

The cover features a large, diagonal blue shape on the left side, which contains the text. The background is a photograph of a landscape with mountains and a blue sky with clouds. The text is white and positioned on the blue shape.

# Lithium Americas

**2019 Sustainability Report**



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# Forward-looking Statements

This report contains “forward-looking information” within the meaning of applicable Canadian securities legislation, and “forward-looking statements” within the meaning of applicable United States securities legislation (collectively referred to as “forward-looking information”). All statements, other than statements of historical fact, are forward-looking information and can be identified by the use of statements that include words such as “anticipates”, “plans”, “continues”, “estimates”, “expects”, “may”, “will”, “projects”, “predicts”, “proposes”, “potential”, “target”, “implement”, “scheduled”, “intends”, “could”, “might”, “should”, “believe” and similar words or expressions. Forward-looking information in this report includes, but is not limited to: the development of the Caucharí-Olaroz project and Thacker Pass project (collectively, the “Projects”), including expected costs of and timing for permitting, to complete construction and start production, and for Thacker Pass, the expected timing for the results of the definitive feasibility study (“DFS”); the anticipated rates, grades and quality of production at the Projects; the accuracy of estimates of mineral resources (including in relation to comparables), and the ability to convert mineral resources into mineral reserves; forecasts for future lithium market demand and pricing; government regulation of mining operations; treatment under government, currency control and taxation regimes; the nature of relationships with stakeholders such as local communities, joint venture partners, governments and regulatory authorities; management’s future plans for initiatives or other activities as reported herein, including the goal of achieving carbon-neutrality at Thacker Pass; and, other matters related to the development and planned operations for the Projects.

Forward-looking information involves known and unknown risks, assumptions and other factors that may cause actual results or performance to materially differ from the information included in this report. The forward-looking information included herein reflects the Company’s current views about future events, and while considered reasonable by the Company at this time, is inherently subject to significant uncertainties and contingencies.

Accordingly, there can be no certainty that the forward-looking information will accurately reflect actual results. Assumptions upon which such forward-looking information is based include, without limitation: current technological trends; the business relationship between the Company and its stakeholders; the ability to fund, advance and complete the development of each of the Projects, including costs, the results therefrom and the timing thereof; the ability to operate in a safe and effective manner; uncertainties related to receiving and maintaining mining, exploration, environmental and other permits or approvals in Argentina and the United States; any unforeseen impacts of COVID-19; the stability and support of legislative, regulatory and local communities in the jurisdictions where the Company operates; demand and pricing for lithium and other commodities generally; the impact of increasing competition in the lithium business, including the Company’s competitive position in the industry; and general economic conditions, including in relation to currency controls and interest rate fluctuations.

Management believes the assumptions and expectations reflected in the forward-looking information that is included herein are reasonable. The above list is non-exhaustive and non-exclusive. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. As such, readers are cautioned not to place undue reliance on the forward-looking information presented herein. Readers are further cautioned to review the full description of risks, uncertainties and management’s assumptions in Lithium Americas’ most recent Annual Information Form and interim and annual Management’s Discussion and Analysis available on SEDAR at [www.sedar.com](http://www.sedar.com) and on EDGAR. Lithium Americas expressly disclaims any obligation to update forward-looking information as a result of new information, future events or otherwise, except as and to the extent required by applicable securities laws.



# Report Overview

This report discloses data for the year ending December 31, 2019. It includes within its scope the activities and interests of Lithium Americas Corporation (Lithium Americas) and its wholly owned subsidiary Lithium Nevada Corporation which oversees the pre-feasibility stage Thacker Pass Project. Given the significance of our joint venture with Minera Exar S.A. (Minera Exar), this report also provides contextual information on the construction stage of the Caucharí-Olaroz Project.

This report sets the foundation for future sustainability disclosure aligned with recognized standards of best practice. This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards predicated on a robust materiality assessment and comprehensive disclosure on the management

approach for our material topics. Given the current pre-feasibility phase of our Thacker Pass Project we do not provide topic-specific performance data for this Project in the current report. It is our intention to report in accordance with GRI Standards once the Thacker Pass Project advances into the construction stage.

For further information on the Caucharí-Olaroz Project, please refer to Minera Exar<sup>1</sup> and Minera Exar's GRI-compliant 2019 Sustainability Report.

All amounts in this report are presented in US\$.

<sup>1</sup> <https://www.mineraexar.com.ar/>



# A Message From Our CEO

On behalf of Lithium Americas, I am proud to present our first sustainability report.

This report represents an important foundational step in our company's sustainability journey, reflecting both our effort to embed sustainability as a core principle into our organization and set the baseline for future performance as we advance our two large-scale and low-cost lithium projects, Thacker Pass and Caucharí-Olaroz, to production.

We recognize that large natural resource developments have the potential to deliver significant, positive impacts to society and the environment, which is why we are especially proud to develop our Thacker Pass and Caucharí-Olaroz projects. In our pursuit of sustainability—within lithium mining, chemicals manufacturing and the global economy—we have established robust environmental, social and governance (ESG) principles and practices. Through our development and construction programs, Lithium Americas is contributing to global developments in the mining and chemicals industries.

## Key Achievements

- We continued to make considerable progress toward achieving our goals with work on the feasibility study for the Thacker Pass Project in northwest Nevada, while making progress with construction at Caucharí-Olaroz Project in the Jujuy Province, Argentina.
- The Board of Directors of Lithium Americas expanded the mandate of our Health, Safety, Environment and Communities Committee to include sustainability, and was renamed as the Environment, Sustainability, Health, Safety and Community Engagement Committee to reflect this expanded mandate. The committee will assist the Board in its oversight, monitoring and review of our practices and governance in the areas of health, safety, environment, sustainability and corporate social responsibility.
- The Caucharí-Olaroz Project obtained broad community support from the local communities in the Caucharí region, who have entered into right-of-use land agreements and have participated in the approval process for environmental permitting of the Project. Minera Exar has an internal team specifically dedicated to community relations.
- At Thacker Pass, we appointed a local Community Relations Manager to carry out the important role of providing regular communication and engagement with our neighbors and stakeholders through numerous stakeholder and public meetings.
- We also worked with leading global environmental, engineering, and sustainability consultants to identify, assess and manage the potential environmental and social impacts of our projects.

We believe that collaboration with our stakeholder groups and adherence to local, national and international standards for environmental and social performance are paramount to our ability to drive improved environmental, social and financial outcomes. With this in mind, we are working to deliver new sources of high-quality lithium chemicals to supply the growing demand for low-carbon energy sources.

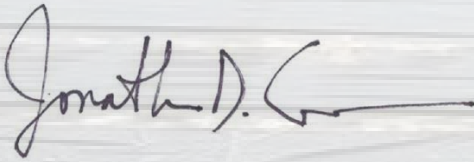
At Lithium Americas, we recognize that the success of our operations must be underpinned by our unwavering commitment to responsible and sustainable business practices. We do this by responsibly managing our impacts in the regions and communities where we operate.



## Our Sustainability Vision

We aim to produce high-quality, low-cost lithium chemicals to fuel a global, low-carbon economy. As we build and operate lithium mining and chemical processing facilities, we will adhere to the highest standards of sustainability monitoring, compliance and reporting. Moving towards the next phases of project development in both Nevada and Argentina, we recognize that the sustainability topics outlined in this report have the potential to shift in nature, scope and scale and we commit to continuing our efforts to embed sustainability into the way that we do business—now and always.

Finally, as I write this letter in 2020, we must also recognize that the ongoing effects of the global COVID-19 pandemic will likely continue into the near future. The pandemic and resulting disruption of global supply chains demonstrates the importance of pursuing diverse sources of lithium products. At the same time, it has highlighted the important role environmental and social governance must play in building a resilient and responsive company. We are making every effort to progress our projects, while keeping our employees, contractors, local communities and natural environments safe.



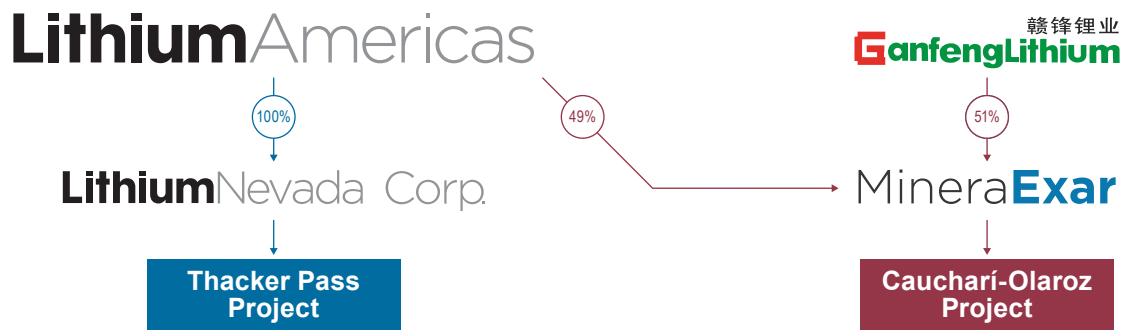
**Jonathan Evans**  
*Director, CEO & President*



# Organizational Overview

Lithium Americas Corporation is a Canadian-based company listed on the Toronto Stock Exchange (TSX: LAC) and the New York Stock Exchange (NYSE: LAC).

Lithium Americas is advancing the Thacker Pass lithium project in Nevada, USA. The Project is 100% owned by Lithium Nevada Corporation, a wholly owned subsidiary of Lithium Americas. Through our joint operation Minera Exar, we have partnered with Ganfeng Lithium Co. Ltd. to develop the Caucharí-Olaroz lithium brine project in Jujuy Province, Argentina. Our efforts aim to advance both the Thacker Pass and Caucharí-Olaroz projects (collectively referred to as the Projects) to production. More information about Lithium Americas and our projects is available at <https://www.lithiumamericas.com>



## Caucharí-Olaroz Lithium Brine Project

*The next low-cost brine operation in Argentina, currently under construction.*

Through our joint operation Minera Exar, Lithium Americas is developing the Caucharí-Olaroz Project to be among the most environmentally and socially responsible lithium projects globally. Situated in the Salar de Olaroz and Salar de Caucharí—within the “Lithium Triangle” of northwest Argentina—the Project has an annual production capacity of 40,000 tpa of lithium carbonate and a planned mine life of 40 years.

Caucharí-Olaroz is a lithium brine operation. The production process involves two distinct steps. First, solar evaporation is used to concentrate lithium in the brine and precipitate other salts in large-scale ponds. Next, processing facilities remove impurities and transform the concentrated lithium brine into battery-grade lithium carbonate.

As of December 31, 2019, Caucharí-Olaroz has 13 operational brine-pumping wells, through which over 3 million cubic metres of brine were pumped to the ponds.

We planned to complete construction on Caucharí-Olaroz in early 2021; however, the protocols established to safely manage the COVID-19 pandemic, which follow health and safety guidelines, require a significantly reduced workforce at site. As such, the company expects to complete construction by the end of 2021, with production commencing shortly thereafter.



