

ENVIRONMENTAL

SOCIAL

GOVERNANCE

# Disclosure Report



**Galan Lithium Limited**

**Baseline ESG report (31 August 2023)**

Report generated on 2 Oct 2023  SOCIALSUITE

# Environmental, Social, and Governance (ESG)

Galan Lithium Limited (“GLN” or the “Company”) is committed to the principles of ESG as the most effective means of creating long-term enterprise value and addressing the societal priorities enshrined in the United Nations’ Sustainable Development Goals. In January 2023, we made a commitment to commence reporting on the Environmental, Social, and Governance (ESG) disclosures of the Stakeholder Capitalism Metrics (SCM) of the World Economic Forum (WEF).

We are in the process of making ESG disclosures in the form of a set of universal, comparable ESG metrics focused on people, planet, prosperity and principles of governance that organisations can report on regardless of industry or region. This table represents our reporting against the 21 core metrics, being reviewed quarterly and updated periodically.

We use this universal ESG framework to align our mainstream reporting on performance against ESG indicators. By integrating ESG metrics into our governance, business strategy, and performance management process, we diligently consider all pertinent risks and opportunities in running our business. We continue to look for opportunities for further transparency on the topics which are material to our business.

To track our disclosure progress and demonstrate our sustainability performance against the WEF SCM framework we utilise Socialsuite’s ESG Go disclosure platform. ESG Go enables us to demonstrate our ongoing commitment to ESG by providing a dedicated solution to track, report, and share our ESG disclosures. With ESG Go we have started the journey of building robust ESG credentials.



# Governance

## GOVERNING PURPOSE

### Setting purpose

CODE	TYPE	STATUS	LAST UPDATED
GO-01-C1	Full disclosure	Verified	7 Sep 2023

Galan Lithium Limited is an Australian based, international mining company developing its lithium assets (\*) in Argentina and Australia, focusing on the discovery of lithium as a critical resource for the development of EV batteries, in order to assist with the de-carbonisation of the economy and the transition to a more sustainable future.

From its early ventures in Argentina, Galan and its Board have strived to put the well-being of its employees, communities and the environment first and foremost, as it continues its ongoing commitment towards a sustainable future for all its stakeholders.

(\*) - Hombre Muerto West and Candelas Projects are in Argentina and the Greenbushes South and Donnelly Projects are in Australia.

See Also: [ESG Values](#)

## QUALITY OF GOVERNING BODY

### Governance body composition

CODE	TYPE	STATUS	LAST UPDATED
GO-02-C1	Full disclosure	Verified	7 Sep 2023

Galan Lithium Limited's values are to protect and maximise shareholder returns, promoting and adhering to industry best practice across all disciplines, engaging and understanding all stakeholders and remaining a highly respected, solid corporate citizen.

Galan recognises that its responsibilities are long-term in nature, and that the long-term prosperity and wellbeing of its shareholders depend on a healthy environment, social cohesion and good governance within the organisation. Galan believes that

environmental, social and governance (ESG) issues and other sustainability considerations are incredibly important in the context of optimising value for our shareholders as well as preserving and enhancing Galan's corporate reputation.

The Board aims to improve the long-term sustainability of the Company through the integration of ESG issues and risk as part of its corporate governance framework and continues to incorporate dialogue with relevant stakeholders on a broad basis.

The Company pursues operational and commercial excellence by using best practice approaches in decision-making process focusing on continuous development, accountability and teamwork in all aspects of our business. A key attribute to this approach is maintaining a long-term, professional management team that is responsible, skilled and invested in Galan, its projects and its values.

Galan recognises and respects the competitive advantage of diversity and the benefit of its integration throughout the Company, to enrich its perspective, improve performance, increase shareholder value, and enhance the achievement of Company goals and objectives. The Company promotes and encourages a diverse and inclusive workforce by fostering an environment of mutual learning, respect, dignity, openness to other cultures and an appreciation of difference and other perspectives.

The Galan Board has a commitment to promoting a corporate culture that is supportive of workplace diversity and social inclusivity and encourages the transparency of Board processes including the review and appointment of Directors. The Board acknowledges that its composition should comprise Directors with a mix of qualifications, experience and expertise which will assist the Board in fulfilling its responsibilities and obligations effectively, as well as maximising the ability to deal with new and emerging business and governance issues, thus assisting the Company in achieving growth and delivering value to shareholders.

