


MODERN SLAVERY STATEMENT 2021

Windfield Holdings Pty Ltd

POINT OF CONTACT

Name: Lorry Mignacca
Chief Executive Officer

 (08) 9263 5555

 compliance.officer@talisonlithium.com

LOCATION

Level 15, 216 St Georges Terrace, Perth WA, 6000
Locked Bag 40, Cloisters Square, Perth, WA, 6850

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ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the traditional custodians of the lands and waters of Noongar Country. We pay respects to Elders, past, present, emerging and future. We recognize the traditional custodians' unique connections to their lands and waters, lore, language, kinship, and ceremony. Through this acknowledgement, we commit to ongoing learning and understanding on our journey to reconciliation. We also pay respect to the cultural authority of Aboriginal and Torres Strait Islander people from other areas of Australia.

CHIEF EXECUTIVE OFFICER'S MESSAGE

This is Windfield's second Modern Slavery Statement, which outlines the progress we have made to identify, manage, and mitigate the specific risks of modern slavery in our operations and supply chain.

Our efforts to embed human rights due diligence occurred against a backdrop of COVID-19. Both our team and vendors faced extended lockdowns, shifts in production, and stricter health and safety protocols.

The past 24 months have reminded us that our people, vendor partners and their people across our supply chain are not only core to our business – they are essential.

Taking action to address modern slavery risks is not only the right thing to do, but also what is expected of us. Stakeholders continue to identify human rights as one of our material environmental, social and governance risks.

Our human rights action plan is the cornerstone of our work to address the 'S' in ESG, including specific actions to mitigate the most extreme risks of modern slavery.

Continuing to develop our action plan, meaningfully engaging all stakeholders and transparently report are some of the ways we demonstrate our commitment to prevent harm and eliminate risks of modern slavery. There is more work to do.

This statement was prepared with the input of representatives from several functions including procurement, human resources, legal and compliance. Each of these individuals have Australia-wide responsibility, including Windfield and its owned or controlled entities. This statement was prepared in consultation with Windfield, the reporting entity and its owned or controlled entities.

This statement was approved by Windfield's Board of Directors.



Lorry Mignacca

Chief Executive Officer

29/6/2022

STATEMENT ON THE REPORTING ENTITY

Windfield Holdings Pty Ltd (**Windfield, Company, we, us, our**) is an Australian private company, owned by joint venture partners Tianqi Lithium Corporation, IGO Lithium Holdings and Albemarle Corporation. The Company is registered at Level 15, 216 St Georges Terrace, Perth WA, 6000. This statement has been prepared in accordance with the Modern Slavery Act 2018 (Cth) (**MSA, Act**). It identifies the risks of modern slavery in the operations and supply chains of Windfield and its owned or controlled entities and the actions taken to assess and address those risks during the year ending 31 December 2021 (**Reporting Period**). Windfield makes this single Modern Slavery Statement to cover the Windfield group.

Windfield group corporate structure is outlined in Figure 1.

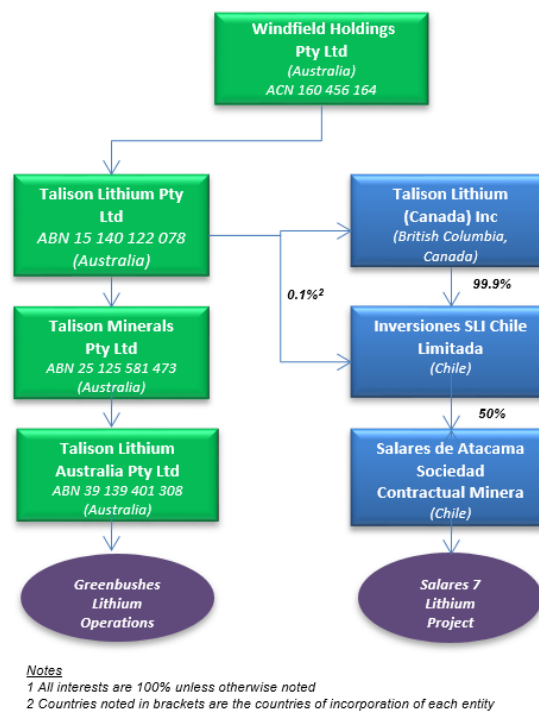


Figure 1: Windfield Group Corporate Structure

All amounts are expressed in Australian dollars unless another currency is indicated.