## Thacker Pass Claystone Lithium Project

*The largest known lithium resource in the USA and the next large-scale lithium operation*

The Thacker Pass Project is a proposed lithium claystone mining project, currently in the permitting stage. The Thacker Pass Project is located within the McDermitt Caldera in Humboldt County, northern Nevada, approximately 100 km north-northwest of Winnemucca, and 33 km south of the Oregon border. In 2018, Lithium Americas completed a pre-feasibility study (PFS) on a two-phase project with an initial production capacity of 30,000 tonnes per annum (tpa) for the first 3.5 years, and a full production capacity of 60,000 tpa of battery-grade lithium carbonate ( $\text{Li}_2\text{CO}_3$ ) based on a 46-year life of mine.

Since early exploration work began in 2008, more than \$100 million has been invested in Nevada, including over \$8 million in environmental and cultural studies to support permitting and project planning. This effort was essential to ensure that our operations can optimize lithium yield while minimizing potential effects on natural resources in the area.

The proposed production process will use conventional and commonly available equipment to take advantage of the distinctive qualities of the high-grade ore. Lithium bearing clay will be mined from an open pit. Since the ore is located near the surface, a relatively shallow pit is expected with an average depth of about 75 meters. Ore from the pit will be crushed, screened and then transferred as a slurry to the leaching circuit to liberate the lithium from the clay. The lithium solution will be neutralized and undergo crystallization, and soda ash will be added to the lithium-bearing solution to produce a high-quality, battery-grade lithium carbonate.

As we move forward, we will continue to progress the permitting process for the Thacker Pass Project and engage with the responsible authorities and other stakeholders. The current schedule of project development may be subject to changes as we navigate the COVID-19 pandemic.



## Commitment to Environmental and Social Governance

We are driven to embed our commitment to ESG and sustainability practices into our operations across both of our Projects. This includes establishing governance structures at a corporate level that will enable us to manage our impacts in line with the expectations of our stakeholders. We aim to instill a culture of accountability and transparency at the corporate level that will set the expectations for our Projects as they progress through feasibility, permitting and construction into production.

To facilitate this commitment, we are proud to have established the Environment, Sustainability, Health, Safety and Community Engagement Committee of the Board, with a mandate reflecting the Board's increased focus on sustainability. The Committee will assist our Board in its oversight, monitoring and review of our policies and activities as they relate to sustainable development and business practices, including environmental, health and safety, community engagement and social responsibility and related matters ("sustainability matters") in the conduct of the company activities. We have also established an Audit and Risk Committee responsible for the oversight of the accounting and financial reporting processes, financial statement audits and risk management functions.

Our Environment, Sustainability, Health, Safety and Community Engagement Committee Charter, and Audit and Risk Committee Charter, guide the actions and decisions of these committees. More broadly across the company, we have implemented policies to support and operationalize our sustainability goals. These policies apply to everyone at the company, at all times and everywhere we do business. Below are three examples:

- **Code of Ethics and Business Conduct:** Our code of ethics and business conduct outlines the basic principles and policies with which everyone at the company is expected to comply. It reflects our commitment to a culture of honesty, integrity and accountability.
- **Corporate Disclosure, Confidentiality and Security Trading Policy:** The corporate disclosure policy aims to ensure that communications to the investing public about the company are timely, factual, accurate, and broadly disseminated in accordance with all applicable legal and regulatory requirements.
- **Whistleblower Policy – Procedure for Handling of Complaints:** This procedure provides a process for documenting and approving all mandates, and procedures and responsibilities for addressing complaints received through the formal whistle-blowing process or alternate methods. The procedure includes a reporting protocol and highlights the protection of persons using the policy from retaliation and discrimination.

As our Projects continue to develop, we will continue to review our policies, making adjustments where needed and implementing new policies where appropriate to ensure operations are aligned with our sustainability vision.



## External Frameworks and Initiatives

Lithium Americas aligns to the Equator Principles (EP4), a risk management framework adopted by financial institutions for determining, assessing and managing environmental and social risks of investments, primarily intended to provide a minimum standard for due diligence and monitoring to support a responsible understanding of risk in decision-making. We believe that in aligning with the Equator Principles, we can proactively identify and manage potential environmental and social risks associated with our activities, while working to enhance benefits and opportunities for local communities, Indigenous groups, and stakeholders.

We also recognize the rights and principles defined by the International Labour Organization (ILO) Convention 169 on

Indigenous and Tribal Peoples Convention (1989), which seeks to engage and involve Indigenous groups that may be affected by our activities. We are committed to maintaining a record of contracts, records of all community meetings, and reports related to negotiations with Indigenous communities.

Lastly, we aim to align our approach to environmental and social governance with the United Nations' Sustainable Development Goals (SDGs). The SDGs provide a 15-year framework for action to enable businesses to contribute to common goals that will create a more sustainable future through addressing three dimensions of sustainable development – social, environmental and economic. In aligning with the SDGs, we consider how our activities can meaningfully support these global goals.



**SDG 4 Quality Education:** Ensure inclusive, equitable and quality education and promote lifelong learning opportunities for all. The contribution to SDG 4 is made through the training opportunities we create for our employees as well as those in the local communities surrounding our projects. We have developed and implemented programs to upskill our employees, train local suppliers, provide non-mining related skills training to Indigenous communities to promote economic diversity, and educate school children on environmental, health and safety topics.



**SDG 6 Clean Water and Sanitation:** Ensure the availability and sustainable management of water and sanitation for everyone. We recognize that water is a fundamental part of our operations and a scarce resource in the regions where our Projects are located. We are committed to the responsible use of water, maintaining a healthy water balance, reuse of water in the production process, use of non-potable water for industrial and sanitary purposes, and rigorous control of wastewater prior to discharge.



**SDG 8 Decent Work and Economic Growth:** Promote inclusive and sustainable economic growth, full and productive employment and decent work for all. Through our Projects we seek not only to contribute through providing direct employment with fair pay, but also to develop the local supply chain, to provide the opportunity for more locals to take advantage of the benefits resulting from economic growth. Through our training programs (highlighted under SDG 4), we seek to promote the diversification of local economies so that economic growth may continue in the absence of mining.



**SDG 9 Industry, Innovation and Infrastructure:** Build resilient infrastructure, promote inclusive and sustainable industrialization and encourage innovation. Contribution to this SDG is at our very core, through both of our Projects. We are contributing to energy storage sources used in technology, and driving a transition to a low-carbon economy.



**SDG 15 Life on Land:** Sustainably manage forests, combat desertification, stop and reverse land degradation, and stop biodiversity loss. We understand that mining activity can have adverse impacts on the biophysical environment, so from early stages of our projects, we are establishing programs to manage our environmental impacts. At Cauchari-Olaroz we have implemented a community monitoring program and pilot re-vegetation project, while at Thacker Pass we have partnered with the University of Nevada, Reno Foundation (UNR Foundation) to establish the Great Basin Sagebrush Restoration Fund (GBSR Fund) to advance research and development towards improved, cost-effective restoration of sagebrush rangelands.

# Materiality and Stakeholder Engagement



Lithium Americas' 2019 Sustainability Report and accompanying GRI Content Index represent our intention to instill sustainability as a core pillar of the organization, and to being a leader in the lithium chemicals industry by contributing positively to the environment and society.

In 2019, we conducted a comprehensive assessment to identify and prioritize the ESG topics material to our business, considering both stakeholder concern and business impact perspectives. This materiality assessment informs our ESG focus areas for reporting, measuring and monitoring. The assessment was completed through the following steps:

- **Topic Identification** – We reviewed a broad range of sources, including sustainability frameworks and guidance such as the GRI, Sustainability Accounting Standards Board (SASB), the UN SDGs, investor ratings assessments, peer disclosures, desktop media, literature, and market trends review. Based on this review, we developed a list of ESG issues relevant to the mining and metals industry and lithium chemicals industry specifically.
- **Engagement and Topic Prioritization** – We implemented a robust approach to prioritize the identified topics, considering input from our stakeholder groups and the impact and relevance of the issues to the business. We conducted a series of internal and external stakeholder interviews to vet the topics identified, gather material topic insights, and refine ESG topics and their boundaries. Identified topics were then scored and prioritized based on external and internal stakeholder perspectives. Through our 2019 materiality assessment, 13 material topics were established.
- **Validation** – Our leadership and Project teams participated in a collaborative materiality validation workshop to review, validate, refine and approve the materiality assessment results, informing the final list of material topics.
- **Reporting** – The materiality results are the basis of our 2019 Sustainability Report and build the foundation for our sustainability ambitions, practices, and disclosures for future years.

We are committed to continuing the assessment of our material topics and impacts, through periodic review and follow-on assessments.

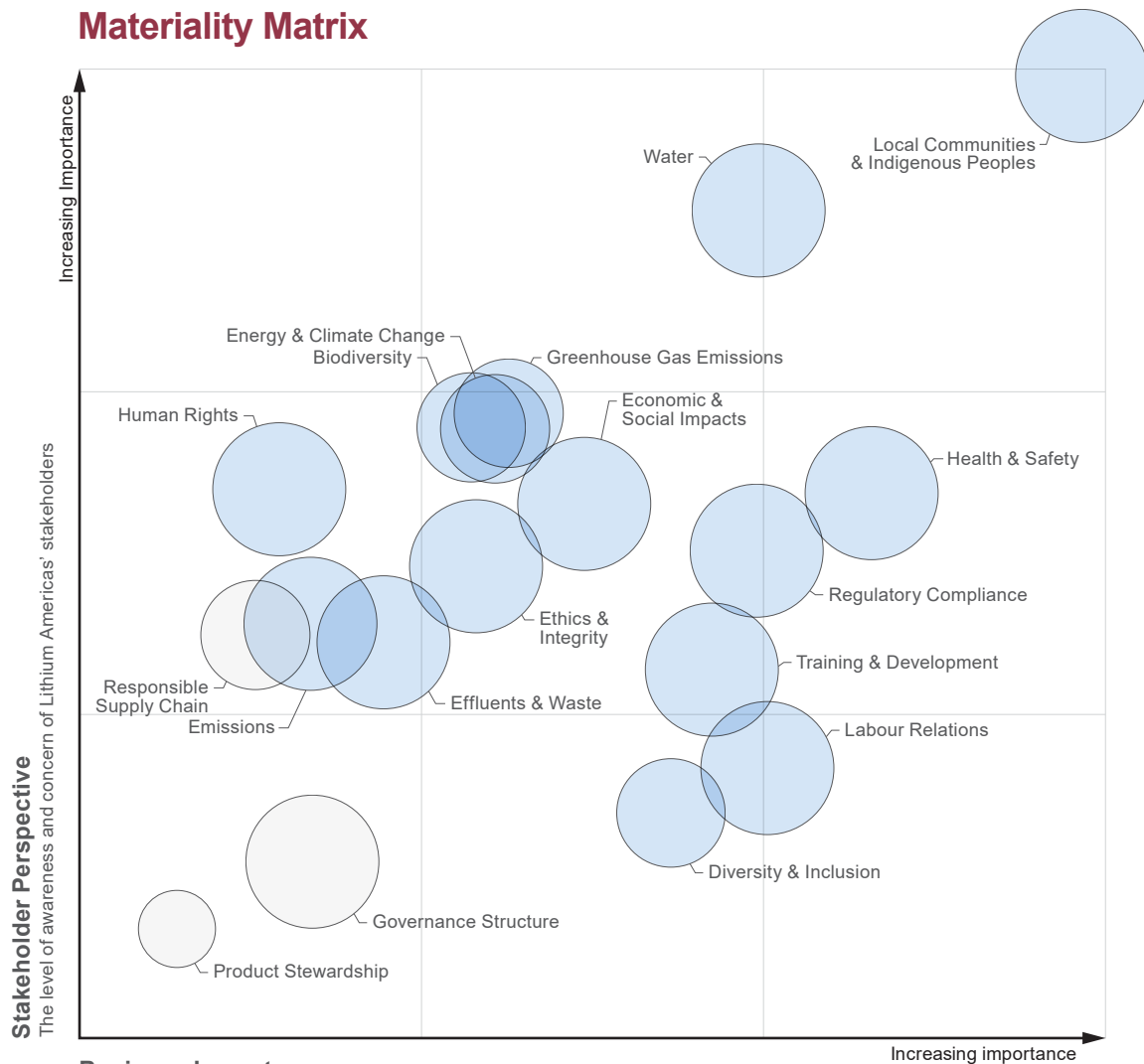
## Lithium Americas' Material ESG Topics

