

RIO TINTO

Schedule of Matters Reserved for Decision or Consideration by the Boards

Financial and Business Matters

- (i) Approval of interim and final financial statements.
- (ii) Dividend policy; approval of interim and recommendation of final dividends payable.
- (iii) Approval of any significant change in accounting policies or practices.
- (iv) Remuneration of auditors and recommendations for appointment or removal of auditors.
- (v) Approval of the annual operating budget; monitoring performance against budget.
- (vi) Annual finance plans and treasury policies (including foreign exchange exposures).
- (vii) Formulation of policy regarding charitable and political donations.
- (viii) Investment Committee proposals involving a financial commitment in excess of US\$250 million (or such greater amount determined by the Boards).
- (ix) Business strategy.
- (x) Proposed business ventures not in the ordinary course of the company's business.
- (xi) Capital issues; material changes relating to the company's capital structure of its status as a listed company.

Board/Directorate Matters

- (xii) Terms and conditions applicable to directors.
- (xiii) Succession planning for executive and non-executive directors.
- (xiv) Board appointments and removals.
- (xv) Constitution and terms of reference of Board Committees.
- (xvi) Reports of all meetings of Board Committees.
- (xvii) Appointment and removal of Company Secretary.

Public Reporting

- (xviii) Approval of all circulars, prospectuses and listing particulars.
- (xix) Where appropriate, approval of press releases concerning matters decided by the Boards.
- (xx) Approval of the annual report and accounts, including the directors' report.
Approval of Form 20-F.

Miscellaneous

- (i) Approval of rules for dealing in Rio Tinto shares.
- (ii) Calling of shareholders' meetings.
- (iii) Specific risk management policies including forward metal transactions.
- (iv) Major changes in the rules of company pension schemes and pension fund management arrangements. Appointment of directors of the pension trustee companies.
- (v) Major changes in employee share schemes; allocation of executive share options.
- (vi) Recommendation of any changes to the companies' Memorandum and Articles of Association and Constitution.
- (vii) Prosecution, defence or settlement of litigation material to the interests of the company.
- (viii) Environmental health and safety policy.
- (ix) Matters with significant social and environmental implications.
- (x) Issues with major reputational implications.
- (xi) Any change to the matters included in this schedule.

Notes

- (a) *The above schedule indicates those matters which the Boards specifically reserve to themselves. The schedule is not, however, exclusive and does not derogate from the Boards' overall duties and responsibilities.*
- (b) *The Boards may, at their discretion, delegate consideration and/or approval of any of the above matters to a Committee of the Boards specifically constituted for that purpose. Furthermore, the principal Board Committees, namely the Audit Committee, the Nominations Committee, the Remuneration Committee and the Committee on Social & Environmental Accountability shall consider and determine such matters for which they are responsible in accordance with their terms of reference in force from time to time.*

Procedure for Directors to obtain Independent Professional Advice

- (i) Subject to the following procedures, the directors of the company shall, both individually and collectively, have the right to consult the company's professional advisers and if necessary seek independent professional advice at the company's expense in the furtherance of their duties as directors of the company.
- (ii) A director shall give prior written notice to either the Chairman of the company or to the Chairman of the Audit Committee, at the director's discretion, with a copy of such notice to the Secretary, of his intention to seek independent professional advice under this procedure and shall provide the name(s) of any professional advisers he proposes to instruct together with a brief summary of the subject matter.
- (iii) A director obtaining independent professional advice shall arrange for the invoice in respect thereof to be submitted to the Secretary for payment by the company.
- (iv) Independent professional advice for the purposes of this procedure shall include legal advice and the advice of accountants and other professional financial advisers on matters of law, accounting and other regulatory matters, but shall exclude advice concerning the personal interest of the director concerned (such as his service contract with the company or his dealings in the company's securities or disputes with the company).
- (v) For the avoidance of doubt, the above procedures shall not apply to executive directors acting in furtherance of their executive responsibilities and within their delegated powers.