The Galan Board are responsible for developing policies in relation to the achievement of measurable diversity and social objectives and the extent to which they can be linked to the Key Performance Indicators for the Board, the Managing Director and the management team.

Galan has adopted a Board skills matrix which outlines the current mix of skills and diversity of the Board. It acknowledges that its current Board has a developing to competent level of ESG skills and experience but is actively looking to improve their overall ESG competencies as it grows.

At the time of this report, the Galan Board was made up of five (5) members. Of these, three (3) directors are considered to be independent. The ratio of male to female is 4:1.

Current members of the Board:

- Mr Richard Homsany: Non-Executive Chairman (not independent)
- Mr Juan Pablo ('JP') Vargas de la Vega: Managing Director (not independent)
- Mr Daniel Jimenez: Non-Executive Director (independent)
- Mr Terry Gardiner: Non-Executive Director (independent)
- Ms María Claudia Pohl Ibáñez: Non-Executive Director (independent)

Galan's commitment has been to increase gender diversity and promote a diverse mix of qualifications, experience, and expertise (including ESG competencies). In late March 2023, Galan reinforced its Board by appointing Ms. María Claudia Pohl Ibáñez, a lithium brine executive based in South America, to the role of Non-Executive Director.

Any Director appointment will be subject to re-nomination and re-election at Annual General Meetings and otherwise subject to the Company's Constitution, the Articles of Association, the Corporations Act 2001 (Cth) and the ASX Listing Rules.

All Directors are expected to serve for a minimum of one term of three years and, if invited, to be available to serve at least a second term. Normally, Non-Executive Directors do not serve for more than four terms of three years each.

The Board Skills Matrix is reviewed annually by the Board.

See Also: [Board Skills Matrix](#), [Board Bios](#)

## STAKEHOLDER ENGAGEMENT

### Material issues impacting stakeholders

CODE	TYPE	STATUS	LAST UPDATED
GO-03-C1	Full disclosure	Verified	7 Sep 2023

Galan Lithium Limited is mindful of the importance and impact its business and operations have on our wide-ranging stakeholder groups, and is committed to continuing

clear and consistent communication, engagement, and consultation with all its stakeholders.

Galan believes that it is essential to keep all its stakeholders informed about important actions and progress related to the material issues that we have identified. We engage with our shareholders through a variety of channels including regular updates and feedback gathered through various reports, ASX announcements, webinars, Annual General Meetings and other communication channels. These consultations allow us to gather feedback and insights directly from shareholders, ensuring that we are taking on board their perspectives, concerns and needs.

Galan also acknowledges the significance of social media in stakeholder engagement and utilises platforms such as LinkedIn and Twitter to offer regular Company and project updates to stakeholders.

Stakeholder engagement is an ongoing process, and Galan is committed to continuous improvement. Galan will continue its legacy of engaging with all its stakeholders to ensure that it is addressing any of their concerns and incorporating their feedback into its decision-making processes.

Galan's Board aims to ensure that its shareholders are informed of all major developments affecting the Company's state of affairs, which is outlined in its Shareholder Communications Policy.

Relevant personnel, local communities and agencies were engaged and consulted during the Phase 1 EIA process.

The Phase 2 EIA is also progressing with continued engagement with the relevant stakeholders.

Site personnel prepare monthly reports that address and monitor regular ESG items eg. personnel, diversity, training, health & safety, environmental factors, community relations etc.

The Shareholders Communication Policy and Continuous Disclosure Policy is reviewed annually by the Board.

**See Also:** [Shareholder Communication Policy](#), [Continuous Disclosure Policy](#)

## ETHICAL BEHAVIOUR

**Anti-corruption practices**

CODE	TYPE	STATUS	LAST UPDATED
<b>GO-04-C1</b>	<b>Full disclosure</b>	<b>Verified</b>	<b>7 Sep 2023</b>

Galan Lithium Limited takes a zero-tolerance approach to bribery and corruption and is committed to conducting all its business and operational activities in compliance with the laws and with honesty, fairness and integrity at all times.

