

TSM Performance by Company

Rio Tinto



Rio Tinto is a leading mining group that focuses on finding, mining and processing the Earth's mineral resources. As a pioneer in mining and metals, Rio Tinto produces materials essential for human progress: aluminium, copper, diamonds, gold, iron ore, coal, uranium and various industrial minerals, including titanium dioxide. The company's activities span the world, notably in Australia and Canada. Rio Tinto also has significant businesses in the United States, Asia, Europe, Africa and South America.

Rio Tinto is headquartered in the United Kingdom, combining Rio Tinto plc, a London and New York Stock Exchange-listed company, and Rio Tinto Limited, which is listed on the Australian Securities Exchange.

In Canada, Rio Tinto operates 35 sites across seven jurisdictions, with approximately 15,000 people working for the company across the country. Its investments have been focused on improving health and safety and environmental performance, advancing innovative technologies and supporting community development. The company's Canadian assets that currently report on TSM performance include the Iron Ore Company of Canada (IOC), the Diavik Diamond Mine, and Rio Tinto Fer et Titane (RTFT).

- IOC is a leading Canadian producer of iron ore pellets and concentrate that serves customers worldwide. IOC has a workforce of 2,500 and is the largest private-sector employer in Newfoundland and Labrador. IOC is a joint venture of Rio Tinto, Mitsubishi Corporation and Labrador Iron Ore Royalty Corporation. The company operates a mine, a concentrator and a pelletizing plant in Labrador City, as well as port facilities in Sept-Îles, Quebec. It also operates a 418-kilometre railway that links the mine to the port.
- IOC maintains its commitment to environmental stewardship through programs such as tailings rehabilitation and mine-dust suppression, and through air quality monitoring. Working directly with the community is an integral part of IOC's culture. In 2016, IOC joined Rio Tinto operations across the globe in introducing Critical Risk Management to the broader workplace, including employees at all levels.

Employees and key stakeholders made a significant contribution in 2016 to further reduce costs and increase productivity, laying the foundation for future growth. In early 2017, IOC announced it would be proceeding with the Wabush 3 project, which will extend the life of the mine.

- The Diavik Diamond Mine in the Northwest Territories is a joint venture between Rio Tinto (60%) and Dominion Diamond Corporation (40%). Diavik began producing in 2003, and has an annual production of six to seven million carats of predominantly large, white gem-quality diamonds. Diavik has been recognized for its efforts and successes in providing socio-economic benefits to local Indigenous communities over the last 17 years. Since 2000, Diavik has spent \$5.2 billion on northern businesses, or 72% of the company's total business expenditures. Half of its northern expenditures has supported northern Indigenous businesses and their joint ventures.

Diavik employs 1,187 people (as of 2016). Of these, 557 are non-Indigenous northerners and 233 are Indigenous northerners. In 2016, Diavik supported 31 apprentices: 21 northern Indigenous students and 10 non-Indigenous students from local communities. Diavik maintains a strong relationship with its community partners and is committed to supporting sustainable northern and Indigenous economic development, with a focus on improving the quality of life for local residents. It does so through direct support for local businesses and a continued commitment to training and innovation.

In May 2016, Diavik announced a major milestone: the production of 100 million carats of rough diamonds since its start in 2003. In 2016, Diavik continued to focus on the construction of its fourth ore body, A21, as well ongoing closure planning with community stakeholders.

- RTFT, which is wholly owned by Rio Tinto, operates a world-class ilmenite deposit at Lac Tio near Havre-Saint-Pierre, Quebec. RTFT is one of the leading manufacturers of raw materials for the titanium dioxide industry and a leader in the production of iron, steel and high-quality metal powders. It pioneered the process of removing iron from ilmenite and has operated in Quebec for 65 years. RTFT employs approximately 230 people (as of 2016) at Havre-Saint-Pierre.

In 2016, RTFT continued to focus on strengthening its relationship with its Indigenous partners in the region. Both the mine and metallurgical complex continued to focus on health and safety, implementing its Critical Risk Management Framework. RTFT continues to invest in projects aimed primarily at improving environmental performance, while advancing its management practices. RTFT improved its effluent water treatment system in 2016 with a new water management plan, and has set a voluntary target to reduce nickel concentration in the Petit-Pas Lake watershed.

