

Summary of the Rapid Cumulative Impact Assessment of the Sal de Vida project

According to the results of an Environmental and Social Due Diligence (ESDD) review of Sal de Vida Project, Allkem was asked for a Rapid Cumulative Impact Assessment (RCIA) following requirements and standards of the IFC. The objective of this rapid assessment would give result of analysis of cumulative impacts to address any gaps with the Performance Standards and improve the risk management strategy of the Project.

“Cumulative Impact Assessment (CIA) is evolving and there is no single accepted state of global practice. What is important is that during the process of identifying environmental and social impacts and risks, developers or project sponsors (a) recognize that their actions, activities, and projects they may contribute to cumulative impacts on Valued Environmental and Social Components (VECs) on which other existing or future developments may also have detrimental effects, and (b) avoid and/or minimize these impacts to the greatest extent possible”.¹

Allkem, with the support of a specialized consultancy company, has developed a RCIA. As a summary of the main findings, it highlighted the following to reduce impacts in VECs:

VEC Water

- Develop an accurate characterization of the climatic conditions of the basins, with a large number of years of record, reliable data. This includes data on snowfall and rainfall, measurements of snow accumulation at the head of the basin, tray evaporimeters in different sectors of the basin. The foregoing implies continuing with the orderly records of existing weather stations, installation of new stations, and joint use of weather data from different projects.
- Increase the drilling of additional observation and monitoring wells
- Update hydrological model considering the effect of climate change
- Preserve the natural hydrological conditions of the basins and minimizing the possibilities of sediment transport to lower points.

VEC Biodiversity (Flora & Fauna)

- Generate studies of the vegetation by comparing satellite images to know the advances and/or retreats of meadows and wetlands throughout the useful life of the Project.
- Carry out actions towards the affected population of Parinas or Flamencos (migratory species) through participation in annual censuses carried out by different institutions to count the number of individuals that carry out the migration.
- Develop preventive action for vicuñas by training the personnel who have the species, following federal protection.
- Continue with limnological monitoring following the methodology used in previous monitoring to standardize and compare the results.

VEC Socioeconomic

- Carry out a vehicular traffic study that includes all access routes to the Project and populated areas nearby (communities)
- Social perception surveys. Interviews with zonal indigenous referents.

All the recommendations that arise from the Rapid Assessment of Cumulative Impacts (RCIA) study are being addressed by SdV to properly manage its contributions to cumulative impacts at the project level. Action and Mitigation Plans were prepared for each associated VEC, following the guidelines of the IFC Performance Standards. Independent of this study, specific studies are developed, of greater depth and scope on each of the Environmental and Social Components.

¹ Cumulative Impact Assessment and Management: Guidance for the Private Sector in Emerging Markets” (2013)