2021 HIGHLIGHTS

The following prevention and mitigation actions were progressed during 2021:



- awareness training implemented for all Site employees
- development of a human rights standard that is currently under review
- completion of a further 300 supplier modern slavery questionnaires
- completion of a risk analysis of the results of the modern slavery questionnaire
- development of a supplier code of conduct that is currently under review
- development of a 2022 action plan

OPERATIONS AND SUPPLY CHAINS

Our Operations

Located at Greenbushes, 250km south of Perth in Western Australia (**Site, Mine**), The Greenbushes Lithium Operation directly employs some 386 people and engages contract service providers that employ a further 338 people all of whom reside locally in the vicinity of the Site.

Windfield and its predecessor companies have been producing lithium at Greenbushes since 1983 and the area is recognised as one of the world's largest hard rock deposit of the lithium mineral spodumene. Greenbushes is also the longest continuously operated mining area in Western Australia following the discovery of tin in 1888 and subsequent development of tantalum and lithium deposits.

Located in Chile the Salares 7 Lithium Project (**Project**) does not have any direct employees, with the Project in care and maintenance. Contract legal and accounting services are engaged locally, to comply with tenement obligations.

The lithium orebody has produced and exported lithium minerals from site for more than three decades. Our production process from mine to market is outlined in Figure 3.

Workforce

Direct Employees

Our workforce is made up of diverse roles, over the disciplines of:

- Mining Engineering
- Environmental
- Contract Management
- Laboratory
- Accounting & Administration
- Software/Information Technology
- Procurement
- Mineral Processing/Metallurgy
- Occupational Health & Safety
- Human Resources
- Surveying
- Engineering
- Supply
- Shipping

Contract Employees

The contractor workforce includes a large proportion of personnel from our mining, drill and blast contractors, construction, and maintenance personnel. The chart below (Figure 2) shows an indicative proportion of our personnel from our various site contractors:

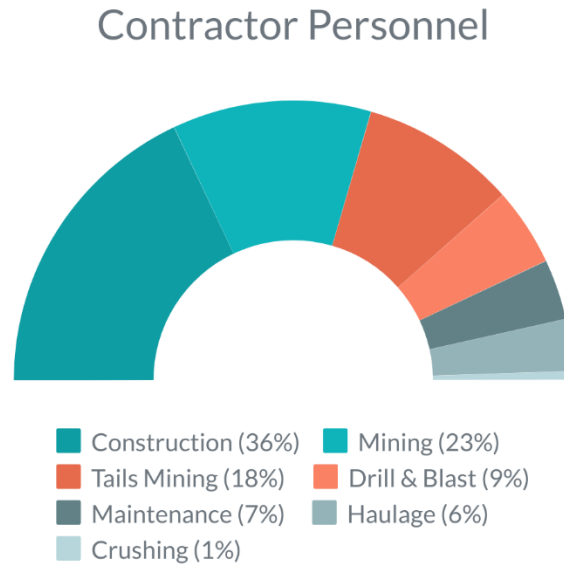


Figure 2: Contractor Personnel

Exploration and Development

Evaluation of geological geophysical and geochemical data will indicate the possibility of a deposit in a target area, where drilling will assist to evaluate the type and grade of minerals in the ground, samples are then laboratory tested identifying the concentration of elements including lithium within them.

Geologic modelling is then undertaken of the orebody to create a model of what the resource may look like.

Development and design can then be undertaken, where mine engineers determine mining methods, optimum mine size and schedule and equipment requirements that will maximise the safety and efficiency of production.

Mining and Crushing

When operating the mine, we use stringent controls to prevent and manage any environmental impacts.