Material Topics	Definition	Corresponding GRI Standards Topics
Emissions, Effluents and Waste	Emission of air pollutants including Criteria Air Pollutants (e.g. sulfate, particulate matter), Toxic Air Pollutants (e.g. volatile organic compounds), noise and seismic impacts arising from processing activities.  Effluents and waste products generated by mining, mineral processing, operations, etc., and the management thereof. For the mining industry in general, this may include sulfates, tailings, waste rock, wastewater (including contact water), etc. It may also include solid waste, reuse/recycling, and handling of hazardous waste products.	Emissions, Waste
Climate: Energy and GHG Emissions	Direct (Scope 1) greenhouse gas (GHG) emissions from owned or controlled sources, indirect (Scope 2) GHG emissions from generation of purchased energy throughout the production process, and upstream/downstream (Scope 3) GHG emissions.  Energy consumption contributing to direct (Scope 1) GHG emissions, indirect (Scope 2) GHG emissions, and upstream/downstream (Scope 3) GHG emissions, product energy intensiveness, and strategies to reduce energy consumption/requirements throughout the production process, including the utilization of renewable energy.	Emissions, Energy
Biodiversity	Impacts on biodiversity, such as alterations of landscape, or impacts on wildlife, vegetation, and ecosystem services.	Biodiversity

Material Topics	Definition	Corresponding GRI Standards Topics
Water	Impacts on both the quantity and the quality of water on local water resources, including surface water and groundwater.	Water and effluents
Diversity and Inclusion	Initiatives, policies, procedures, rules, and cultural elements concerning life in the workplace as well as the heterogeneity of an entity's workforce and equal opportunity and remuneration for employees of different backgrounds.	Diversity and equal opportunity
Training and Development	Formal activities to improve the performance, skill and knowledge capacities, and self-fulfillment of current and potential employees through a variety of educational methods and programs.	Training and education
Labor Relations	Relationships with employees and other workers' groups to support and foster positive working relations, environments, employee interests, and sustainability, and the long term-profitability of the business.	Employment, Freedom of association and collective bargaining, Labor/ management relations
Human Rights	Protection of the unique rights and interests of workers and local communities across supply chain and operations, including vulnerable communities, such as Indigenous Peoples and children.	Child labour, Forced or compulsory labour, Security practices, Human rights assessment
Local Communities and Indigenous Peoples	Protection of community and Indigenous Peoples' rights and interests that may be affected through the direct and indirect environmental and social impacts of mining operations. Active engagement and inclusion with local communities and Indigenous Peoples throughout project lifecycle.	Local communities, Rights of Indigenous peoples
Health and Safety	Health and safety risks, requirements, and associated management, compliance and enforcement as related to all employee, contractor, and public health and safety. Support for employees and contractors to maintain their health, safety and wellbeing	Occupational health and safety
Economic and Social Impacts	Direct and indirect economic and social impacts of the company's activities on the local communities (including employees, vendors, and service providers) and more broadly.	Economic performance, Indirect economic impacts, Procurement practices, Supplier environmental assessment, Supplier social assessment
Regulatory Compliance	Ensuring compliance with applicable rules and requirements, such as specifications, policies, standards, laws and regulations.	Environmental compliance, Socioeconomic compliance
Ethics and Integrity	Managing business ethics to prevent corruption and bribery by our employees or our third-party vendors and maintaining an appropriate level of transparency in payments to governments or individuals.	Anti-corruption, Non-discrimination



## Materiality Matrix



# 2019 Project Highlights

## Thacker Pass

### Permitting and Compliance

Lithium Americas is targeting an initial phase (“Phase 1”) production capacity of approximately 30,000 tpa including lithium carbonate. Phase 2 development will increase the initial Phase 1 production capacity, with full production capacity expected to be approximately 60,000 tpa of battery-grade lithium carbonate over 46 years. Pending receipt of key permits and project finance, construction of the Thacker Pass Project is scheduled to commence in 2021. In 2019, we focused on advancing permitting, engineering work, and final mine plan design at Thacker Pass.

The Project is located on public lands in northern Humboldt County, Nevada, administered by the U.S. Department of the Interior Bureau of Land Management (BLM). In September 2019, the Plan of Operations and Reclamation Plan were accepted by the BLM for the possible production of battery-grade lithium hydroxide and lithium carbonate, lithium metal and cathode manufacturing. We are currently working with the BLM as it finalizes the Environmental Impact Statement for the Project. This document, prepared under the National Environmental Policy Act, is on schedule to be completed by December 2020.

At the Thacker Pass process testing facility in Reno, Nevada, we are evaluating the production of lithium hydroxide and lithium carbonate. This would provide added flexibility to accommodate future market demand. Testing and optimization are well underway to optimize the process, including potentially reducing the consumption of sulfuric acid. Results from the testing and optimization work will form the basis of the definitive feasibility study (DFS) for the Thacker Pass Project that is currently underway.

### Local Community Engagement and Indigenous Peoples

As a part of developing the Thacker Pass Project, we are committed to transparency, engaging with stakeholders and building strong relationships in the region where we operate. To this end, in 2019 we appointed a Community Relations Manager who has taken on the important role of regularly communicating and engaging with our neighbours and stakeholders in Nevada.

Our community engagement plan values the input of all stakeholders and has contributed to key aspects of Project planning. To date, the design of Thacker Pass reflects information collected through our community engagement efforts, including stakeholder meetings, public open houses, and ongoing engagement with the Fort McDermitt Paiute and Shoshone Tribe. Several of these design features are described in the ‘Environment’ section below. We see the value of incorporating feedback into the project design to mitigate potential concerns prior to construction, and we commit to involving community stakeholders throughout the development process.

Looking forward to 2021, we plan to continue to facilitate public meetings in Humboldt County, providing an opportunity for the Lithium Americas team to engage directly with local residents, and for stakeholders to learn more about the Project, ask questions and provide continued feedback on the proposed Project.





### Employment and Training

With approximately 300 employees expected during operations, employment will be one of the key community benefits of the Thacker Pass Project. We plan to maximize local employment during construction and operation. To facilitate this, we are proactively working with local partners and stakeholders to provide training opportunities for the local workforce to ensure that local residents are equipped with the appropriate skills to take advantage of employment opportunities as they arise. In addition, Lithium Americas has entered into a Project engagement agreement with the Fort McDermitt Paiute and Shoshone Tribe (the “Tribe”) to extend training, jobs and economic opportunities. As part of this agreement, we have conducted capacity mapping of the Tribe to understand the existing capabilities and expertise that can be applied to the Project, as well as opportunities to provide skills training. We also donated a van to the Tribe to ensure elders, youth and tribe members have transportation to local training centers and other tribal programs.

We have established essential job training programs specific to positions that will be available next year, during planned Project construction, and throughout Thacker Pass operations. To achieve this, we have partnered with Northeastern Nevada Regional Development Authority, Great Basin College, JOIN, Inc. and Nevada Builders Alliance, thereby leveraging the local resources to build capacity in the regional workforce.

### Economic Impact

In late 2018, Lithium Americas filed an independently prepared pre-feasibility study<sup>2</sup> for the Thacker Pass Project. This report demonstrates that the Thacker Pass Project is expected to provide substantial economic benefits at the local, state and national levels, including:

- Direct employment of at least 800 high-paying jobs during the 21-month construction period,
- Direct employment of at least 292 high-paying permanent positions upon development of Phase 2 operations,
- Several hundred indirect jobs generated with suppliers of products and services to support mine operations,
- Payments to the federal and state governments totaling approximately \$6.7 billion in the form of corporate taxes over 46 years<sup>3</sup>,
- Training and skills development programs to support local hiring in Nevada, and
- Investments in local and regional infrastructure improvements.

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<sup>2</sup> National Instrument 43-101 Technical Report titled, “Technical Report on the Pre-Feasibility Study for the Thacker Pass Project, Humboldt County, Nevada, USA” dated effective August 1, 2018 and filed August 2, 2018

<sup>3</sup> Based on a price of \$12,000 per tonne of lithium carbonate





## Environment

The Project has been designed to avoid environmentally sensitive and rugged terrain, and important cultural resources. Following community and regulatory engagement that highlighted ecological and recreational values within the Montana Mountains to the north, we developed the Project footprint to locate all facilities in the Thacker Pass area south of the mountains. The proposed plant and tailings facilities are in a low-lying area of Thacker Pass and adjacent to the proposed pit. The flat and expansive terrain allows for a compact footprint that also supports future potential expansions. Our operations will not involve any physical disturbance of sage grouse leks or golden eagle nests, and Lithium Americas is working within existing state and federal programs to mitigate against any potential indirect impacts associated with noise or other possible disruptions. Future reports will address specific mitigation measures that are implemented.

Compared to our original mine plan, we have identified ways to reduce water consumption by approximately 50% through extensive recycling. We also propose a heat recovery system designed to turn waste heat into carbon-free electricity, generating power for the mine and chemical processing facility. In the long term, our objective is to achieve carbon neutral operations at Thacker Pass. Lithium Americas' reclamation and closure plan contemplates backfilling and revegetating much of the pit area to reduce long-term visual impacts and to allow for the substantial restoration of pre-project land use, including restoration of wildlife habitat.