ABORIGINAL AND COMMUNITY OUTREACH

Community engagement is an integral part of Rio Tinto's culture. The company continues to strengthen partnerships with Indigenous peoples in communities where it operates through strategic investments. In 2014, Rio Tinto contributed \$1 million over five years to Indspire to create the Rio Tinto Award for Indigenous Students, which supports individuals pursuing post-secondary education. This contribution is the most significant made by a metal and mining company to Canada's largest Indigenous-led education organization. During Rio Tinto's partnership with Indspire, which is entering its third year, over 1,300 students from the company's communities of interest have received bursaries through the organization.

IOC has been partnering with communities in Labrador West and Sept-Îles for more than five decades. Rio Tinto is a strong believer in developing and maintaining meaningful partnerships with local Indigenous groups, which is reflected by its strong performance in stakeholder outreach. In 2016, despite suspension of community investments, as the company and local communities worked to navigate through the economic downturn, IOC found alternative ways to support community groups through various in-kind contributions and partnerships. However, in 2017, the community investment program was reinstated. IOC strengthened its relationship with its communities of interest through ongoing engagement with the Regional Taskforce and Community Advisory Panel, helping to ensure successful management of the changing economic situation in the Labrador West region. IOC Labrador City achieved a Level AAA across all indicators, and Sept-Îles attained a Level B for COI identification and effective COI engagement and dialogue, and a Level AA for COI response mechanism and reporting.

Diavik sees itself as a guest in a land where Indigenous people assert a centuries-old presence. In recent years, Diavik renewed its formal participation agreements with all five of its community partners. These long-term renewals ensure Indigenous northerners continue to benefit from training, employment and business opportunities at Diavik. The mine has consistently reported a Level A or above under the *Aboriginal and Community Outreach Protocol* since implementing the TSM program.



RTFT worked hard in 2016 to strengthen its engagement with its community stakeholders, including its Indigenous partners near the mine. Despite the economic conditions, RTFT maintained its commitment to community investment in 2016, which helped to mitigate impacts on the community from the downturn in the sector. RTFT has self-assessed at a Level A or above for Indicators 1, 2 and 4, but not for Indicator 3, COI response mechanism.

During the last several years, RTFT has worked very diligently on forging positive and productive working relations with the Indigenous community near its mining operations. The results of this outreach are demonstrated in Havre-Saint-Pierre's first externally verified TSM assessment. It achieved a Level AAA for COI identification and effective COI engagement and dialogue, a Level AA for COI response mechanism, and a Level A for reporting.

CRISIS MANAGEMENT AND COMMUNICATIONS PLANNING

Rio Tinto meets the requirements of the *Crisis Management and Communications Protocol* at the corporate level, as well as at all of its sites, including Labrador City, Sept-Îles, Havre-Saint-Pierre, and Diavik.

TAILINGS MANAGEMENT

Responsible tailings management is a priority for Rio Tinto. For example, after the Mount Polley and Samarco tailings incidents, Rio Tinto further strengthened its tailings controls. It checked the integrity of all its tailings facilities across the group, and critically reviewed its tailings standard to ensure that it is up to date and world class. Rio Tinto also worked very closely with its peer companies through MAC's Tailings Working Group and the International Council on Mining and Metals to ensure that it shares a common platform and a common way forward in tailings management across the industry.

Rio Tinto reports a Level AAA performance in 2016 across all indicators except the annual tailings management review indicator for its IOC operations. Diavik has also maintained a strong performance for tailings management over the years. This year, it achieved a Level A rating across all five indicators. (Havre-Saint-Pierre does not have tailings facilities at its site.)

ENERGY USE AND GHG EMISSIONS MANAGEMENT

Rio Tinto has maintained good levels of performance for its energy use and GHG emissions management practices. In 2016, Labrador City and Sept-Îles achieved a Level AA for two out of three indicators for this protocol. Diavik scored a Level AAA for Indicator 1 and a Level AA for Indicators 2 and 3.

In 2016, Diavik's four-turbine, 9.2-megawatt wind farm achieved peak power penetration of 52% (one half of the mine's energy needs), produced 14.3 gigawatt hours, and offset 3.4 million litres of diesel.

Rio Tinto remains committed to responsible energy management and continues to explore opportunities to improve performance for this protocol.

SAFETY AND HEALTH

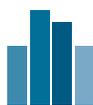
A priority for all Rio Tinto operations is the safety and health of its employees. The company has undertaken several initiatives to help foster education and awareness. In 2016, Critical Risk Management was introduced across all of the company's global sites, including those in Canada. Rio Tinto's commitment to safety is reflected in this year's TSM results, with strong performance across the four indicators. Minor improvement, however, is needed in some areas of training and reporting at Havre-Saint-Pierre.