Detailed mine planning is undertaken to ensure the ore body is mined in an efficient and responsible manner.

Haul trucks transport the ore from open pits to processing operations. Some ore may be stockpiled for later processing. Material not economical to process is stored in overburden rock storage areas.

Ore is dumped directly on a run of mine stockpile, and feed through a crushing plant to reduce the size of the particles to be used as feed to the processing facility.

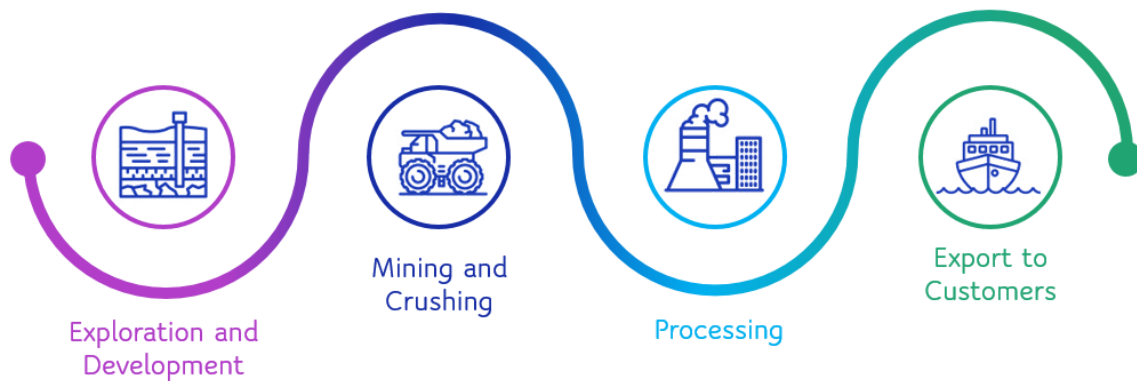


Figure 3: Mine to Market Operations

Processing

Ore is processed according to grade and concentration of elements.

All process plants utilise grinding, heavy media separation and flotation processes to extract spodumene ore from other minerals, upgrading to a range of lithium concentrates for bulk and bagged shipments.

After the ore has been processed and a spodumene concentrate extracted, the leftover waste material, called tailings, are stored in tailings facilities.

All tailings storage facilities adhere to the Australian National Committee on Large Dams (ANCOLD) standards.

Export to Customers

An on-site laboratory assays samples of the process and determine chemical and physical characteristics to ensure our customer product specifications are adhered to.

Spodumene concentrate is then hauled via bulk road transport to and stockpiled in storage facilities.

Stocks of spodumene concentrates are held at site, and close to and at the port of Bunbury.

Spodumene concentrate is shipped from Fremantle as bagged container shipments, and from Bunbury Port as bulk shipments

Our minerals are shipped primarily to Asia, with some into the Americas, and Europe for refining. The refineries that we use are owned and operated by shareholders.

SUPPLY CHAIN

We have over 1,800 approved suppliers, across multiple sector classifications.

\$339M Spend | 1,800 approved vendors

A majority of Windfield’s direct (tier one) vendors are based in Western Australia, due to necessity several suppliers are east coast or internationally based. Some 250 vendors provide inventory items that allow continuous uninterrupted operations.

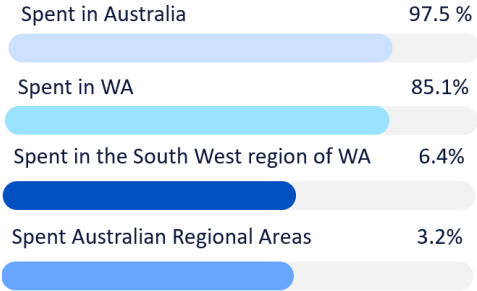


Figure 4: Australian Expenditure

Products and Services procured internationally were predominately from Japan.