## CASE STUDY

### Lithium Americas establishes the Great Basin Sagebrush Restoration Fund with the University of Nevada, Reno Foundation

Sagebrush ecosystems in the U.S. have eroded to about 56% of their historical range due to land degradation, especially from wildfire and invasive species propagation. While these ecosystems provide vital habitat for many native species found in the west, sagebrush rangelands represent one of the most endangered ecosystems in the country. In response, Lithium Americas partnered with the University of Nevada, Reno Foundation (UNR Foundation) and established the Great Basin Sagebrush Restoration Fund (GBSR Fund) in 2017 to advance research and development towards improved, cost-effective restoration of sagebrush rangelands. Since then, several companies with operations in Nevada, including Nevada Gold Mines, Hecla, Kinross and the United States Bureau of Land Management, have made funding commitments and the GBSR Fund is now the largest sagebrush restoration fund in the United States.

#### Multidisciplinary Contributing Institutions

The GBSR Fund is led by Dr. Tamzen Stringham, a rangeland scientist and the Interim Chair of the University of Nevada, Reno (UNR) Department of Agriculture, Veterinary and Rangeland Sciences. Dr. Stringham has joined forces with colleagues from

UNR and other institutions with diverse backgrounds in plant community and landscape ecology, bioengineering, and wildlife biology to engineer efficient, technology-driven solutions.

#### Research in Seed Technology to Restoration of Sagebrush Rangelands

To date, research supported by the GBSR Fund has produced numerous successes in seed technology, precision rehabilitation and genetics. The tools developed by the GBSR Fund were recently deployed to assist a federal agency with the rehabilitation of federal lands impacted by recent large wildfires in Nevada.

In restoring the vitality of sagebrush rangelands, Dr. Stringham's research is essential to the preservation of the many desert animal species like the sage grouse. In 2019 and the first quarter of 2020, the GBSR Fund initiated 6 research studies consisting of 86 treatment and species combinations, across multiple locations in Nevada, Oregon and Utah, in concert with Brigham Young University. Additionally, experiments with Wyoming sagebrush have been initiated at two locations within the Martin fire burn scar, where germination, emergence and establishment of the species will be tested.



## Caucharí-Olaroz

### Local Community Engagement and Indigenous Peoples

In developing the Caucharí-Olaroz Project, we are committed to aligning with the Equator Principles and ILO Convention 169, including principles of transparency and Informed Consultation and Participation with local and Indigenous communities. Through our joint operation, Minera Exar, the community relations program for the Project governs social performance through the development, construction and operation of Caucharí-Olaroz. Central to this program is the promotion of social and economic development within local communities through three key focus areas:

- External and internal communications to provide information and show transparency,
- A consultation program that allows the company to address perceptions of mining activities, and
- Socio-economic benefit programs<sup>4</sup> to support social, cultural and environmental initiatives.

The community relations program supports the involvement of Indigenous communities through programs aimed at generating positive impacts in the communities of Catua, Termas de Tuzgle de Puesto Sey, Los Manantiales de Pastos Chicos, Huáncar, Pórtico de los Andes de Susques and Olaroz Chico. Five meetings were held with representatives from the six regional Indigenous communities in 2019. Also in 2019, we expanded our scope to include El Toro as a Project-affected community, recognizing that the future construction of gas and water pipelines will start in the El Toro territory.

Our aim to provide economic and social benefits has been realized through several donations to the communities' health and educational systems and the implementation of programs designed to develop local suppliers. Through Project-related efforts in Argentina, we are pleased to have obtained broad support from the local communities. Community support is conditional on measures taken to protect the environment and manage potential social impacts, as well as the Project's ability to generate positive contributions for the local communities, and we look forward to working with the communities for years to come.

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<sup>4</sup> Programs supported by the Project must align with the following criteria: 1) benefit the community as a whole; 2) contribute to sustainable development; and 3) originate from within the community, while allowing for participation in the development and implementation of the program.



### Economic Impact

We look to generate economic benefits at the local, regional and national levels. The feasibility study for the Caucharí-Olaroz Project highlights the expected benefits of the project, including:

- Federal and provincial tax contributions amounting to a total of \$4.2 billion for life of mine, or \$114 million per year,
- Royalty and mining duty payments,
- Generation of an estimated 700 jobs (including direct and contractor employment), and
- Increased employment tax revenue associated with new employment opportunities.

Through our involvement in the Caucharí-Olaroz Project, Lithium Americas is dedicated to local recruitment as a means of sharing the economic benefits with local communities. Most of Minera Exar's employees and contractors are from the local communities, Indigenous communities and the Province of Jujuy. Whenever feasible, preference is given to hiring people from the local communities. To support this commitment, we have worked with the Project to establish training programs to empower local residents by providing them with training for the skills they need to access construction and operation employment opportunities. Where employment requirements cannot be met locally, the Project will seek to hire people from elsewhere in Jujuy Province before hiring from other parts of Argentina.



With the Project under construction in 2019, our joint venture has been working closely with community representatives to understand the skills and capabilities of job-seekers in the area. Together, they developed a database of over 500 candidates, of whom 274 have been employed by the Project. As of December 2019, the total workforce at Caucharí-Olaroz including construction subcontractors, was over 1,000 people, a significant majority of them residents of the Jujuy Province. Minera Exar, as of December 2019, directly employed 282 workers, including 71 workers hired from the Caucharí-Olaroz surrounding communities of Susques, Huáncar, Olaroz Chico, Pastos Chicos, Puesto Sey and Catua; 109 employees from the greater Jujuy Province, including San Salvador and surrounding areas; and approximately 70 were hired from neighbouring provinces in Argentina. When the Project commences production, we look forward to providing long-term employment for an estimated 270 people.

In line with our commitment to create benefits for local communities, we also support local service providers to improve their access to procurement opportunities offered by the Project. A highlight for 2019 was a training event attended by more than 20 local companies, where the engineers of the National Institute of Industrial Technology (INTI) ran courses to better prepare local companies to act as suppliers to the Project.

### **Investments in Skills and Infrastructure**

At Lithium Americas, we believe the diversification of skills is fundamental to long-term sustainability for local communities. During 2019, Minera Exar hosted non-mining training sessions every two months in the communities of Huáncar, Pastos Chicos and Puesto Sey and established partnerships with recognized institutions to provide training on topics including health and safety, rural tourism, hospitality, customer service, and artisanal charcuterie. Most of the participants were women between the ages of 17 and 60.

Beyond jobs and training, we also look for other ways to contribute to local communities. In 2019, the Project's emergency brigade provided safety and hygiene education in the primary schools of the Pastos Chicos, Huáncar, Catua and Puesto Sey communities. Members of our environmental team also visited primary schools in local communities to share lessons on different environmental topics.

Together with Minera Exar, we believe in the importance of access to knowledge resources and strengthening ties with and within the local communities. For these reasons, we contributed both financially and technically to the building of a new public library in the community of Los Manantiales de Pastos Chicos. The library was inaugurated in December 2019, and we are proud that this is a place where people can meet and access resources.





## Permitting and Compliance

Compliance with national and local legislation is a priority for Lithium Americas and our joint operation partners. The permitting requirements for the construction and operation of the Caucharí-Olaroz Project are well understood. An Environmental Impact Assessment (EIA) was prepared in accordance with the Environmental Protection Act for Mining Activity and approved by Jujuy Province in 2017, providing all necessary permits to support the 25,000 tpa operation. An updated EIA to expand the production capacity to 40,000 tpa was submitted to Jujuy Province in August 2019. The updated EIA includes supplementary environmental studies and information collected between 2017 and 2019, as well as changes to the project description to reflect the current development plan and increased production capacity. An audience with the authorities and communities took place late October 2019, and a decision is expected from authorities in 2020.

The Environmental Management Plan (EMP) for the Caucharí-Olaroz Project provides the framework for implementing the commitments of the updated EIA. The EMP details the measures to be implemented both in the medium- and long-term to mitigate potential negative environmental and social effects. On a quarterly basis, participatory environmental monitoring campaigns invite community members to be engaged in monitoring efforts. The participation of local representatives improves transparency, further builds trust between the company and local communities, and enriches the monitoring results through two-way learning.

## CASE STUDY

### Understanding the Hydrology of the Caucharí-Olaroz Project in Northwest Argentina

At the Caucharí-Olaroz Project, our environmentally and socially responsible practices are designed for more than just the formal approval of the authorities and regulators. Our transparent and responsible practices, including investment in advanced hydrological modeling and monitoring, have allowed our project to gain and maintain the community support and approval required to operate in the region.

Specifically, Lithium Americas and Minera Exar have developed advanced hydrological models related to our operations in the brine-bearing region of Jujuy, and we are carrying out extensive monitoring programs to more fully understand and measure the effects that brine extraction may have on surrounding hydrogeology including groundwater resources.

#### Dynamic Ecosystems

The lithium salars, or “salt flats”, of northwest Argentina are natural deposits of different types of salts and sediments that have originated under the extremely arid conditions of this region. Owing to their location and geological, climatic and environmental characteristics, these salars are extremely dynamic ecosystems. The brine extraction process at Caucharí-Olaroz has been engineered to protect and conserve these unique areas. The company has invested significant resources in the development and implementation of hydrological monitoring and modeling programs to mitigate potential changes to the hydrology and geochemistry of these environments and ecosystems.

#### Investment in Hydrological Management Models

At Caucharí-Olaroz, the extraction of lithium requires considerable amounts of brine (i.e. highly concentrated salt water), which is pumped from underground. The brine is pumped into evaporation ponds, where the water evaporates and lithium salts and other minerals are left behind. Minera Exar has conducted extensive research and analysis on the brine reserves and hydrogeology of the Caucharí-Olaroz salars and works closely with government authorities in the region to ensure that the volume and rate of brine extraction is sustainable and supports conservation of the dynamic ecosystems within the broader salars.

We have invested in studies and programs designed to improve our understanding of—and ability to work sustainably within—the salars. This has included considerable expertise and financial resources to study, understand and measure the hydrology, hydrogeology and geochemistry of each salar and its aquifers, including the source of the brines that recharge them, and the rate at which this occurs. We are committed to continuing to develop and improve our hydrological models as part our commitment to ongoing monitoring over the planned 40-year life-of-mine.

In addition to supporting Minera Exar’s activities in northwest Argentina, this work will also contribute to an advanced understanding of the hydrology, hydrogeology and geochemistry of the region and the responsible management of brine resources of the Caucharí-Olaroz salar ecosystems.



## Water

Lithium Americas recognizes that access to water is not only pivotal to our operations, but a key concern for local communities. For the Caucharí-Olaroz Project, the arid location increases the importance of this issue. However, according to the World Resources Institute's ranking of water risk and exposure to baseline water stress<sup>5</sup>, the Project Area ranks among the lowest in the region in terms of water stress (10%), particularly compared to northern and western areas of the Lithium Triangle<sup>6</sup> where the water stress indicator can exceed 80%.