Galan is subject to the laws and regulations of the countries in which it operates and is dedicated to upholding the laws and regulations, including those that relate to bribery and corruption.

Galan is vested in being a sound corporate citizen.

In order to maintain a high standard of ethical behaviour in all aspects of its business and operations, Galan has implemented initiatives to foil corruption or potential corruption activities. It has established policies, such as its Anti-Bribery and Corruption Policy, as well as other policies and procedures to help prevent and detect corruption activities.

Initial training forms part of the Galan induction process for all Personnel who are engaged by the Company. Additional training and continual messaging and communication are also provided as necessary.

Galan's zero tolerance to bribery and corruption is communicated to all existing and potential third parties at the outset of any engagement and re-iterated with any further engagement of an existing third party.

The Company regularly reviews its policies and procedures to ensure that they remain effective and up to date.

Galan has not encountered any instances of corruption or potential corruption activities in the past year. In the event that any incidents of corrupt or potentially corrupt behaviour were identified, Galan will take immediate action to investigate and address the situation. Galan is committed to maintaining the highest standards of corporate governance and ethical behaviour and will continue to take all necessary steps to combat any form of corruption.

In Argentina, Galan has designed, implemented and adopted a Corporate Social Responsibility Manual ("Manual"). The Manual governs Galan's respect and commitment to the relevant challenges that may lay ahead so that Galan can minimise negativity and maximise positivity for all stakeholders including its own personnel, local communities, businesses, investors, government and the citizens of Argentina. The Manual comprises the following policies:

- Code of Ethics
- Quality Control
- Human Resources
- Environmental
- Information Security and Social Media
- Anti-fraud, Anti-Bribery and Corruption
- Community Relations
- Sexual Harassment and Gender Gap

The Anti-Bribery and Corruption Policy, Code of Conduct and Whistleblower Policy are reviewed annually by the Board. The Corporate Social Responsibility Manual will be review annually by the Geology, Government and Community Relationship Manager.

**See Also:** [Anti-Bribery and Corruption Policy](#), [Code of Conduct](#), [Whistleblower Policy](#)

## RISK AND OPPORTUNITY OVERSIGHT

### Integrating risk and opportunity into business process

CODE	TYPE	STATUS	LAST UPDATED
<b>GO-05-C1</b>	<b>Full disclosure</b>	<b>Verified</b>	<b>7 Sep 2023</b>

Galan Lithium Limited and its Board understand that a key part of strong corporate governance, is the Board and management team's need to drive risk and opportunity oversight across its business and operations. The Board and its management team understand that emerging financial and non-financial risks evolve over time as the business and operations strategically change and line of sight and mitigation of these risks (including those related to economic, environmental, social, climate change and data stewardship) are crucial to drive sustainable outcomes for all its stakeholders.



Given the speculative nature of the Company's business and operations, it is subject to general and certain specific risks. Some of these risks include but are not limited to the following:

- market conditions and volatility in global credit and investment markets
- commodity price volatility and exchange rate risks
- economic uncertainties
- sovereign and political risks
- loss of key personnel
- title and native title risks
- environmental risks
- social risks
- climate change
- reliance on strategic partners
- exploration risk
- JV and contractual risk
- resource estimates

Responsibility for control and risk management is delegated to the appropriate level of management within the Company with the Managing Director having ultimate responsibility to the Board for Galan's risk management and control framework.

The Company, wherever possible, aims to integrate ESG issues into its strategic planning and risk management practices across its business and operations.

A risk management model is being developed and will provide a framework for systematically understanding and identifying the types of business risks, including ESG, threatening the Company as a whole, or specific business and operational activities within the Company.

The Risk Management Policy is reviewed annually by the Board.

**See Also:** [Risk Management Policy](#)

## ETHICAL BEHAVIOUR

### **Mechanisms to protect ethical behaviour**

CODE	TYPE	STATUS	LAST UPDATED
<b>GO-04-C2</b>	<b>Full disclosure</b>	<b>Verified</b>	<b>7 Sep 2023</b>

Galan Lithium Limited's values are the foundation of how we behave and interact with each other, our shareholders, communities, suppliers and all other stakeholders. Together our values reflect the priorities of the business and its operations and provide key guidance in decision making. Galan's Corporate Governance policies have been developed to align with our values to ensure that we observe the highest standards of fair dealing, honesty and integrity in all our business and operational activities.