BIODIVERSITY CONSERVATION MANAGEMENT

Rio Tinto's corporate biodiversity strategy governs biodiversity management systems across its business. The operations have focused their attention on implementing Rio Tinto's strategy and furthering understanding of the requirements of this TSM protocol.

🔗 For more information, please visit www.riotinto.com/canada





Externally
Verified Results

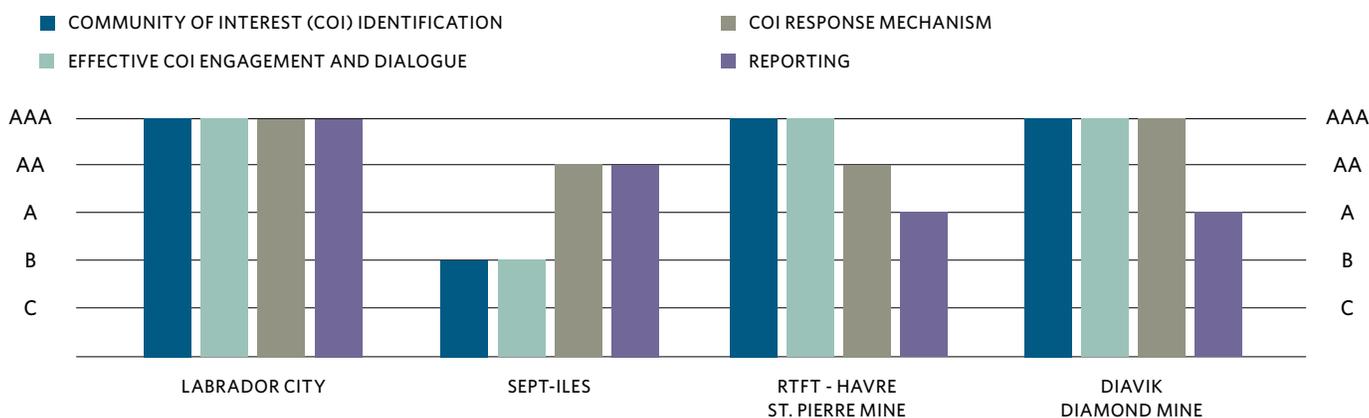
2016 TSM Results

Rio Tinto

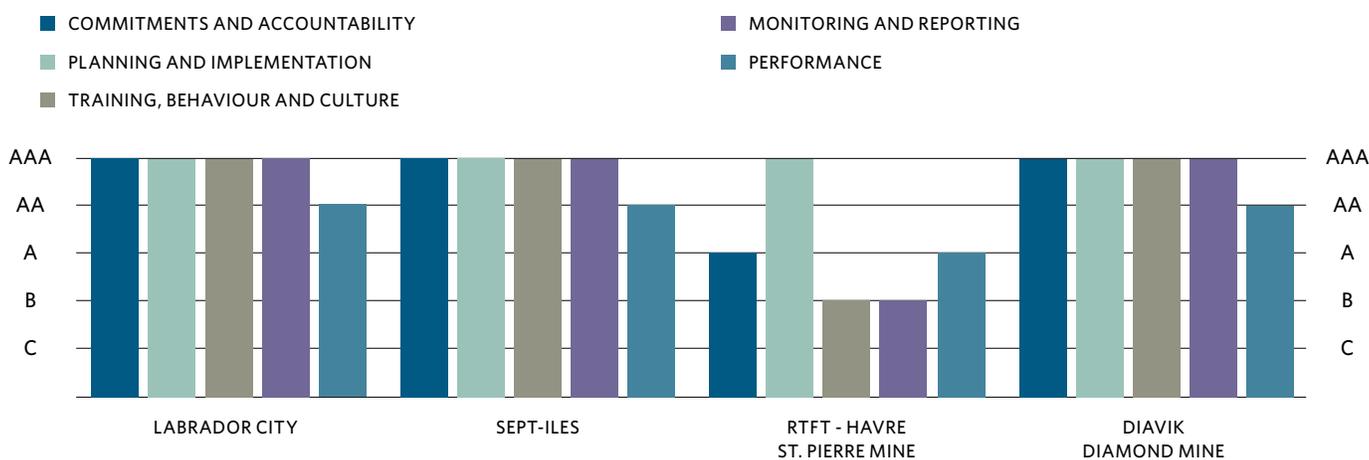
Crisis Management and Communications Planning Assessment