We are committed to responsible water management and abiding by applicable regulations with regard to water use. While process water requirements for the Caucharí-Olaroz Project are relatively low in comparison to other lithium carbonate production processes, we recognize that the Project could be seen to be competing with local communities for water. To meet the demands of the expanding operation, we have applied to the relevant authorities to increase the Project's freshwater use to 150 L/s. However, to reduce competition for water resources with local communities, the Project will source process water from aquifers that do not produce potable water (i.e. that do not meet drinking water standards).

## Energy

In our efforts to develop the Caucharí-Olaroz Project, we aim to be among the most environmentally responsible lithium projects globally. Solar evaporation will be the principal source of energy for lithium extraction at Caucharí-Olaroz, and we are proud to have a Project with such a low overall carbon footprint.

As it is under construction, the main sources of energy for the Project currently include diesel fuel and gasoline. To reduce the dependence on fossil fuels, Minera Exar plans to begin construction of a medium-voltage grid for the Project in 2020. This network will be connected to the Caucharí Solar Park, located 70 km from the Project, and will allow the Project to transition from fossil fuels to renewable energy for most of the operations.

## Looking Ahead

As we move the Thacker Pass and Caucharí-Olaroz projects through construction and into operations we look forward to sharing further details on our performance through our ESG reporting and disclosures. As previously noted, this 2019 report serves as a foundational step in our efforts to embed sustainability throughout our organization, ensuring that we meet the expectations of our core stakeholders and in doing so maximize our potential to deliver significant, positive impacts to society and the environment.

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<sup>5</sup> The Lithium Triangle is a lithium-rich region of the Andes near the borders of Argentina, Bolivia, and Chile.

<sup>6</sup> The ratio of total water withdrawals to available renewable water supplies.



# General Standard Disclosures



Unless otherwise described, the disclosures in this section pertain to Lithium Americas Corp. (“Lithium Americas” or “the Company”). Specific disclosures related to the 49%-owned Minera Exar S.A. (“Minera Exar”) and Caucharí-Olaroz project (“Caucharí-Olaroz”) are provided in Minera Exar’s 2019 Sustainability Report.

## Organizational Profile

<b>102-1</b>	<b>Name of the organization</b>
	Lithium Americas Corp.
<b>102-2</b>	<b>Activities, brands, products, and services</b>
	<p>Lithium Americas is a development-stage company focused on advancing two large-scale lithium projects to production:</p> <ul style="list-style-type: none"><li>• In Nevada, the Company is advancing its Thacker Pass Project, to consist of a lithium mine and a processing facility located in Humboldt County, northwest of Orovada, Nevada. The property is held by Lithium America’s wholly owned operating subsidiary Lithium Nevada Corp. (“Lithium Nevada”). Currently the largest known lithium resource in the United States, Thacker Pass has the potential to be a leading low-cost and large-scale source of lithium production upon completion.</li><li>• In Jujuy Province, Argentina, the Company holds a 49% interest in Minera Exar, a joint operation that is advancing Caucharí-Olaroz to completion of construction (currently underway). Caucharí-Olaroz lithium reserves support high yields while maintaining low cost, low energy usage, and low emissions. Through this Project, Minera Exar has the potential to be one of the largest producers of lithium carbonate.</li></ul>
<b>102-3</b>	<b>Location of headquarters</b>
	Lithium Americas’ head office is located at Suite 300, 900 West Hastings Street, Vancouver, British Columbia, Canada, V6C 1E5.
<b>102-4</b>	<b>Location of operations</b>
	Lithium Americas operates in three countries: Canada, the United States and Argentina.
<b>102-5</b>	<b>Ownership and legal form</b>
	Lithium Americas Corp. is a publicly traded company whose common shares trade on the Toronto Stock Exchange (TSX) and on the New York Stock Exchange (NYSE), under the symbol “LAC”.
<b>102-6</b>	<b>Markets served</b>
	Lithium Americas’ projects, Thacker Pass and Caucharí-Olaroz (collectively, the “Projects”) are in the development stage. As such, the Company does not currently serve any markets.

**102-7****Scale of the organization**

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*Total number of employees*

Lithium Americas has 35 employees. Minera Exar's employment statistics are provided in Minera Exar's 2019 Sustainability Report.

*Total number of operations*

Two: Thacker Pass in the State of Nevada, USA and Caucharí-Olaroz in the Province of Jujuy, Argentina.

*Net sales (for private sector organizations) or net revenues (for public sector organizations);*

Lithium Americas is in the development stage and has no significant revenues.

*Total capitalization (for private sector organizations) broken down in terms of debt and equity*

As at November 12, 2020 Lithium Americas' market capitalization is approximately US\$1.0 billion.

*Quantity of products or services provided.*

Lithium Americas is advancing development-stage projects and currently provides no products or services.

**102-8****Information on employees and other workers**

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*Total number of employees by employment contract (permanent and temporary), by gender.*

All 35 employees are permanent (fourteen female and twenty-one male).

*Total number of employees by employment contract (permanent and temporary), by region*

USA: 22; Canada: 11; and Argentina: 2.

*Total number of employees by employment type (full-time and part-time), by gender.*

All 35 employees (fourteen female and twenty-one male) are full-time.

*Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.*

Lithium Americas has one consultant based in Canada and two in the USA.

*Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries).*

No.

*An explanation of how the data have been compiled, including any assumptions made.*

Data was completed based on payroll records.

**102-9****Supply chain**

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Not applicable as Lithium Americas' projects are in pre-production stage.

102-10

**Location of operations**

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*Significant changes to the organization's size, structure, ownership, or supply chain:*

The Company has experienced significant growth over the last 5 years as a result of Lithium Americas and Western Lithium merger in 2015, advancing Cauchari-Olaroz to construction and assembling a new team in Nevada to advance Thacker Pass. Lithium Americas has two significant shareholders, Ganfeng Lithium Co., Ltd. with 16.4% equity ownership interest and Bangchak Corporation, with 15.5% equity ownership interest. Ganfeng Lithium also owns 51% of the joint operation company Minera Exar and the Company owns the remaining 49%.

*Changes in the location of, or changes in, operations, including facility openings, closings, and expansions:*

The Company's Atlanta office was opened in 2019, and the Toronto office was closed. RheoMinerals' organoclay operation in Nevada was curtailed in 2020.

*Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations):*

Lithium Americas is a public company with its common shares trading on TSX and NYSE under symbol LAC. There were no changes to the share capital structure or capital formation and maintenance.

*Changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.*

Not applicable as Lithium Americas' projects are in pre-production stage.

102-11

**Precautionary principle or approach**

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Lithium Americas' Environment, Sustainability, Health, Safety and Community Engagement ("ESHSCE") Committee of the Board of Directors is responsible for overseeing economic, environmental and social policies and activities of the Company and as such has responsibility for Lithium America's approach to risk management as it relates to the environment. The committee was reconstituted with this expanded mandate in May 2020, and it will look to further develop formal policies concerning each area of its mandate as and when the company moves from the development and construction phase to the production phase of operations.

102-12

**External initiatives**

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See External Frameworks and Initiatives in our 2019 Sustainability Report.

102-13

**Membership of associations**

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Lithium Americas is a member of the Mining Association of Nevada.

## Strategy

### 102-14 Statement from senior decision-maker

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See the statement from Jonathan Evans, Lithium Americas' CEO and President, in our 2019 Sustainability Report.

## Ethics and Integrity

### 102-16 Values, principles, standards, and norms of behavior

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Lithium Americas is committed to fostering a culture of honesty, integrity and accountability, as reflected in our Code of Business Conduct and Ethics. Our aim is to conduct ourselves with integrity and operate ethically in all jurisdictions in which we operate.

The cornerstones of our Code of Business Conduct and Ethics are centered on compliance with applicable laws, including environmental and health and safety laws, adherence to anti-corruption and anti-bribery laws that apply to our company and subsidiaries, and a commitment to fair dealings with our customers, suppliers, competitors and employees.

### 102-17 Mechanism for advice and concerns about ethics

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Lithium Americas encourages employees to seek advice about ethical considerations under its Code of Business Conduct and Ethics. The management team also has an informal open-door policy whereby employees are encouraged to engage with their supervisors and other management, which extends to questions and concerns about ethical considerations. The Company has also implemented a Whistleblower Policy, which provides employees with the opportunity, through an independent and confidential reporting process, to report concerns or complaints of potential violations, including breach of anti-bribery and anti-corruption laws, misconduct and other ethical concerns.

### 102-18 Governance structure

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The Board of Directors has the ultimate responsibility for overseeing all governance related matters of Lithium Americas, with input from its three Committees, which were reconstituted with broader mandates in May 2020 as follows:

- Nominating, Governance, Compensation and Leadership Development Committee – responsible for the following: overseeing the Company's governance practices, recommending changes to the Board to comply with emerging trends and best practices, and organizing training for Directors on governance topics; overseeing the Company's executive compensation practices; establishing a leadership development program for the Company and facilitating the Board's nomination and selection process for new directors.
- Audit and Risk Committee – responsible for the following: overseeing the development and functionality of the reporting process by management to the Board of the enterprise risk management system and the Company's financial reporting; and overseeing the Whistleblower Policy, with the committee's Chair handling whistleblower complaints at first instance.
- Environment, Sustainability, Health, Safety and Community Engagement ("ESHSCE") Committee – responsible for the following: overseeing the Company's environmental, health, safety and social responsibility policies; social engagement and social responsibility activities and initiatives, including community and government relations matters; and the development and observance of socially responsible and sustainable business practices.

The ESHSCE Committee is responsible for overseeing economic, environmental and social policies and activities of the company. The committee was reconstituted with this expanded mandate in May 2020, and it will look to further develop formal policies concerning each area of its mandate as and when the company moves from the development and construction phase to the production phase of operations.

Lithium Americas is committed to fostering community relations and making positive contributions to the communities in which we operate, at all levels of our organization. The Company's employees are actively engaged in building and maintaining strong community relations.

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**102-22**      **Composition of the highest governance body and its committees**

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The Lithium Americas Board of Directors is the penultimate governance body of the company. It consists of nine members, eight males and one female. Three Committees of the Board assist it in carrying out its responsibilities: The Nominating, Governance, Compensation and Leadership Development Committee; the Audit and Risk Committee; and the Environment, Sustainability, Health, Safety and Community Engagement Committee. The functions of these committees are described in 102-18 above.

The Board of Directors includes five independent non-executive directors and four management directors. The Company has a separate Chairman of the Board and CEO. Directors are elected to the Board annually at the Company's annual general meeting. Management directors on the Board are the Company's CEO and President, its Executive Vice Chairman, its President of South American Operations, and the President of Minera Exar.