In addition to the Galan Code of Conduct, the Company has adopted a detailed Whistleblower Policy to ensure employees and other Disclosers (as defined in the policy) can raise concerns regarding any misconduct or improper situation or circumstances (including unethical, illegal, corrupt or other inappropriate conduct) without being subject to victimisation, harassment or discriminatory treatment.

The purpose of the Whistleblower Policy is to:

- Ensure that all directors, officers, employees, consultants and contractors comply with these obligations.
- Encourage reporting of violations (or suspected violations) of the Code of Conduct or other examples of unacceptable, undesirable, unlawful or unethical behaviour.
- Provide effective protection from victimisation or dismissal to those reporting by implementing systems for confidentiality and report handling.

The protections in this Policy create a supportive environment and encourage people to feel confident to speak up safely and securely, without fear of intimidation, disadvantage, or reprisal, if they become aware of wrong-doing or illegal or improper conduct within the Company.

A standard agenda item at all Galan Board meetings is 'Conflicts of Interest'. All Board members must confirm their interests and highlight any potential conflicts of interest that may arise during Board meetings.

In Argentina, Galan has designed, implemented and adopted a Corporate Social Responsibility Manual ("Manual"). The Manual governs Galan's respect and commitment to the relevant challenges that may lay ahead so that Galan can minimise negativity and maximise positivity for all stakeholders including its own personnel, local

communities, businesses, investors, government and the citizens of Argentina. The Manual comprises the following policies:

- Code of Ethics
- Quality Control
- Human Resources
- Environmental
- Information Security and Social Media
- Anti-fraud, Anti-Bribery and Corruption
- Community Relations
- Sexual Harassment and Gender Gap

The Code of Conduct and Whistleblower Policy are reviewed annually by the Board. The Corporate Social Responsibility Manual will be reviewed annually by the Geology, Government and Community Relationship Manager.

**See Also:** [Code of Conduct](#), [Whistleblower Policy](#)



# Planet

## CLIMATE CHANGE

### GHG emissions

CODE	TYPE	STATUS	LAST UPDATED
PL-01-C1	Partial disclosure	Verified	7 Sep 2023

Galan Lithium Limited prioritises environmental issues, acknowledging the risks posed by climate change and its potential impact on businesses. It aims to provide relevant information to stakeholders and contribute to advancing the management of critical environmental issues. Additionally, Galan recognises its role in global efforts to reduce carbon emissions and strives for a sustainable society while respecting employee rights and the communities it operates in. The Company is also aware of the physical and non-physical impacts of climate change on assets, productivity, markets, and the community.

On an operational front and as part of the Phase 1 HMW Project DFS and EIA process, Galan has recently commenced measuring its GHG emissions. The Company has no other power source other than diesel generators. Galan is investigating the use of renewable solar power in Phase 1 with the planned installation of a 1MW solar generator plant in 2026. The solar plant would then be expanded in size in line with the next production phases of the HMW Project.

The Phase 1 HMW Project DFS was compiled targeting a high quality, 6% concentrated lithium chloride product. This product will use approx 50% less power compared to a lithium carbonate product.

In 2021, Galan engaged Circular as a partner to commence ESG traceability for all its lithium brine projects in Argentina. Circular is the leading sustainable supply chain traceability provider, headquartered in the UK, with a global footprint including Germany, Singapore, and Australia. It enables businesses to fully analyse, track and manage their supply chains to meet sustainability objectives for ethical sourcing, CO2 transparency and other ESG performance metrics (e.g. water consumption). Circular's solution will be used during project studies by tracking samples from its lithium plants to marketable product. This partnership provides Galan with full traceability of their lithium supply chain.

Site personnel prepare monthly reports that address and monitor regular ESG items eg. personnel, diversity, training, health & safety, environmental factors, community relations etc.

Monthly site GHG emissions information is available on request.