International Spend

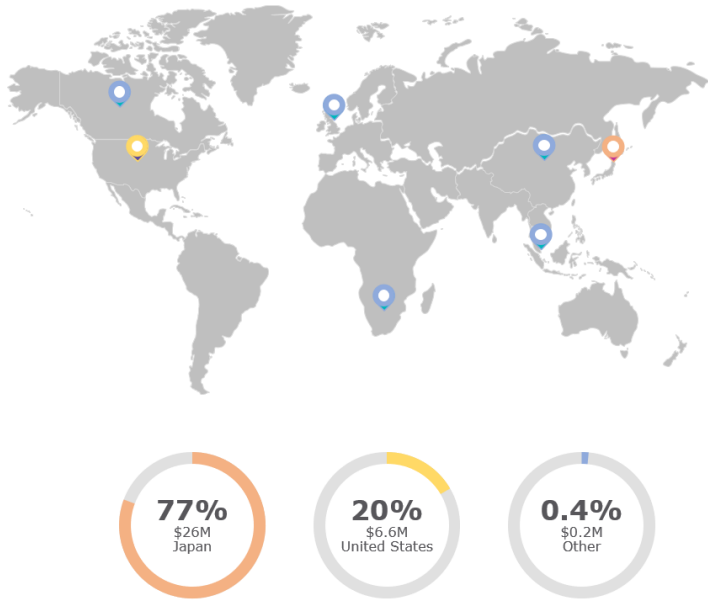


Figure 5: International Spend

We note that suppliers’ country of domicile may not necessarily reflect the country where they source, manufacture, process or deliver the goods or services ultimately provided to us. Based on the responses to our modern slavery questionnaire, we have been able to map the geographic footprint of where our suppliers operate, as shown below:

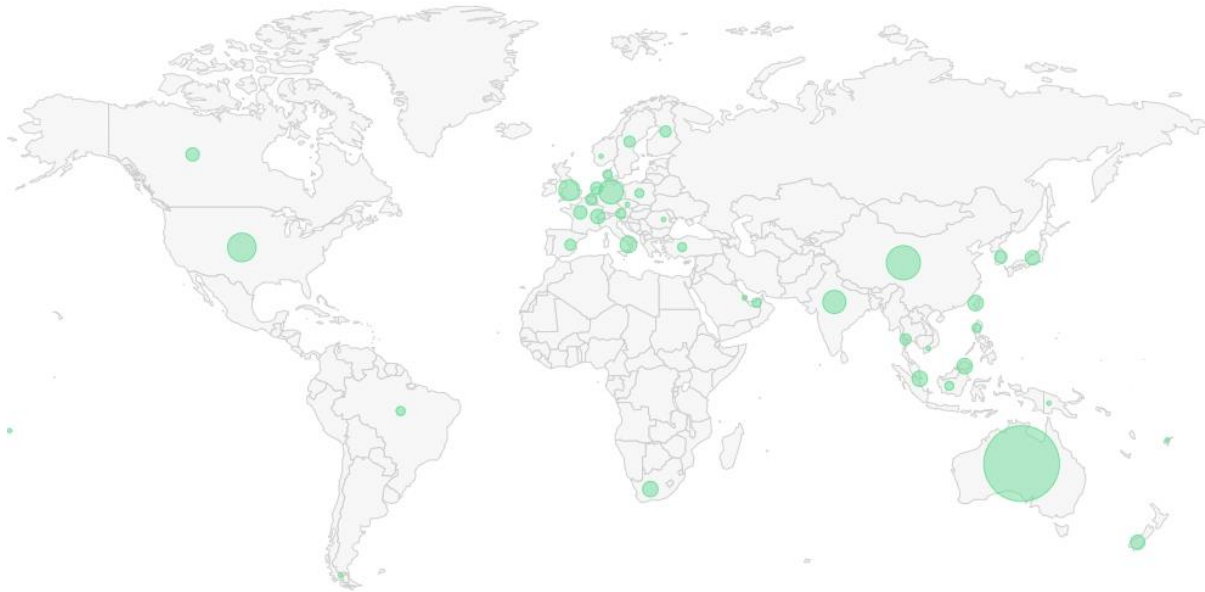


Figure 6: Geographic Footprint of Supplier Operations

Our supply chain includes the following services and products:

