversity & inclusion Future ready workforce

Natural Capital

Water & resource efficiency Tailings, waste

& emissions Land use & biodiversity **Financial**

US\$568.4 m

Capital expenditure

QQ Human

1352

24% Employees Female

48%

Local community employees (Mt Cattlin)

71%

Local Province employees (Olaroz)

Natural

494 km²

Land used for operational activities

1.4 million m³

Total water withdrawal

0%

of water from areas of high water stress **Group level** functions

Corporate Development

Project Development

Hard Rock Operations

Brine Operations

Downstream **Operations** and **Partnerships**

Procurement

Sales and Marketing of Products

Agreements with traditional owners

ongoing dialogue along with agreements for social investment.

FY23 Outputs and Outcomes

130,982 dmt Spodumene concentrate

16,703 t Lithium carbonate

Revenue

Financial

US\$1,207.8 m

US\$6,773 m Market capitalisation



US\$186 m

Fees, taxes & royalties paid

US\$40 m Withholding taxes

US\$40 m

Local supplier contracts

US\$14 m

Local community employee salaries

Human

LTIFR Fatalities

50.000 Employee training hours Natural

Olaroz: Olaroz Chico Participation Agreement updated & Easement Agreement signed with El Toro community in FY23

James Bay: Preliminary Development Agreement signed with Cree Nation of Eastmain and Cree Nation Government in

Sal de Vida: Informed Consultation and Participation engagement process. Have established relationships of trust and

Mt Cattlin: Native Title Claim Wide Mining Agreement with the Wagyl Kaip and Southern Noongar People

2019 to be replaced by an Impact Benefit Agreement ("IBA") before construction initiated

1.19 m³/t

Mt Cattlin water operational intensity (spodumene concentrate)

 $42.9 \, \text{m}^3/\text{t}$

Olaroz water operational intensity (lithium carbonate)

678 t

Waste disposed Surface water discharge

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1476 t

Waste recycled

Reportable environment incidents

134,700 tCO₂e

Scope 1&2 GHG emissions

0.4 tCO2e/t

Mt Cattlin GHG operational intensity (spodumene concentrate)

2.8 tCO₂e/t

Olaroz GHG operational intensity (lithium carbonate)

197 kt 2.53 Mt

Tailings

harvested salts



Stakeholders



Investors



Customers/ **Suppliers**



Communities/ Government/ Regulators



Employees & Contractors

Nature/NGOs

Implementing Shared Value initiatives

We continued to build capacity in collaboration with local communities by supporting training and infrastructure development and reporting transparently on taxes and payments.

~US\$54 m

local employee salaries and supply contracts

Mt Cattlin

- Funding for community projects through 'Pitch your Project' and 'Believe in Yourself' programs
- Annual Community Day

Olaroz

- Local food production projects
- Vicuña management
- My Green Footprint—Community Sustainability Initiative
- Continuing education program

>US\$1 m

in community infrastructure, grants and donations

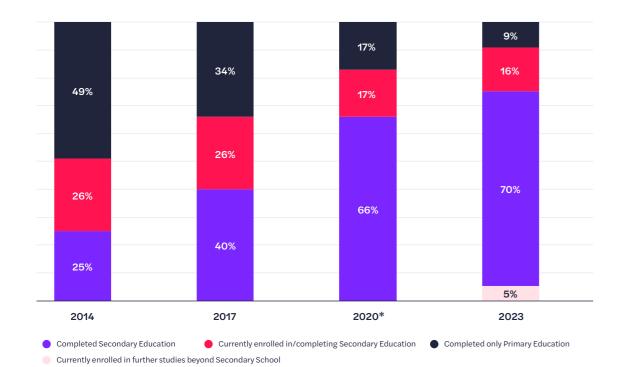
Sal de Vida

- New university course to develop local lithium knowledge and skills
- Local agriculture programs
- · Community medical support

James Bay

Continuing regular engagement developing Impact Benefit Agreement to ensure positive long-term outcomes for communities

Olaroz—Local Community Employee—Education Levels



"Our goal has always been to create bonds of trust, relationships with the communities, prioritising their participation in our projects and actions. I'm proud of working at the company, to be welcomed with such love due to all the work."

Carmen Benitez—Allkem Shared Value Team (pictured above)







Left: Sustainable Vicuña Management Program in Olaroz

Above left: Local Food Production Projects with Olaroz and Sal de Vida communities

Above: Mt Cattlin Community Day