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**102-24**      **Nominating and selecting the highest governance body**

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Lithium Americas' Nomination, Governance, Compensation and Leadership Development Committee is responsible for nominating candidates for consideration as new directors of the Lithium Americas Board of Directors. This committee is responsible for establishing and managing the nomination process, and establishing skillset requirements for new recruitment processes. This includes giving due consideration to board composition concerning matters of diversity of gender, age, race, ethnicity, and cultural background, director independence, and expertise and experience related to issues of economic, environmental and social topics while keeping in mind the Company's current status as a development stage company.

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**102-25**      **Conflicts of interest**

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The Audit and Risk Committee, together with management and an appointed auditor, is responsible for the treatment and disclosure of significant related party transactions and potential conflicts of interest. Lithium Americas' Code of Business Conduct and Ethics defines what is considered to be a conflict of interest and outlines expected behaviour as it relates to disclosure of conflicts of interest, including reporting and resolving such matters. Where a conflict of interest involves a Board member, the director must disclose their interest to the Board of Directors and refrain from voting on any resolution that considers the matter that is the subject of the conflict, in accordance with applicable law.

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**102-32**      **Highest governance body's role in sustainability reporting**

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On recommendation of the Nomination, Governance, Compensation and Leadership Development Committee, Lithium Americas' Board of Directors has reviewed and approved this sustainability report and ensured that all material topics have been covered.

## Stakeholder Engagement

### 102-40 List of stakeholder groups

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We regularly engage with a variety of stakeholders to inform our approach to sustainability.

Our key stakeholders include:

- Local communities and Indigenous groups
- Current and prospective employees
- Partners
- Government
- Investors
- Suppliers and Contractors
- Industry Peers
- Prospective Customers
- Nongovernment Organizations (NGO)

### 102-41 Collective bargaining agreements

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None for Lithium Americas or Lithium Nevada. Collective bargaining agreements for Minera Exar are described in Minera Exar's 2019 Sustainability Report.

### 102-42 Identifying and selecting stakeholders

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We consider stakeholder engagement an essential aspect of corporate governance. At our Thacker Pass location, we strive to effectively engage our stakeholders, whom we identify as those entities that can affect or be affected by our actions, objectives, and policies. Regular dialogue with our stakeholders is essential to conducting our business, as well as developing and implementing our sustainability strategy.

### 102-43 Approach to stakeholder engagement

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Lithium Americas seeks to actively engage with external and internal stakeholders as set out in 102-40. We seek to adhere to our Code of Business Conduct and Ethics in all stakeholder relations, including relations with external stakeholders such as governments, regulatory authorities, suppliers and prospective customers.

We engage with our employees through informal channels to gauge levels of employee satisfaction and give consideration to levels of employee retention.

Lithium Americas maintains a strong focus on community engagement and has developed a community engagement plan for Thacker Pass, recognizing that the well-being of all stakeholders is essential to the Project's success. The Project was designed to reflect information collected during numerous stakeholder consultations. This approach is expected to mitigate potential concerns at the design level, and ensures the local community is included early in the development process.

Looking forward to 2020, we plan to participate in a number of public meetings in Humboldt County to allow stakeholders to speak directly with the Lithium Americas team, learn more about the Project, ask questions and provide comments.

The Company seeks to maintain positive relationships with local Indigenous groups and the local, state or provincial and national governments and regulators in the jurisdictions where we conduct business. We engage with governments and regulators to answer their questions, engage on permitting matters and other regulatory applications, foster general goodwill for our Projects, and address concerns as they arise.

### 102-44 Key topics and concerns raised

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The following provides an overview of a selection of the thematic topics raised during Thacker Pass' multiple formal and informal stakeholder interactions in 2019:

- Job opportunities and training
- Local economic impacts and taxation
- Local Services/Suppliers
- Protecting cultural heritage and Indigenous relations
- Water use
- Traffic
- Air emissions
- Safety
- Biodiversity (including on sagebrush and sage grouse)
- Housing
- Charitable investments

## Reporting Practice

<b>102-45</b>	<b>Entities included in the consolidated financial statements</b>
	Lithium Americas Corp; Lithium Nevada Corp; Minera Exar S.A., Exar Capital BV; 2265866 Ontario, Inc; KV Project LLC; RheoMinerals Inc, Potassium S.A.
<b>102-46</b>	<b>Defining report content and topic boundaries</b>
	See Materiality and Stakeholder Engagement in our 2019 Sustainability Report. Topic boundaries are addressed in topic-specific disclosures.
<b>102-47</b>	<b>List of material topics</b>
	See Materiality and Stakeholder Engagement in our 2019 Sustainability Report.
<b>102-48</b>	<b>Restatements of information</b>
	As this is our first report there are no restatements of information.
<b>102-49</b>	<b>Changes in reporting</b>
	As this is our first report there are no changes in reporting.
<b>102-50</b>	<b>Reporting period</b>
	1st January 2019 to 31st December 2019.
<b>102-51</b>	<b>Date of most recent report</b>
	Not applicable as this is our first report.
<b>102-52</b>	<b>Reporting cycle</b>
	Our intended reporting cycle is annual.
<b>102-53</b>	<b>Contact point for questions regarding the report</b>
	For inquiries, please contact: <a href="mailto:info@lithiumamericas.com">info@lithiumamericas.com</a>
<b>102-54</b>	<b>Claims of reporting in accordance with the GRI Standards</b>
	This report is completed with reference to the GRI Standards.
<b>102-55</b>	<b>GRI content index</b>
	This document serves as our GRI Content Index.
<b>102-56</b>	<b>External assurance</b>
	We currently do not seek assurance for our report, as the resources required for such assurance would be prohibitive considering the current scale of our operations. We will continue to explore assurance options as they evolve, and we are confident our internal processes provide sufficient oversight regarding the accuracy of the information we report.

# Topic-specific Disclosures

## Emissions, Effluents and Waste

GRI 305

Emissions

103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada; external including upstream and downstream GHG emissions and offsets.*

Controlling and limiting emissions is essential to the health and safety of the Lithium Nevada workforce at Thacker Pass, as well as the health and safety of the local community. Additionally, controlling and limiting emissions is important to meet state and federal laws and regulations. The Company will account for energy generation and consumption at the Thacker Pass site and related activities. The Company has developed an operating plan at Thacker Pass that relies significantly on the self-generation of carbon-free energy through waste heat capture at the proposed sulfuric acid plant; additional energy for electricity will be purchased from external sources as needed. Lithium Americas also intends to account for GHG emissions through the upstream and downstream activities connected with its operations, in consideration of the guidance set forth in GRI 305-3. These considerations include the shipping of materials to and from the plant site, the operations conducted at Thacker Pass facilities, and the downstream product uses from lithium chemicals generated at Thacker Pass.

Lithium Americas has completed a NEPA-level emissions analysis to analyze potential emissions at the Thacker Pass Project (Air Sciences, 2019). In 2019, the Company also prepared an initial Greenhouse Gas Emissions Report and Potential Downstream GHG Emissions Reduction Report (December 2019). With respect to on-site sources, Lithium Americas has committed to implementing emissions controls to reduce emissions onsite. Emissions controls include baghouses, water spray, mist eliminators, and scrubbers. The Company is currently undergoing an air permitting process with state regulators and will work hard to operate in compliance with regulatory instruments in effect from time to time.

Compliance management and reporting systems will be developed in advance of construction to support compliant operations. These systems will be informed by the guidance set forth in GRI 302 and 305. The Company's environmental department has procured compliance software that will facilitate the tracking and reporting of compliance objectives. Metrics that are established as part of finalizing commitments, goals, and responsibilities will be captured by the software to evaluate internal performance. Metrics and commitments will be evaluated annually to assess the effectiveness of the management approach.

GRI 306

Waste

103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada; external including potentially affected communities.*

Properly managing waste material is important to protecting human health as well as water, visual and biological resources at the mine site. The Company will be actively involved in the management, protection and possible mitigation of water-resource impacts and reclamation over the life of the Project.

Lithium Americas' management plan for designing and managing waste facilities consists of the following: (1) collecting extensive baseline data to characterize surface and subsurface water resources; (2) conducting extensive geochemistry testing of waste materials and native materials (waste rock, gangue, tailings and existing geology) that might come into contact with water; (3) modeling the possibility of potential impacts to surface and underground water resources from site based activities; (4) developing a Mitigation Plan to evaluate, avoid or limit offsite impacts to water resources; (5) developing a reclamation plan that limits emissions from waste facilities, accounts for visual values and restores natural features as practicable; and (6) developing compliance-management and reporting systems to support compliant operations.



In 2019-2020, the Company completed the groundwork for the first five of these planning elements. Baseline studies were completed in 2019, with the Geochemistry Work Plan providing a comprehensive understanding of site materials, Water Modeling and Impacts Reports have also been prepared, and a Mitigation Plan and Reclamation Plan have been drafted and presented to regulatory agencies. Final commitments, goals and responsibilities will be concluded in coordination with regulators following public input. Management actions, processes and programs will be developed in 2021 to support operations in advance of construction.

Compliance management and reporting systems will be developed in advance of construction to support compliant operations. Metrics that are established as part of finalizing commitments, goals, and responsibilities will be captured by the software to allow for internal evaluation of performance. Metrics and commitments will be evaluated annually to assess the effectiveness of the management approach.

## Climate: Energy and GHG Emissions

### GRI 305 Emissions

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See above

### GRI 302 Energy

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#### 103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada.*

Using energy more efficiently and opting for renewable and/or carbon free energy sources is essential for combating climate change and for lowering an organization's overall environmental footprint. The Company will account for energy generation and consumption at Thacker Pass and related activities. Lithium Americas has developed an operating plan at Thacker Pass that relies significantly on the self-generation of carbon-free energy through waste heat capture at the proposed sulfuric acid plant; additional energy for electricity will be purchased from external sources as needed. Energy generation, acquisition and use will be tracked using standards set forth in GRI 302. The Company also intends to account for GHG emissions through the upstream and downstream activities connected with Thacker Pass operations. This can include the downstream use of products produced by Lithium Americas.

The management plan for the energy strategy for operations at Thacker Pass consists of (1) identifying and implementing opportunities for internal energy capture from production facilities, (2) identifying opportunities to reduce energy consumption over time and to optimize the use of all energy sources, and (3) regularly tracking, updating and improving upon the Project's GHG emissions profile, applying GRI 302 data disclosure standards. Lithium Americas' goal is to become a carbon-neutral company and to continually improve its GHG emissions profile to the extent possible.

To date the Company has implemented its energy strategy by (1) developing an on-site strategy for sulfuric acid production that captures waste heat as a bi-product, which is converted to carbon-free electricity that may be used to power a significant portion of Thacker Pass' operations, and (2) developing a Thacker Pass Greenhouse Gas Emissions and Potential Downstream Greenhouse Gas Emissions Reduction Report (Dec. 2019) to establish a baseline accounting of expected GHG associated with our proposed operations. The Company will establish and track metrics for annual assessment and to facilitate continual improvement from the commencement of construction and throughout the life of the Project. The ultimate goal is for Thacker Pass to become a carbon neutral operation.