Processing – labour hire, grinding media, reagents

Mining – explosives, open cut and drill and blast mining contractors, earthmoving contractors

Delivery – shipping, haulage, port, and stevedoring services

Exploration - drilling contractors, drilling equipment and consumables

Major projects – engineering, construction and earthmoving contractors and plant and equipment

Site support services – power supply, information technology equipment, accommodation management services, inbound freight services, fuel supply, equipment, and services, PPE

Head office support services – telecommunications, ICT hardware and software, office cleaning and maintenance, catering, legal and accounting services, insurance, utilities, waste collection services, corporate merchandise, printing.

MODERN SLAVERY RISKS

Operations

Modern slavery risks exist in all countries and industries. However, modern slavery is more prevalent in countries and regions with higher inequality and where governance and legal protections for workers are weak, among other factors. Australia is considered a lower risk country for modern slavery by virtue of the highly regulated industrial relations laws. We participate yearly in a salary survey, and review and match all employees to ensure we are paying in line with industry. During this time, we consider any salaries that are underpinned by an award, and review that the award amount is not higher than current salaries. We consider the risk that our operations have caused or contributed to modern slavery to be low.

Supply chains

Like most companies operating within our sector in Australia, the most significant modern slavery risks are likely to exist in our supply chain. In applying the United Nations Guiding Principles on Business and Human Rights (**UNGPs**), we consider our main exposure to modern slavery to exist via our relationship with third parties, rather than any direct causal impacts or contributory actions of our business.

Forced labour, debt bondage, servitude, human trafficking and the worst forms of child labour are some of the main types of modern slavery risks that can exist in the supply chains supporting the extractives industry. These risks become acute where:

- there is widespread utilisation of vulnerable worker groups such as itinerant workers, migrant workers, workers from minority ethnic groups and displaced workers;
- there are opaque contracting arrangements for the provision of sub-contracted labour resulting in decreased transparency;
- migrant workers are charged recruitment fees by agencies and/or have their original passports or other forms of ID retained, subjecting them to situations of debt bondage; and
- there are short lead times and pricing pressures on contractors and subcontractors.

Although we have not identified any instances of modern slavery in our supply chain, we have identified the cohort of suppliers that may have an increased risk profile for modern slavery risks in their own supply chain by virtue of their sector and utilisation of raw materials linked to modern slavery. For example, we have a retailer of rubber products which sources from a third party that uses natural rubber, a product listed by the US government as a high risk product for goods made by forced or child labour. Furthermore, through the modern slavery questionnaire process, it has come to light that a number of our suppliers in the manufacturing sector have facilities in countries with an increased prevalence of modern slavery according to the Global Slavery Index.

Our supply chain involves transportation and shipping of goods supplied to our sites and lithium from the Site to processing locations. Depending on the nature of the goods supplied, either the supplier or we take responsibility for the shipping or freight. The transportation of lithium from our Site is organised by Talison. We are aware of the reports of increased risks of modern slavery in shipping and freight exacerbated by the COVID-19 pandemic. Notably, the plight of seafarers working in the international shipping sector has been publicised, with workers unable to leave poor living and working conditions because they were unable to leave the ship and return home for extended periods of time. We have issued our Modern Slavery Questionnaire (MSQ) to our suppliers of shipping services and one of them completed the MSQ in time for the preparation of this statement.

In terms of our office operations, key modern slavery risks include ICT hardware by virtue of the manufacturing of hardware as well as the mining operations for raw materials used in lithium-ion batteries, present in phones, tablets and computers. Airlines, hotels, catering and cleaning are industries considered a higher risk for modern slavery due to the prevalence of subcontracting arrangements leading to decreased supply chain transparency, labour intensive work coupled with low barriers to entry, workers from vulnerable backgrounds including migrant workers. PPE and corporate merchandise are also considered to have higher modern slavery risks for similar reasons.