**See Also:**

## NATURE LOSS

### Land use and key biodiversity areas

CODE	TYPE	STATUS	LAST UPDATED
PL-02-C1	Full disclosure	Verified	7 Sep 2023

Galan Lithium Limited understands that mining and exploration activities have the potential to impact the environment, and as such, Galan is committed to responsible and sustainable practices. The Company recognises the importance of compliance with environmental legislation and regulations and works to ensure that its activities are conducted in a manner that protects the environment, as well as the health and safety of its employees and the communities in which it operates.

In Australia, Galan engages with Traditional Owners and the Pastoralists of the land on which it operates to ensure active cultural heritage and environmental protection. Galan strives to exceed its environmental performance obligations in all its exploration and development activities and works to rehabilitate the land progressively, in line with its approval conditions.

Galan also works with environmental consultants and the Department of Biodiversity, Conservation and Attractions for the Conservation Management Plans for its planned exploration activities on pending Greenbushes South tenements and at the Donnelly Project. These plans outline proposed exploration and prospecting activities, management, and communications for work within the Hester State Forest and the Donnelly Forest, and will ensure compliance with all environmental legislation.

In Argentina, Galan has an approved Phase 1 Environmental Impact Assessment (EIA) in place for its Hombre Muerto West Project. Under the approved EIA, it was confirmed that

there are no natural or culturally sensitive areas that are located within the HMW exploration area.

Environmental and social management plans were established under the Phase 1 EIA with the following objectives:

- Plan and/or design strategies to avoid, control, correct, mitigate or compensate the potential negative environmental impacts that could result, directly or indirectly, during the execution of the project works.
- Consider the prevention and preservation of the environment prior to construction of the project.
- Encourage and integrate workers to develop activities to reduce the generation of polluting elements and ensure adequate final disposal.
- Permanently monitor the biotic and abiotic components of the environment, adjusting their frequency.
- Promote the practice of sustainable measures with the environment.

Additionally, Galan is analysing the environmental footprint for its Candelas Project so as to plan upcoming activities in a manner that minimises environmental impact. The Incahuasi Mine has been classed as an historical and archaeological site and although the limits of the Candelas Project are outside the Incahuasi Mine, Galan has a precautionary control program in place that monitors the care of this area.

The following are provincial protected areas regulated by provincial law No. 5,070:

- a) Provincial Nature Reserve of Wildlife "Laguna Blanca"
- b) Protected Natural Area "Sierras de Belén".
- c) Protected Natural Area "Campo de Piedra Pómez".

Site personnel prepare monthly reports that address and monitor regular ESG items eg. personnel, diversity, training, health & safety, environmental factors, community relations etc.

The Company is committed to maintaining the highest environmental standards and protecting the environment for future generations.

## FRESHWATER AVAILABILITY

## Water consumption

CODE	TYPE	STATUS	LAST UPDATED
<b>PL-03-C1</b>	<b>Partial disclosure</b>	<b>Verified</b>	<b>7 Sep 2023</b>

Galan Lithium Limited has committed to monitoring and reporting on its water usage and ensuring that its activities are in line with best practices for water management. With its focus on sustainable practices and environmental responsibility, Galan is well-positioned to address the challenges of water scarcity and ensure the long-term viability of its operations.

Current water consumption on Galan's business and operational sites is minimal.

Galan's water management strategy includes exploring new technologies and innovations to further reduce its water consumption and reduce its water footprint, such as the reverse osmosis technology. Reverse osmosis is a process in which water is passed through a semi-permeable membrane, which removes dissolved salts and impurities, producing high-quality water suitable for industrial use. The Company has been working on the possibility of future reverse osmosis systems across its operations, with the goal of minimising water usage and increasing efficiency.

Site personnel prepare monthly reports that address and monitor regular ESG items eg. personnel, diversity, training, health & safety, environmental factors, community relations etc.

Monthly site water consumption information is available on request.

## CLIMATE CHANGE

### TCFD implementation

CODE	TYPE	STATUS	LAST UPDATED
<b>PL-01-C2</b>	<b>Explanation</b>	<b>Verified</b>	<b>7 Sep 2023</b>

Although the adoption of the Task Force on Climate-related Financial Disclosures (TCFD) framework and adherence to its recommendations is not currently compulsory in Australia, there is growing pressure from investors, governments, customers, and the community for businesses to assess and reveal climate-related risks. Applying a TCFD

lens offers strategic advantages for organisations beyond the mere disclosure of climate-related information. It also provides a framework for developing the business acumen needed to navigate a future where a low-carbon transition is imperative, and the physical consequences of a changing climate are prevalent and increasingly severe. This remains relevant whether a company chooses, or is obligated by legislation, to disclose its climate risks and opportunities.