## Biodiversity

GRI 304

Biodiversity

103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada; external including potentially affected communities.*

Protecting biological diversity is important for ensuring the survival of plant and animal species, genetic diversity, and natural ecosystems. In addition, natural ecosystems provide clean water and air, and contribute to food security and human health. For Thacker Pass, the boundary includes areas of possible direct or indirect impacts from operations as characterized by Baseline Studies conducted substantially in 2017-2019. The Company's emphasis is on species designated as priorities by Federal or State regulators. Lithium Americas will be actively involved in the management, protection and possible mitigation of habitat and ecosystems in the project area.

The Company's management plan for sustainable biodiversity consists of (1) collecting comprehensive baseline data to characterize the presence and habitat of wildlife and plant life in the Thacker Pass baseline study area; (2) modeling the possibility of potential direct and indirect impacts to biodiversity resources from site-based disturbance, including noise; (3) developing Mitigation Plans to avoid or limit impacts to ecological resources including golden eagles, sage grouse, trout, and unique plant species such as Crosby's Buckwheat; and (4) developing compliance management and reporting systems to support compliant operations. In 2019-2020, the Company completed and submitted an Indirect-Disturbance Eagle Take Permit that will establish the mitigation approach to be taken based on the eagle pair located nearest to the project site, finalized sage grouse mitigation planning through the Nevada Sage Grouse Ecological Technical Team (SETT), completed formal undertakings to establish credits pursuant to the SETT program, revised its Exploration Plan of Operations to avoid a priority plant, and developed a strategy with the Nevada Department of Wildlife to enhance Lahontan Cutthroat Trout habitat in the Quinn River Basin. These measures and others will be tracked as part of ongoing management oversight.

Compliance management and reporting systems will be developed in advance of construction to support compliant operations. The metrics established as part of finalizing commitments, goals, and responsibilities will be captured by the software to evaluate internal performance. These metrics will be completed in part through consultation with regulators and consideration of the permit applications and plans identified in the preceding section. Metrics and commitments will be evaluated annually to assess the effectiveness of the management approach.

## Water

GRI 303

Water and effluents

103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada; external including potentially affected communities.*

Safeguarding water quality to avoid any material impacts to wildlife, ecological resources and the human environment is important to the Company. The boundary includes all surface and underground water that has the potential to be directly affected by Thacker Pass operations, with an emphasis on waters having potential human or wildlife exposure. This consideration includes water withdrawal, consumption and fate. The Company will be actively involved in the management, protection and possible mitigation of water-resource impacts over the course of its operations.

Lithium America's management plan for water resources consists of the following: (1) collecting extensive baseline data to characterize surface and subsurface water resources; (2) conducting thorough geochemistry testing of waste materials and native materials that might come into contact with water; (3) modeling the possibility of potential impacts to water resources from site based activities; (4) developing a Mitigation Plan to avoid or limit offsite impacts to water resources; and (5) developing compliance management and reporting systems to support compliant operations.

In 2020, the Company completed the groundwork for the first four of these planning elements. Baseline studies were substantially completed in 2019, the Geochemistry Work Plan has been carried out, Water Modeling and Impacts Reports have been prepared, and a Mitigation Plan has been drafted and presented to regulatory agencies. Final commitments, goals and responsibilities will be concluded in coordination with regulators following public input. Management actions, processes and programs will be developed in 2021 to support operations in advance of construction.

Compliance management and reporting systems will be developed in advance of construction to support compliant operations. Metrics that are established as part of finalizing commitments, goals, and responsibilities will be captured to evaluate internal performance. Metrics and commitments will be evaluated annually to assess the effectiveness of the management approach.

## Diversity and Inclusion

### GRI 405 Diversity and equal opportunity

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#### 103-1, 2, 3 Management approach

*Boundary: Internal operations including corporate, Thacker Pass and associated activities in Nevada; external including suppliers.*

At Lithium Americas we value diversity as a key driver for growth and business success. Inclusion and diversity impact all employees, contractors and the communities in which we operate. Lithium Americas' Code of Business Conduct and Ethics states our commitment to equal opportunity and diversity. In accordance with the Code of Business Conduct and Ethics, the Company supports and encourages a culture of diversity, inclusion and non-discrimination in all decisions related to people across the Company, as well as our suppliers. Lithium Americas is an equal opportunity employer, and aligned with national legislation pertaining to equal opportunity.

We plan to continue to strengthen our management of diversity and equal opportunity over time, including management of this topic as related to Thacker Pass as it matures.

## Training and Development

### GRI 404 Training and education

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#### 103-1, 2, 3 Management approach

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada; external including potentially affected communities and prospective local workforce.*

Thacker Pass will bring hundreds of job opportunities to local communities during the construction phase and into operations. Knowing our contractors will need a skilled labor force as well, the Company formed strategic partnerships with the local college, businesses, and organizations to launch the BuildNV Core Construction training program.

Workforce challenges have been identified by industries across Nevada. Many in our communities are looking for alternatives to a traditional college education for career opportunities. The BuildNV Training Program is an 80-hour training program designed to help provide students with basic skills for the construction workforce and beyond.

The Community Relations Manager of Lithium Nevada has worked closely with members of the working group to develop and implement this critical workforce training, acquire funding for scholarships, and identify instructors and students to ensure a successful program.

The Company documents and tracks the number of participants and their feedback for all Thacker Pass workforce development training.

## Labour Relations

### GRI 401 Employment

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#### 103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada; external including potentially affected communities and prospective local workforce.*

The Company's achievements are founded on the significant contributions and commitments of time, energy and determination of our employees in Argentina, the United States and Canada to advance our projects to completion. Our culture is one of fairness, respect and non-discrimination. We encourage diversity of our workforce in all aspects, and respect the human rights of our employees.

The Thacker Pass lithium project is a strategic asset critical to making the United States economy more secure. Our employees are a group of talented, skilled and motivated professionals with the common goal of developing a large-scale lithium project using sustainable, reliable and cost-effective technologies. Lithium Americas' reputation for honesty and integrity is important for the success of our business and forms the cornerstone of everything we do. The Project will bring hundreds of job opportunities to our local communities. The Company works hard to hire locally and provide training to the extent possible.

The Company's contractors will comply with all environmental regulations and requirements applicable to Thacker Pass.

All employees are expected to abide by the Company's Code of Business Conduct and Ethics.

### GRI 402 Labor/management relations

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#### 103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada.*

Direct interaction and two-way communication between our employees and management is essential for the continued maintenance of good employee relations. The Company's employees have the right to engage in activities protected under the *National Labor Relations Act*. This includes the right to form or join unions; engage in protected, concerted activities to address or improve working conditions; or refrain from engaging in these activities.

An Employee Handbook has been developed to provide the Company's policies and procedures to all employees in Nevada and to provide a guide to the benefits and obligations of employment. The Company intends to explore opportunities to establish an employee retention strategy used to benchmark and track employee retention rates.

### GRI 407 Freedom of association and collective bargaining

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#### 103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada.*

We respect the rights of our employees to freedom of association and the right to collective bargaining, and do not interfere in an employee's decision whether to join an association.

The Company's policies, procedures and practices are intended to ensure there is no anti-union discrimination. We aim to establish company policies, procedures and practices that do not discriminate against individuals because of their views on trade unions or for their trade union activities. The Company is considering opportunities to implement a formal Freedom of Association Policy.

## Human Rights

### GRI 408 & 409 Child labor and forced or compulsory labor

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#### 103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass and operations in Nevada.*

We are committed to protecting the rights and interests of workers and communities across our supply chain and operations, including vulnerable populations such as Indigenous Peoples and children. We see this as an integral part of our social licence to operate. We do not permit or condone any form of forced or child labor at Lithium Americas or our subsidiaries or business partners.

Our recruitment processes are conducted in a transparent manner and in accordance with the principles of the International Labour Organization. All persons hired are required to verify their eligibility to work in Canada and the United States, as applicable, and to complete the required employment eligibility verification documentation upon hire, which verifies the age of employees, flagging any persons under the legal working age.

As Thacker Pass advances toward construction and becomes more labour intensive, the Company plans to make our commitment to human rights explicit through the development of a Human Rights Policy that will stipulate our company's human rights expectations of personnel, business partners and other parties directly linked to our project. This will enable us to further embed human rights principles into other internal policies and into our culture.

### GRI 410 Security practices

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#### 103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass; external including potentially affected communities.*

We recognize that security personnel appointed to protect company assets can have potentially adverse impacts on local populations, and on the upholding of human rights and the rule of law. Our Code of Business Conduct and Ethics extends to any private security contractor services procured by Lithium Americas, Lithium Nevada or any of our other subsidiaries.

We understand that providing effective training in human rights, and what constitutes the excessive use of force helps to ensure that security personnel understand when to use force in an appropriate way, and how to ensure respect for human rights. We intend to explore developing procedures to provide training to security personnel around human rights and the excessive use of force. It is our intention that the above-mentioned Human Rights Policy would extend to private security appointments.

### GRI 412 Human rights assessment

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#### 103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass; external including potentially affected communities.*

Lithium Americas understands that our operations can impact human rights directly (i.e. through our own actions) and indirectly (i.e. through interactions and relationships with others, such as our supply chain or local communities). In order to identify, understand, prevent and mitigate negative impacts on human rights, we will explore opportunities to assess the human rights risks and performance of our Projects. Further to this, specific and relevant mitigation measures will be established to reduce human rights risks and potential impacts, such as awareness training for employees and communities so that they understand their rights.

## Local Communities and Indigenous Peoples

### GRI 411 Rights of Indigenous Peoples

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#### 103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada; external including potentially affected communities and Indigenous Peoples.*

Respecting the rights, culture, aspirations, and interests of Indigenous Peoples affected by the development of Thacker Pass and the commencement of production can help the advancement of collaborative and mutually beneficial relationships with communities. Partnering with Indigenous Peoples is necessary to develop a stable operating environment, thereby avoiding or effectively mitigating impacts, costly litigation, and reputational damage, but most importantly, providing an opportunity for growth and prosperity for our neighbours.

The Project is located on lands to which the Fort McDermitt Paiute and Shoshone Tribe (the “Tribe”) has cultural and traditional connections. The Company has consulted with the Tribe to better understand the importance of the culture and history of the Tribe, including the documentation of certain cultural resources in and around Thacker Pass. In 2019, the Company completed the preparation of a Cultural Technical Report that provides a cultural-resource inventory covering 12,963 acres of land in the vicinity of Thacker Pass and lays the foundation for cultural-mitigation work to be conducted upon the commencement of operations.