OUR ACTIONS

Human Rights Governance

The Windfield Board of Directors (Board) has continued to have ultimate responsibility for Windfield's management of human rights risks and opportunities, including the risks of modern slavery.

During the Reporting Period, the Board was supported by the Management Team.

Policies, Procedures and Training

As noted in our 2020 statement, our approach to managing human rights and modern slavery risk is supported by a framework of policies and procedures, which have been reviewed to specifically include Modern Slavery. Our standards include: Code of Business Conduct and Ethics (Code of Conduct), Fair Treatment, Anti-Bribery and Corruption, Whistleblowing, Minimum Working Age, Human Rights.

All contracts have modern slavery imbedded into the terms and conditions, tender evaluations include a review of modern slavery risk, a supplier code of conduct has been drafted and awaiting legal and executive review.

Code of Conduct training is undertaken by all employees during the onboarding process, and every two (2) years thereafter, employees reviewed the code of conduct and signed off on their obligations during 2021. To complement this training and suite of standards, Windfield personnel, contractors and vendors have access to an anonymous whistle-blower process.

An introduction to modern slavery was provided to employees via an electronic learning system during the year.



What is modern slavery?

"Modern slavery refers to situations where one person has taken away another person's freedom – their freedom to control their body, their freedom to choose to refuse certain work or to stop working – so that they can be exploited. Freedom is taken away by threats, violence, coercion, abuse of power and deception. The net result is that a person cannot refuse or leave the situation." (Walk Free Foundation)

Figure 7: Electronic Training

The module included an overview of the risks of modern slavery, legislation around the world, our responsibilities, examples of how we can be indirectly linked to modern slavery, characteristics that may indicate a risk of modern slavery. The module also included an acceptance by employees of our human rights policy statement as shown in the excerpt below.

Please read and accept our policy statement below.

HUMAN RIGHTS POLICY STATEMENT

Talisson is committed to an organisational culture that supports ethical and fair business dealings, respects the rights of all people, and denounces human rights abuses of any kind.

All employees, directors, and representatives will lead by example and Talisson respects human rights and will reflect that respect through its operations and governance processes.

Talisson's commitment is to conduct its business in such a way as to:

- value diversity and not discriminate against employees or any other person by reason of gender, ethnicity, religion, sexual orientation, marital status, pregnancy or childbirth, ethical belief, colour, race, disability, age, employment status, political opinion, or family status;
- avoid causing or contributing directly to adverse human rights outcomes, and engage appropriately with stakeholders and communities so they can be involved in any solutions to issues that affect them;

I have read and accepted to the above statement.



Figure 8: Electronic Acceptance

Supply Chain Due Diligence

As noted in our first modern slavery statement, we developed and commenced the use of a **MSQ** in 2020 on the ethiXbase platform. We have continued our risk assessment of direct vendors during the Reporting Period using the MSQ. The MSQ contains 19 questions designed to assess the modern slavery risks in a supplier's business. The responses to the questions are weighted based on data analytics driven by global indices on modern slavery and human rights risks. The scoring focusses on five areas:

- Jurisdiction
- Policies, processes and systems
- Activity (industry type)
- Workforce
- Human rights

Upon completion of the questionnaire, the suppliers are allocated an overall risk rating between 1 to 10 with 1 presenting a lower modern slavery risk and 10 presenting a higher risk of modern slavery. This enables us to take a pragmatic and risk based approach in the management of modern slavery risks.

Approximately 310 vendors completed the MSQ during 2021. These vendors represent around \$229M of our average yearly spend. The resulting average modern slavery risk rating for completed MSQs remains low.

Following the analysis of the results of the MSQ, we identified a cohort of vendors to engage in further discussions to better understand the modern slavery risk profile and to influence change, to promote greater awareness of modern slavery and build capabilities to assess and address the risks.

We have developed Roadmap 2022 to continue the roll out and assessment of vendors, enabling us to further strengthen our collaborative vendor partnerships and assist where necessary to ensure adherence to modern slavery requirements.