As a result of ongoing and growing expectations of key stakeholders, Galan is investigating early disclosure of climate risk in accordance with the recommendations of the TCFD framework as they relate to both physical and transition risks (and opportunities). Galan will assess materiality as to what the implementation of the TCFD framework will mean for its current and future business and operations strategy.

Monthly site weather information is available on request.





# People

## DIGNITY AND EQUALITY

### Diversity and inclusion

CODE	TYPE	STATUS	LAST UPDATED
PE-01-C1	Partial disclosure	Verified	7 Sep 2023

Galan Lithium recognises and respects the competitive advantage of diversity and the benefit of its integration throughout the Company, to enrich Galan's perspective, improve performance, increase shareholder value, and enhance the achievement of Company goals and objectives. The Company promotes and encourages a diverse and inclusive workforce by fostering an environment of mutual learning, respect, dignity, openness to other cultures and an appreciation of difference and other perspectives.

The Board is committed to fostering an inclusive culture that respects individuals regardless of their gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective, or experience. Galan is dedicated to promoting a diverse workforce and maintaining an environment that values mutual learning, respect, dignity, openness to other cultures, and an appreciation for diverse perspectives.

The Board will proactively monitor Company performance in meeting the standards and policies outlined in Diversity Policy. This will include an annual review of the progress against Company set objectives and its strategies for achieving a diverse workplace. As a minimum, the report should include the proportion of female employees in the Company at all levels, including Board level, for inclusion in the Corporate Governance Statement each financial year.

In Argentina, Galan has designed, implemented and adopted a Corporate Social Responsibility Manual ("Manual"). The Manual governs Galan's respect and commitment to the relevant challenges that may lay ahead so that Galan can minimise negativity and maximise positivity for all stakeholders including its own personnel, local communities, businesses, investors, government and the citizens of Argentina. The Manual comprises the following policies:

- Code of Ethics

- Quality Control
- Human Resources
- Environmental
- Information Security and Social Media
- Anti-fraud, Anti-Bribery and Corruption
- Community Relations
- Sexual Harassment and Gender Gap

The Diversity Policy and Board Skills Matrix are reviewed annually by the Board. The Corporate Social Responsibility Manual will be review annually by the Geology, Government and Community Relationship Manager.

Site personnel prepare monthly reports that address and monitor regular ESG items eg. personnel, diversity, training, health & safety, environmental factors, community relations etc.

Monthly site diversity information is available on request.

**See Also:** [Diversity Policy](#), [Board Skills Matrix](#)

## HEALTH AND WELL-BEING

### Health and safety

CODE	TYPE	STATUS	LAST UPDATED
<b>PE-02-C1</b>	<b>Full disclosure</b>	<b>Verified</b>	<b>7 Sep 2023</b>

Galan Lithium Limited is committed to ensuring the physical and psychological safety, health and welfare of its personnel whilst they are in the workplace. Galan will take all reasonably practicable measures to eliminate or minimise risks to the health and safety of its personnel and visitors who may attend or are affected by any of our operations.

Galan develops, oversees and reviews the effectiveness of the Company's occupational health and safety systems to assure the well-being of all personnel.

Across all Galan business and operational sites, there were no reported fatalities, high consequence work related injuries, or recordable work related injuries in the 12 months to 30 June 2023.

Site personnel prepare monthly reports that address and monitor regular ESG items eg. personnel, diversity, training, health & safety, environmental factors, community relations etc.

Monthly site health, safety and well-being information is available on request.

**See Also:**

## SKILLS FOR THE FUTURE

### Training provided

CODE	TYPE	STATUS	LAST UPDATED
PE-03-C1	Partial disclosure	Verified	7 Sep 2023

Galan Lithium Limited values the importance of the development of its personnel, as a skilled and enlightened workforce not only improves a company's performance, but also contributes to overall employee satisfaction and enhances human capital. To achieve long-term sustainability and retention of personnel, the Company provides regular training opportunities to all its directors, officers and employees.