A Project Engagement Agreement between the Company and the Fort McDermitt Paiute and Shoshone Tribe has been established to foster a long-term collaborative relationship with the Tribe. The mutual agreement is established to ensure the Tribe has the opportunity to participate in tribal consultation processes undertaken by applicable federal and state agencies; provide job training and employment opportunities for the Tribe members; support the Tribe’s education, cultural preservation and infrastructure development goals; and evaluate synergetic business and cultural programs for the mutual benefit of Thacker Pass and the Fort McDermitt Paiute and Shoshone Tribe. The Company has also conducted capacity mapping of Tribe members to understand the existing skills and services provided by the Tribe and opportunities for additional training.

We assess our performance by reviewing feedback received from Indigenous People, and by tracking employment interest and levels of enrollment in Thacker Pass workforce development programs.

### GRI 413 Local communities

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#### 103-1, 2, 3 *Management approach*

*Boundary: Internal operations including Thacker Pass; external including potentially affected communities.*

We recognize that security personnel appointed to protect company assets can have potentially adverse impacts on local populations, and on the upholding of human rights and the rule of law. Our Code of Business Conduct and Ethics extends to any private security contractor services procured by Lithium Americas, Lithium Nevada or any of our other subsidiaries.

We understand that providing effective training in human rights, and what constitutes the excessive use of force helps to ensure that security personnel understand when to use force in an appropriate way, and how to ensure respect for human rights. We intend to explore developing procedures to provide training to security personnel around human rights and the excessive use of force. It is our intention that the above-mentioned Human Rights Policy would extend to private security appointments.

## Health and Safety

GRI 403 Occupational health and safety

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103-1, 2, 3 **Management approach**

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada; external including potentially affected communities.*

Health and safety excellence is one of our core principles, and we seek to prevent, minimize and manage occupational health and safety risks for our employees, contractors, and the communities in which we operate. Lithium Americas' Environment, Sustainability, Health, Safety and Community Engagement Committee is responsible for overseeing the development and implementation of health and safety policies, ensuring that they are aligned with applicable national and local legislative requirements, and industry good practice. Lithium Americas' Code of Conduct and Business Ethics also states our commitment to Health and Safety.

We carefully consider our business partners and supply chain to ensure that health and safety is a core value of all our service providers and suppliers. A key example is our partnership with an established mining contractor, who is responsible for the design and operation of the mining aspects of Thacker Pass, as this company has an industry-leading safety record.

We will continue to focus on health and safety as we transition from feasibility to construction, and operations at Thacker Pass. This will include the implementation of a formal training process; and updating policies, procedures and risk assessments as identified by the Environment, Sustainability, Health, Safety and Community Engagement Committee to support employees and contractors to maintain their health, safety and wellbeing.

## Economic and Social Impacts

GRI 201 Economic performance

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103-1, 2, 3 **Management approach**

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada.*

The development of Thacker Pass provides economic benefits to federal, state and local economies through the employment of its workforce, procurement of goods and services and through tax contributions.

The Company is committed to employing locally and working with local service providers to the extent possible. In Nevada, this means employing Nevadans and working with Nevada service providers to the greatest extent possible. The Company pays wages approximately twice the state average wage in order to attract and retain the most talented employees and provide high standards of living. The Company strives to take delivery of goods in Washoe and Humboldt Counties, where our workforce resides, so those communities can benefit from the associated sales taxes.

Accounting systems are in place to ensure compliance with all applicable local, state or provincial and federal taxes, regulations and laws in the United States, Canada and elsewhere.

**GRI 203****Indirect economic impacts****103-1, 2, 3      Management approach**

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada; external including potentially affected communities.*

Developing Thacker Pass provides indirect economic benefits through spending on goods and services. Indirect and induced economic contributions add value to local communities beyond employment income, and support the prosperity of local businesses and services. For every dollar spent on the Project, an estimated additional fifty cents are spent elsewhere in the communities. We estimate that the ripple effect of our spending on the \$1.3 billion Thacker Pass will create additional spending of approximately \$650 million.

Noting that Thacker Pass is in the feasibility stage, the Company is committed to purchasing goods in Nevada to the greatest extent possible during the development of the mine. The Company intends to explore opportunities to utilize a tracking system to ensure goods and services are purchased locally or within the State of Nevada wherever practicable.

**GRI 204****Procurement practices****103-1, 2, 3      Management approach**

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada; external including suppliers and potentially affected communities.*

Procurement includes everything from buying raw material inputs and equipment to procuring energy systems and consultancy services. Our procurements activities on a combined basis are an important part of our work, especially in relation to our efforts to support local communities and adopt sustainable production practices. They also form a material share of our yearly expenditures.

Construction of Thacker Pass is expected to cost upwards of \$1.3 billion to build phases 1 and 2, based on the 2018 pre-feasibility study<sup>6</sup> estimate. This includes the cost of purchasing all materials for construction of the mine, the sulfuric acid plant, the chemical processing plant and the terminal transfer facility.

Procurement will be managed through a centralized process that will be developed to ensure the goods we acquire are sourced from a local provider with high regard for social and environmental responsibility, to the greatest extent possible. All purchases are governed by the principles set forth in the Code of Business Conduct and Ethics and the Company's Purchasing and Expenditure Policy. Compliance with these policies will be tracked annually; any allegations of improper conduct relating to purchasing can be reported through the Whistleblower Policy.

The Company intends to explore opportunities to utilize a procurement system for Thacker Pass that pre-screens material providers for their commitment to social responsibility.

<sup>7</sup> [https://www.lithiumamericas.com/\\_resources/pdf/investors/technical-reports/thacker-pass/Technical-Report-Thacker-Pass.pdf?v=0.766](https://www.lithiumamericas.com/_resources/pdf/investors/technical-reports/thacker-pass/Technical-Report-Thacker-Pass.pdf?v=0.766)

**GRI 308****Supplier environmental assessment****103-1, 2, 3      Management approach**

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada; external including suppliers.*

The Company will depend on numerous vendors to construct and operate Thacker Pass. It is imperative that they comply with all environmental regulations and requirements applicable to Thacker Pass, along with the Company's own good practices, policies and/or commitments.

A leading qualification for the awarding of any environmental service contract to a service provider is the service provider's prior environmental track-record. The Company reviews the prior work of potential environmental service providers and checks the service provider has performed services ethically and in an environmentally responsible manner.

**GRI 414****Supplier social assessment****103-1, 2, 3      Management approach**

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada; external including suppliers.*

Having a sustainable supply chain can limit potential environmental, reputational, and financial risks and eventually increases profits for all stakeholders. Suppliers will be managed through a centralized process that strives to ensure their goods and services are sourced from a local provider with high regard for social responsibility, to the greatest extent possible. The Company will consider establishing a Supplier Code of Ethics Policy that will be used to establish the expected conduct of the suppliers and service providers the Company retains.

## Regulatory Compliance

**GRI 307****Environmental compliance****103-1, 2, 3      Management approach**

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada.*

Environmental compliance is important in order to protect the natural resources on site at Thacker Pass and in the surrounding areas, and to protect Company profits by limiting exposure to potential litigation and penalties.

The Company's management approach to environmental compliance consists of maintaining an open dialogue with local, state, and Federal regulators. The Company is undergoing an environmental permitting process with regulators for Thacker Pass to ensure environmental compliance before construction operations begin. The Company intends to keep an open dialogue with regulators, renew permits as they are required, and make necessary changes to permits as regulations change. The Company plans to construct and operate the proposed Project within the boundaries laid out in permits granted for Thacker Pass.

Compliance management and reporting systems will be developed in advance of construction to support compliant operations. Metrics that are established as part of finalizing commitments, goals, and responsibilities will be captured to evaluate internal performance. Metrics and commitments will be evaluated annually to assess the effectiveness of the management approach.

**GRI 419****Socioeconomic compliance****103-1, 2, 3      Management approach**

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada.*

Complying with standards governing accounting, taxation, anti-corruption, competition, environmental compliance, labor and discrimination is important to the financial well-being of the Company and also important for maintaining trust within the communities where we operate. The boundaries of this topic are tied to the Company's adherence to internal corporate policies and procedures governing ethics, compliance, and internal investigations.

The management approach is based on adherence to the following key policies and standards developed by the Company: (1) Code of Business Conduct and Ethics, (2) procedure for handling complaints set out in the Whistleblower Policy, (3) Employee Handbook, and (4) environmental compliance standards as described in the Environmental Compliance section herein relating to GRI 307. The Company's employees are committed to reporting complaints or allegations of internal misconduct; the Company is required to investigate, document, and respond as appropriate to any such complaints. The Company is obligated to allow employees to communicate their concerns freely and confidentially through the established internal reporting processes set out in the Whistleblower Policy, without risk of retaliation.

Complaints that are reported and subject to internal investigation are logged in the manner and format described in the Whistleblower Policy. Reports and investigations involve the Lithium Americas Audit and Risk Committee as appropriate, and the Committee receives periodic updates as to the status and resolution of all reported complaints. Compliance is measured by regular reviews or audits assessing the Company's adherence to these standards.

## Ethics and Integrity

GRI 205

Anti-corruption

**103-1, 2, 3**      **Management approach**

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada.*

Our reputation for honesty and integrity is important for the success of our business. Our Board of Directors and management are committed to operating ethically in all business dealings. The Board has adopted the Code of Business Conduct and Ethics, which sets out the Company's objectives and expectations in this regard. This includes conducting our operations in accordance with all applicable anti-bribery and anti-corruption laws, which include the Corruption of Foreign Public Officials Act in Canada and the Foreign Corrupt Practices Act of 1977 in the United States.

As a natural resources company with a head office in Canada, we report under the Extractive Sector Transparency Measures Act (ESTMA). This reporting is intended to increase transparency around payments made to governments in the jurisdictions where we operate and to deter corruption. Our [most recent report](#), covering the period January 1, 2019 to December 31, 2019, demonstrates what will be a sustained effort in ESTMA reporting and anti-corruption practices by the Company.

Employees at all levels of the organization are encouraged to seek guidance if they have questions about how to comply with the letter and spirit of our values and policies. In addition to being posted on our website, the Code of Business Conduct and Ethics is made available internally to our employees, and provided to new employees as part of our on-boarding process.

We have implemented a Whistleblower Policy which provides employees with the opportunity to report complaints of potential violations, including breach of anti-bribery and anti-corruption laws, misconduct and other concerns. Complaints are reported to an independent third-party service provider, thereby allowing employees to report anonymously, and without fear of retribution or reprisal in accordance with the terms of the Whistleblower Policy. The Company will not retaliate against an employee based on a good faith complaint that has been submitted.

GRI 406

Non-discrimination

**103-1, 2, 3**      **Management approach**

*Boundary: Internal operations including Thacker Pass and associated activities in Nevada.*

Lithium Americas is working to build a culture of non-discrimination in all people-related decisions and actions. Our Code of Business Conduct and Ethics outlines the basic principles and policies with which everyone at the Company is expected to comply, to create a workplace that is free from discrimination.

The Company is an equal opportunity employer and aligned with national legislation pertaining to non-discrimination.



**Lithium**Americas

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