Approach to Remediation

Windfield personnel, contractors and vendors have access to an anonymous whistle-blower process which is published on our website and intranet. Modern slavery is reportable using this process.

During the Reporting Period, no reports of modern slavery complaints were made using this process.

If an issue relating to modern slavery is identified in the business of our suppliers, our approach is to use our leverage and work with them to prepare a customised corrective action plan and resolve the matter appropriately.

If we found that our business had caused or contributed to modern slavery, we would take guidance from the UNGPs, which provides that businesses in this situation need to remediate the impact by taking a person centred approach protecting the safety, privacy and wellbeing of the affected person. We would undertake a full investigation of the situation to ensure that an appropriate corrective action plan is implemented and assess how similar impacts could be avoided in the future.

APPROACH TO ASSESSING EFFECTIVENESS

Windfield is committed to achieving year on year improvement in our approach to assessing and addressing modern slavery risks our operations and supply chains. We assessed the effectiveness of our overall approach by tracking the progress of our 2021 goals during this Reporting Period and will continue to strive for further effectiveness by reaching for our 2022 goals as outlined below.

Roadmap 2022

- continue assessing the risks and performance of tier 1 vendors within our supply chain to prioritise high risk vendors;
- develop plan to create a toolkit to assist the assessment and response to modern slavery risk;
- commence our vendor engagement and awareness strategy;
- engage with our higher risk vendors to determine the extent to which modern slavery risks are being adequately managed;
- develop a remediation framework;
- finalise and implement the supplier code of conduct;
- implementation of a human rights standard; and
- continue the IRMA risk assessment.

The following outlines an effectiveness assessment for our business.

Focus Area	Example Activity	Effectiveness Assessment
Procurement & Supply Chain	<ul style="list-style-type: none"> • Shallow dive Supplier Risk Assessments • High Risk Screening of Vendors • Supplier Tendering Processes 	Ongoing enhancement in Tier 1 due diligence, building greater understanding of potential modern slavery risks within our supply chain
Governance & due diligence	<ul style="list-style-type: none"> • Roadmap and Action Plan for Modern Slavery • Codes of Conduct • Internal Management Systems 	<p>Regular oversight on progress against the roadmap.</p> <p>Compliance with policies and procedures that manage our modern slavery risks actively enforced.</p>
Human Resource Practices, Training & Education	<ul style="list-style-type: none"> • Personnel engagement and Training • Vendor Awareness 	<p>Personnel awareness of modern slavery and indicators of modern slavery in supply chains</p> <p>Compliance with policies and procedures that manager our modern slavery risks in operations.</p>
Grievances & Reporting	<ul style="list-style-type: none"> • Whistleblower reporting • Resolution Process • Modern Slavery Statement 	<p>Review of number of issues raised and percent of issues effectively addressed.</p> <p>Review the effectiveness of the Whistleblower mechanism.</p>

Roadmap 2021 Update

During 2021 we found it difficult to connect meaningfully with vendors in relation to modern slavery. COVID19 impacts for vendors meant that often contacts were unable to engage due to staff shortages.

It became obvious early in the year the lack of vendor understanding of what modern slavery is and the implications to the vendor and Windfield alike.

This prompted us to take a step back and engage one on one with as many vendors as possible to explain our process and why modern slavery is important and emphasise the necessity to complete our Modern Slavery Questionnaire so that we could assess our risk.

Roadmap 2021 outcomes are outlined in Figure 9.