Programs for upgrading employee skills will also allow Galan to plan skills acquisition that equips employees to meet strategic targets in a changing work environment.

Galan encourages employee training to upgrade skills. This can include:

- internal training courses;
- funding support for external training or education; and
- the provision of sabbatical periods with guaranteed return to employment.

Site personnel prepare monthly reports that address and monitor regular ESG items eg. personnel, diversity, training, health & safety, environment, community relations etc.

## DIGNITY AND EQUALITY

## Pay equality

CODE	TYPE	STATUS	LAST UPDATED
PE-01-C2	Full disclosure	Verified	7 Sep 2023

Galan Lithium Limited is committed to ensuring pay equality among all its employees, regardless of gender, ethnicity, or any other characteristic protected by law. Galan aims to ensure that its employees are paid fairly for comparable work, and that there are no gender or ethnicity-based pay gaps across the Company.

Galan has established policies that promote equal pay and benefits for equal work and prohibit discrimination on the basis of gender or ethnicity in any aspect of employment.

On a regular basis, the Company analyses its compensation data to ensure that there minimal differences in pay between men and women who are in the same roles have have the same qualifications, experience and job performance.

Furthermore, we believe that diversity and inclusion are critical to our success and are committed to promoting pay equality for all ethnic and social groups.

Galan is committed to promoting pay equality for all its employees, and to ensuring that our compensation policies and practices are fair, transparent, and free from discrimination.

## DIGNITY AND EQUALITY

### Wage level

CODE	TYPE	STATUS	LAST UPDATED
PE-01-C3	Partial disclosure	Verified	7 Sep 2023

Galan Lithium Limited recognises that fair compensation and benefits contributes to the economic well-being of employees.

Galan is committed to equal pay measures that will ensure:

\* the wages and conditions of jobs are assessed in a non-discriminatory way by valuing skills, responsibilities and working conditions in each job or job type (even where the work

itself is different); and

\* its organisational structures and processes do not impede female employees' access to work-based training, promotions or flexible working arrangements.

Galan's annual remuneration and performance reviews are designed to assist in attracting and retaining talent, ensuring key metrics are defined and progress tracked.

Remuneration levels for Board and senior managers are based on canvassed market rates and peer comparisons. External consultants may be engaged and utilised for appointment of any new directors or senior executives.

## DIGNITY AND EQUALITY

### Child, forced or compulsory labour

CODE	TYPE	STATUS	LAST UPDATED
<b>PE-01-C4</b>	<b>Full disclosure</b>	<b>Verified</b>	<b>7 Sep 2023</b>

Galan Lithium Limited fully supports the global movement towards eradicating all forms of modern slavery. We are committed to implementing, maintaining and improving systems and processes to avoid any complicity in modern slavery or human rights violations related to our operations, our activities or our supply chains.

Modern slavery can occur in many forms, such as forced labour, child labour, domestic servitude, sex trafficking, workplace abuse and human trafficking. The Board and the Company will not tolerate any form of slavery and human trafficking in our operations, activities or associated supply chains.

The Company is committed to transparency and fairness across all its relevant functions and is particularly committed to abiding by minimum age laws along with safe and sound working conditions.

Galan expects all its consultants, contractors, advisors, suppliers and other stakeholders to uphold the same values, at all times. The Company plans to undertake regular due diligence on all its stakeholders in respect of their modern slavery and human rights values and practices.

In Argentina, Galan has designed, implemented and adopted a Corporate Social Responsibility Manual ("Manual"). The Manual governs Galan's respect and commitment to the relevant challenges that may lay ahead so that Galan can minimise negativity and maximise positivity for all stakeholders including its own personnel, local communities, businesses, investors, government and the citizens of Argentina. The Manual comprises the following policies:

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- Community Relations
- Sexual Harassment and Gender Gap

In Argentina, child labor is considered to be any economic activity and/or survival strategy, paid or unpaid, carried out by girls and boys, below the minimum age for admission to employment or work (16 years). Child labor is prohibited in Argentina (Law 26,390, year 2008) and constitutes a criminal offense (Law 26,847, art. 148 bis, year 2013).