FACILITY	PREPAREDNESS	REVIEW	TRAINING
CORPORATE	✓	✓	✓
LABRADOR CITY	✓	✓	✓
SEPT-ILES	✓	✓	✓
RTFT - HAVRE ST. PIERRE MINE	✓	✓	✓
DIAVIK DIAMOND MINE	✓	✓	✓

Aboriginal and Community Outreach Assessment



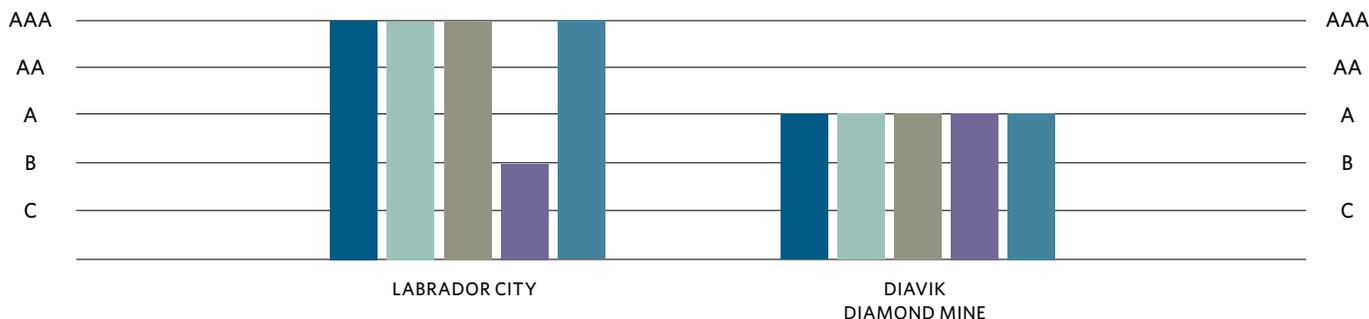
Safety and Health Assessment



Tailings Management Assessment

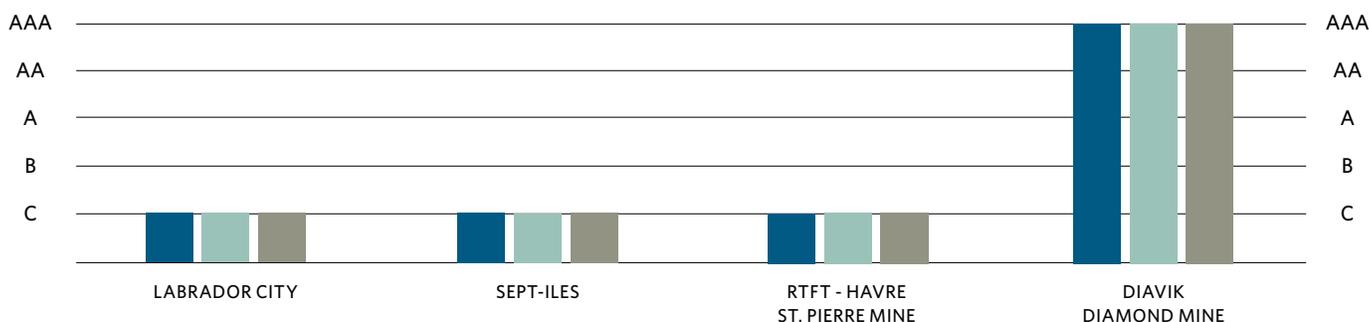
Externally Verified Results

- TAILINGS MANAGEMENT POLICY AND COMMITMENT
- TAILINGS MANAGEMENT SYSTEM
- ASSIGNED ACCOUNTABILITY AND RESPONSIBILITY FOR TAILINGS MANAGEMENT
- ANNUAL TAILINGS MANAGEMENT REVIEW
- OPERATION, MAINTENANCE AND SURVEILLANCE (OMS) MANUAL



Biodiversity Conservation Management Assessment

- CORPORATE BIODIVERSITY CONSERVATION POLICY, ACCOUNTABILITY AND COMMUNICATIONS
- FACILITY-LEVEL BIODIVERSITY CONSERVATION PLANNING AND IMPLEMENTATION
- BIODIVERSITY CONSERVATION REPORTING



Energy Use and GHG Emissions Management Assessment

- ENERGY USE AND GHG EMISSIONS MANAGEMENT SYSTEMS
- ENERGY USE AND GHG EMISSIONS REPORTING SYSTEMS
- ENERGY AND GHG EMISSIONS PERFORMANCE TARGETS