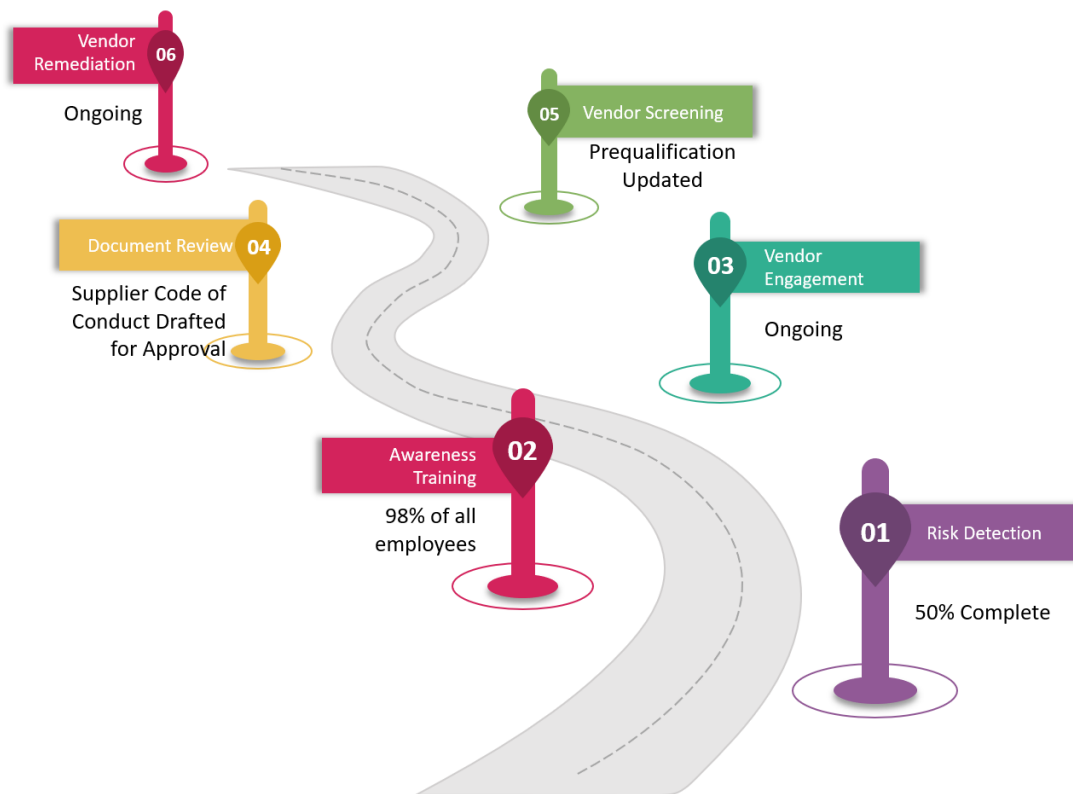


Figure 9: Roadmap 2021 Outcomes

OTHER INFORMATION

Industry Collaboration

The Windfield Board made the decision to commence the process of seeking certification of the Site with the Initiative for Responsible Mining Assurance (IRMA).

This collaboration with IRMA gives Windfield the opportunity to partner and address important and challenging issues in the mining sector across the area of ethics, labour, human rights, health and safety and the environment. A full human rights impact and risk assessment will be conducted, along with a 5-year action plan.

Windfield also continues to collaborate with a Western Australia mining industry UN Global Compact group to share insights and challenges.

We retained the services of an external expert on modern slavery to provide guidance on navigating the results of the MSQ and next steps for further due diligence.

Impact of COVID-19

During the Reporting Period, we continued to mitigate the increased risks of modern slavery due to the pandemic by undertaking the following:

- leveraging from our excellent vendor relationships to ensure security of supply;
- providing flexibility of payment terms should our vendors experience cashflow challenges (our current payment terms are 30 days from end of month); and
- working with our employees to ensure no adverse impacts due to quarantine or isolation requirements and flexibility to work from home where possible while supervising their children.

REPORTING CRITERIA AND CORRELATING PAGE REFERENCES

Legislation	Reporting criteria	Page number
Modern Slavery Act 2018 (Cth)	Section 16 (a) Identify the reporting entity.	4
	Section 16 (b) Describe the reporting entities structure, operations, and supply chains.	5
	Section 16 (c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls.	9
	Section 16 (d) Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address the risks, including due diligence and remediation processes.	11
	Section 16 (e) Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks.	13
	Section 16 (f) Describe the process of consultation with: (i) any entities that the reporting entity owns or controls (ii) in the case of a reporting entity covered by a statement under section 14—the entity giving the statement.	3
	Section 16 (g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant.	15