The Modern Slavery Values are reviewed annually by the Board. The Corporate Social Responsibility Manual will be reviewed annually by the Geology, Government and Community Relationship Manager.

See Also: [Modern Slavery Values](#)



# Prosperity

## EMPLOYMENT AND WEALTH GENERATION

### Rate of employment

CODE	TYPE	STATUS	LAST UPDATED
PR-01-C1	Partial disclosure	Verified	7 Sep 2023

Galan Lithium Limited believes employment and job creation are key drivers of economic growth, dignity and prosperity and provide a basic indication of a company's capacity to attract diverse talent.

As highlighted in the Phase 1 DFS for the HMW Project in Argentina, Galan has an existing workforce of 70. Galan has ensured the recruitment of local personnel from the communities close to the HMW Project. It is expected to increase its workforce to 350 people during construction with the majority of people coming from the local province and some additional personnel may come from the nearby provinces in the northern Argentinian region.

Monthly employee and contractor personnel related information is available on request.

## INNOVATION OF BETTER PRODUCTS AND SERVICES

### Total R&D expenses

CODE	TYPE	STATUS	LAST UPDATED
PR-02-C1	Explanation	Verified	7 Sep 2023

Innovation is a broad concept. It can encompass a vast array of activities in the economy, including workforce skills, management, venture capital, technology uptake, work re-organisation and research and development (R & D).

The OECD has defined innovation as 'the development, deployment and economic utilisation of new products, processes and services'. Individuals and businesses within a particular country do not necessarily have to undertake R & D expenditures to innovate

but can for example take advantage of the technology embodied in newly imported goods, services and/or processes.

Galan Lithium Limited continues to pursue R & D opportunities, particularly those that centre around the world's sustainability challenges.

## COMMUNITY AND SOCIAL VITALITY

### Total tax paid

CODE	TYPE	STATUS	LAST UPDATED
<b>PR-03-C1</b>	<b>Full disclosure</b>	<b>Verified</b>	<b>7 Sep 2023</b>

Please refer to Statutory Annual Reports, Half Yearly Reports, Quarterly Activities and Quarterly Cashflow Reports for any disclosures of the total level of tax paid during relevant reporting period. These reports can be found on the Company's ASX Announcement Platform and the Galan website.

Galan is fully compliant and up to date with its various tax payment requirements in Argentina and Australia.

## EMPLOYMENT AND WEALTH GENERATION

### Economic contribution

CODE	TYPE	STATUS	LAST UPDATED
<b>PR-01-C2</b>	<b>Full disclosure</b>	<b>Verified</b>	<b>7 Sep 2023</b>

Galan Lithium Limited has an ongoing, solid working relationship with all local communities and actively continues with meaningful engagement with local people, communities and businesses. Wherever possible, training, employment and procurement opportunities will be made available for nearby and surrounding communities of the HMW Project.

Galan continues to encourage its suppliers and contractors to adopt similar policies, standards and practices.



Galan is an active community participant regularly donating funds, goods and services to local authorities eg. donation of ventilators to local health authorities during the peak of the pandemic.

Disclosures relating to revenues, operating costs, wages & benefits, payments to providers of capital, payments to government, and monetary support from government appear in Statutory Annual Reports, Half Yearly Reports as well as in the Quarterly Activities and Quarterly Cashflow Reports. These reports can be found on the Company's ASX Announcement Platform and the Galan website.

## EMPLOYMENT AND WEALTH GENERATION

### Financial investment contribution

CODE	TYPE	STATUS	LAST UPDATED
PR-01-C3	Full disclosure	Verified	7 Sep 2023

The Company operates in the mineral exploration and development field with the objective to provide the planet with environmentally sustainable products.

The Company undertakes capital expenditure in the form of mineral exploration and development activity. It discloses its total capital expenditures (less depreciation) and how it relates and supports the Company's growth strategy in Statutory Annual Reports, Half Yearly Reports as well as in the Quarterly Activities and Cashflow Reports. These reports can be found on the Company's ASX Announcement Platform and the Galan website.

The Company does not have a share buyback policy and does not currently pay dividends.

